



FORM ADV PART 2A DISCLOSURE STATEMENT

May 1, 2023

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This brochure provides information about the qualifications and business practices of Holden Family Office, LLC and its registered investment adviser representatives. If you have any questions about the contents of this brochure, please contact us at (413) 427-0331 or sean@holdenfamilyoices.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Additional information about Holden Family Office, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number known as a CRD number. Holden Family Office, LLC's CRD number is 324597. Registration with the SEC does not imply a certain level of skill or training.

ITEM 2 MATERIAL CHANGES

This version of Part 2A of Form ADV (“Firm Brochure”) and Part 2B of Form ADV (“Supplement Brochure”), serves as our disclosure document for prospective and future clients. In the future, this Item 2 or a separate document will clearly discuss any material changes since the last annual update of this Firm Brochure. We expect to update this brochure no less than annually.

Full Brochure Available

We will provide a new version of the Firm Brochure as necessary when updates or new information are added, at any time, without charge. Request a complete copy of our Firm Brochure, by contacting us by telephone at (413) 427-0331 or by email at: [**sean@holdenfamilyoices.com**](mailto:sean@holdenfamilyoices.com).

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Item 4 **Advisory Business**

A. FIRM DESCRIPTION

Holden Family Office, LLC (“**HFO**” or the “**Firm**”) was founded in December 2022 as a Delaware limited liability company and maintains its principal place of business located in Delray Beach, Florida. Sean Meunier is the President and Chief Compliance Officer (“**CCO**”) of the Firm. As used in this brochure, the words "we," "our," and "us" refer to HFO and the words "you," "your," and "Client" refer to you as either a Client or prospective Client of our firm.

HFO is a wholly owned subsidiary of Holden Ventures, LLC. Sean Meunier is the managing member of Holden Ventures, LLC.

B. TYPES OF ADVISORY SERVICES

1. Investment Management Services

Separately Managed Accounts

HFO offers continuous and ongoing discretionary and non-discretionary investment management services for individuals, high net worth individuals, trusts, family offices, charitable organizations, corporations and other business entities through separately managed accounts (the “Managed Accounts” and together with the Funds, each a “Client” and collectively the “Clients”). Every Client signs an investment advisory agreement (“Client Agreement”), setting forth the relevant terms and conditions of the advisory relationship with us. HFO customizes the nature and scope of its services based on a particular Client’s current and anticipated financial condition, risk tolerance and goals, and these services may include consulting on portfolio construction, investment opportunities, hedging of existing assets and/or such other advisory services as HFO and such Client may agree. Information provided by the Client is also collected during meetings, interviews and/or by completing questionnaires. HFO will work with each Client to establish an appropriate investment profile.

After defining the Client’s appropriate investment profile, the investment strategy is implemented through a combination of investment products. Subject to Client’s investment profile (and restrictions, when applicable), HFO generally invests Client assets in stocks, bonds, money market funds and other cash products, exchange listed securities and securities traded over the counter, mutual fund shares and exchanged traded fund shares, hedge funds, venture capital and private equity shares, municipal securities, U.S. governmental securities, options contracts on securities, REITs, structured notes, and alternative non-traded private investments. In some instances, HFO may also invest in other securities that it deems appropriate to achieve Clients’ objectives. We expect Clients to inform us of any changes to their financial circumstances, investment objectives or risk tolerance, or of any modifications or restrictions that should be imposed on the management of the Client's assets. In this manner, we can better serve our Clients' needs.

Discretionary investment management services are provided under a limited power of attorney permitting HFO to buy and sell securities on Client's behalf, which are maintained with a qualified custodian. Clients may impose reasonable restrictions on investing in certain securities, types of securities or industry sectors, if a Client provides clear, written directions to that effect. Clients should be aware that performance of restricted accounts may differ from performance of accounts without such impediments, possibly producing lower overall results. Authorization pursuant to the Client Agreement to manage Client's assets in a discretionary basis shall remain in full force and effect until revoked by the Client in writing.

HFO also provides investment advisory services to Managed Accounts on a non-discretionary basis, meaning Client consent must be granted prior to each transaction and the Client has an unrestricted right to decline to implement any advice provided by HFO. Requests for approval will be communicated via electronic mail to an authorized account or via a telephone call to an authorized phone number. The Client will be responsible for responding in a timely manner. Upon the Client's approval of any recommendation, HFO will arrange for effecting the securities transactions recommended.

Based upon the stated investment objectives, guidelines and risk profile of the Client, as well as any restrictions considered for the management of the Account, the Firm may recommend and utilize for certain clients the active discretionary management of all or a portion of their assets by certain investment managers that are not affiliated with the Firm ("Independent Managers"). Prior to selecting an Independent Manager for a client, the Firm conducts due diligence concerning the Independent Manager through assessing overall strategy, credentials, and performance, methods or analysis, advisory fees, other fees, assets under management, and the Client's financial objectives and risk tolerance.

The Firm will provide ongoing monitoring of the investment performance of the Independent Managers and is authorized to add, terminate or change Independent Managers at any time when, in Firm's sole discretion, it is determined that such action is in the best interests of a client. Independent Managers have discretion over certain account assets and the responsibility to implement personalized investment advice to the Client. Clients should review any selected Independent Manager's Form ADV filing for a complete description of the Investment Manager.

Each third-party money manager maintains a separate disclosure document that will either be provided directly to the Client from the third-party money manager or by HFO based on the terms of our agreement with the third-party manager. The Client should carefully review the third-party money manager's disclosure document for information regarding fees, risks, investment strategies, and conflicts of interest. The third-party money manager will charge fees to the Client, which fees will be in addition to the fees charged by HFO.

Holden Capital, LP

In addition to advising Managed Accounts, HFO provides investment advisory services on a discretionary basis to its domestic fund, not registered under the Investment Company Act of 1940, as amended, Holden Capital, LP (the "Fund"). As the investment manager to the Fund, HFO is responsible for: (a) the formulation and implementation of the Fund's

investment strategy; (b) evaluating and monitoring investments made by the Fund; and, (c) making all investment decisions for the Fund.

Holden Capital, LLC (“Holden Capital” or the “General Partner”), an affiliate of HFO is the General Partner of the Fund. Both the General Partner and the Firm are controlled by Sean Meunier. As General Partner, Holden Capital, LLC is solely responsible for the management of the Fund.

HFO provides investment advisory services to the Fund based on the investment objectives of the Fund. This document is not an offer to sell or a solicitation of an offer to buy Interests in the Fund. Such an investment may be made only after receipt and review of the Fund’s Confidential Private Placement Memorandum and execution of certain agreements (collectively the “Governing Documents”). The Governing Documents also contains important information concerning risk factors and other material aspects of the Fund and it must be read carefully before making an investment decision. The information in this document is qualified in its entirety by, and should be read in conjunction with, the information contained in the Governing Documents. A copy of the Governing Documents is available upon request to HFO to persons meeting the definitions of both accredited investor within the meaning of SEC Regulation D promulgated under the Securities Act and a qualified client as that term is defined in Rule 205-3 under the Advisers Act.

2. Other Services

From time to time, as agreed between the Client and HFO, HFO may also provide other services described below. In connection with the other services, HFO does not provide written reports, unless requested to do so. In addition, HFO does not have discretion to implement or execute any recommendation, plan or strategy in connection with any of the other services described below.

a. Consolidation and Reporting Services. HFO provides Clients with written consolidated portfolio reports tailored to Client specifications and can include one or more bank accounts, financial assets, real estate, works of art or any other asset class. HFO also prepares cash flow statements highlighting inflows and outflows (return, expenses, investments) for any given period. The cash flow statement helps tracking performance, monitor and control costs and can be used as a tool for financial planning and budgeting. HFO uses third party software to prepare portfolio consolidated statements and related reports. The third-party software employed may use a different pricing than what is used by the Client’s custodian thus producing different portfolio values. We encourage Clients using this service to rely on their statement and use HFO’s reports as an additional tool to assist in validating said portfolio values. The statements issued by the Clients’ custodians are official and will prevail over the reports issued by HFO.

b. Family Office and Governance Services. HFO’s family office and governance services are designed to protect assets and manage succession of wealth and liquidity, and to assist Clients with the administration of alternative private assets. Such services include but may not be limited to the following:

HFO provides assistance with estate planning development in order to address efficient transfer/bequest of assets, provision of income to family members or other beneficiaries, payment of taxes and other obligations and other relevant matters.

HFO provides assistance with education planning by reviewing the educational needs for the Client and his or her family, along with planning for educational expenses.

HFO provides assistance with insurance planning and risk management by evaluating the Client's insurance needs and reviewing insurance policies and the like.

HFO provides administration services whereby HFO will introduce and/or recommend Clients to banks, attorneys, CPAs and other professionals from our network in various countries and will act as a liaison by coordinating, managing and overseeing the process by which advice is provided to Clients from such third parties. In addition, HFO provides assistance on the structuring of shipping/aircraft loans, monitoring of insurance policies and administration of other assets including artwork, jewelry, boats and aircraft.

HFO provides real estate consulting services whereby HFO assists Clients with developing real estate financing strategies, structuring of real estate purchases and assistance with identifying suitable real estate for purchase.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) may be recommended to Clients or engaged directly by the Client on an as-needed basis. Conflicts of interest related to recommendations of other professionals will be disclosed to the Client in the event they should exist.

c. HFO may also offers free resources such as informational and educational videos, courses and articles which are published periodically through our website and are publicly available without a paid subscription.

C. TAILORED RELATIONSHIPS

HFO provides investment advisory services based on the Client's investment objectives. Investors in the Fund are limited partners (the "Limited Partners"). HFO does not provide tailored investment advice to the Limited Partners in the Fund unless they have a Managed Account with the Firm.

D. ASSETS UNDER MANAGEMENT

As of April 12, 2023, HFO has no assets under management .

E. WRAP FEE PROGRAMS

HFO does not participate in and is not a sponsor of wrap fee programs.

Wrap fee programs are arrangements between broker-dealers, investment advisers, banks, and other financial institutions and affiliated and unaffiliated investment advisers through which Clients of such firms receive discretionary investment advisory, execution, clearing, and custodial services in a "bundled" form. In exchange for these "bundled" services, Clients pay an all-inclusive (or "wrap") fee determined as a percentage of the assets held in the wrap account.

Item 5 Fees and Compensation

A. ADVISORY FEES AND BILLING

HFO's compensation from Clients may take the form of (1) a fee based on a percentage of the Client's assets under management (the "Management Fee"); (2) a flat fee; (3) an hourly fee; and/or (4) performance-based fee (as discussed in Item 6 below) (collectively, the "Fees").

Management Fee compensation is derived as fee income based upon the percentage of assets under management. The annualized Management Fee is based on the following fee schedules:

Managed Accounts

For Managed Accounts, HFO generally charges a Management Fee of 1- 2% per annum for assets under management. The specific manner in which fees are charged by HFO is established in each Client Agreement. Fees are calculated and billed monthly in advance based upon the average market value of all assets under management on the last calendar day of each month of the previous calendar month, including cash balances. The average market value will then be multiplied by the annual fee divided by twelve. There is a minimum fee requirement applied to all Managed Accounts. On a monthly basis, you will be charged, the greater of the fee charged in accordance with the Client Agreement or \$1,666.67(not to exceed 2% annually).

We will deduct our fee directly from your designated custodial account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when (1) you have given HFO written authorization permitting the fees to be paid directly from your account and (2) the qualified custodian has agreed to deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account, including the amount of any advisory fees paid directly to HFO. You should review all statements for accuracy. Refer to the Brokerage Practices section below for additional disclosures.

The specific manner in which Fees are charged in respect of each Managed Account is established in the Client Agreement between HFO and the applicable Client and may be negotiated based on a variety of factors, including, but not limited to, the size, composition and complexity of the Managed Account, length and nature of HFO's relationship with the Client, or other factors deemed relevant by HFO. Fees payable in respect of each Managed Account may be reduced or waived at the discretion of HFO.

The Client may make additions to and withdrawals from their account[s] at any time, subject to the Firm's right to terminate the account[s]. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept securities into a client's account. If there are significant managed assets deposited into or withdrawn from an account during the month, the fee payable with respect to such managed assets may be adjusted in the next month to reflect the fee difference for which those managed assets were under the Firm's management. Note, the Firm's methodology for determining the fee adjustment is on a per account basis and netting all billable securities and cash deposits/withdrawals that settle in the account. The Client may be charged a prorated fee in the event that the Client's service is initiated or terminated on a day other

than the first or last business day of a calendar month, respectively. Additionally, the unused pro rata portion of any fee paid in advance will be promptly refunded in the event of the termination of the Client Agreement prior to the end of a calendar month.

The net asset value of Client's account is based on information received from the Clients' custodians, and as agreed to with each Client. Fees are calculated by the Firm or its delegate and deducted from the Client's account[s] at the Custodian. The Firm or its delegate shall send an invoice, file, or other acceptable form of request to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the end of the respective calendar month.

Financial Planning – Financial planning services are charged in arrears through an hourly arrangement as agreed upon between the client and Holden Family Office, LLC. There will never be an instance where \$500 or more in fees is charged six or more months in advance. Fees are negotiable and vary depending upon the complexity of the client situation and services to be provided. Hourly fees range from \$400 - \$600 per hour, depending on what is negotiated between HFO and the client. Similar financial planning services may be available elsewhere for a lower cost to the client. An estimate for total hours and charges is determined at the start of the advisory relationship. Invoices are payable when rendered. If any invoice is not paid in full within 30 days, we reserve the right to charge interest upon the unpaid balance, from the date the invoice is rendered until the date it is paid, at the maximum lawful rate of interest.

Typically, clients will be invoiced monthly for all time spent by HFO as agreed upon by client or upon completion of the services if less than a month. Clients who wish to terminate the planning process prior to completion may do so with written notice. The client may obtain a refund of any pre-paid fee if the advisory contract is terminated before the end of the billing period by contacting Sean Meunier at (413) 427-0331. Upon receipt of written notification, any earned fee will immediately become due and payable, and any prepaid and unearned fees will be immediately refunded. A client may terminate an advisory agreement without being assessed any fees or expenses within five (5) days of its signing.

Private Fund

For the Fund, the Investment Manager has elected to not be paid a management fee. Accordingly the Management Fee is 0.0%. Neither the General Partner nor any Limited Partner affiliated with the General Partner shall be charged a Management Fee. All Limited Partners and prospective Limited Partners should review the Governing Documents of the Fund in conjunction with this brochure for complete information on the Fees and expenses related to the Fund.

Family Office Services

For family office services, HFO's fees generally range between .25% to .50% of the value of the assets under administration or estate, as applicable. Usually, the higher the value of the assets under administration or the estate, the lower the fee percentage charged by HFO. For certain family office services, HFO may charge flat fees, ranging from \$25,000-\$1,000,000 a year. Fees are generally payable monthly, in advance, at the beginning of each month and/or as agreed upon with the Client. Fees may be negotiable based on the nature and complexity of the services to be provided and the overall relationship with the Firm. Family office fees

are invoiced by the Firm and due upon receipt of the invoice or as otherwise agreed upon between the Client and HFO.

HFO may, in its discretion, waive or discount fees for any of the services provided by HFO with respect to any Client. Our fees may also be negotiable; therefore, arrangements with existing Clients may differ. In all such cases, the relevant fees and terms of payments will be clearly set forth in the Agreement.

Either party may terminate the Client Agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the Client Agreement within five (5) business days of signing the Client Agreement at no cost to the Client if the Client first received this Brochure at the time of signing. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Client Agreement with the Firm is non-transferable without the Client's prior consent.

B. OTHER FEES AND EXPENSES

The Fund may and, in certain circumstances, will bear all ordinary operating and other expenses, including but not limited to, legal, accounting, bookkeeping, tax, auditing and other professional expenses, fees paid to an administrator and other administration expenses, research and trading expenses, software expenses, and investment expenses such as commissions, interest on margin accounts and other indebtedness, custodial fees, bank service fees and other expenses related to the purchase, sale or transmittal of Fund assets, and other similar expenses related to the Fund. Please see the Governing Documents for a complete description of fees and expenses.

A Client should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees. A Client may pay more or less fees than similar Clients depending on various factors, including, among others, amount of assets under management, additional or differing levels of servicing or as otherwise agreed with specific Clients. Clients that negotiate fees, may end up paying a higher fee than that set forth above as a result of fluctuations in the Client's assets under management and account performance.

Our fees are exclusive of brokerage commissions, transaction fees, independent manager fees, and other related costs and expenses that may be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, 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. Mutual funds, exchange traded funds and private funds also charge internal fees, which are disclosed in a fund's prospectus.

As part of our investment advisory services to you, we may invest, or recommend that you invest, in shares of registered investment companies, exchange traded funds ("ETFs"), private funds, and/or other private investments. You should be aware that such companies/investments typically assess a management fee to investors and, in certain cases, may charge administrative, servicing and/or other fees, including performance fees. Any fees

paid to such companies or their affiliates are separate and in addition to our advisory fees, which are disclosed in a fund's offering documents. You should therefore be aware that you will be paying a higher fee on these assets. To fully understand the total cost you will incur, you should review all the fees charged by our Firm, mutual funds, exchange traded funds, private funds and others.

Independent Managers charge their own fees that are in addition to HFO's fees. Fees for the Independent Managers generally are debited from client accounts and paid directly to the Independent Managers, respectively. These fees vary based on the amount of assets under management and other factors, such as asset class. Independent Manager fees may also be paid directly by HFO. Either way, this will result in additional charges or increased fees to Clients. However, this arrangement, may affect the Firm's willingness to negotiate below its standard fees, and therefore, may affect the overall fees the client pays. Compensation for any such services with respect to any account assets will be disclosed in a client consent and acknowledgment form which shall disclose the compensation to be received by the Independent Manager. Please also refer to the disclosure documents from the Independent Managers for details on their fee schedules.

HFO does not charge Clients any setup or termination fees.

C. REFUND AND TERMINATION POLICY

For the Fund, Each Limited Partner may withdraw all or a portion of his capital account in the Partnership as of the last business day of any calendar year and for the following 14 days (a "Withdrawal Date"). Upon not less than 30 days' prior written notice to the General Partner. However, if a Limited Partner withdraws all or a portion of his capital account on a Withdrawal Date occurring prior to the one year anniversary of the Limited Partner's initial investment in the Fund, then the withdrawal will be subject to a withdrawal fee payable to the General Partner equal to six percent (6%) of the withdrawal proceeds. A withdrawal fee may be waived by the General Partner in its sole discretion. See Governing Documents for Withdrawal by Partners.

For Managed Accounts, Clients may cancel the Client Agreement without penalty, for a full refund, within the first five days of signing the Client Agreement. Otherwise, Client may terminate the Client Agreement upon (30) thirty days written notice to our Firm prior to the end of any calendar month, and Client is responsible for payment of services rendered through the end of that calendar month. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

D. OTHER COMPENSATION

Neither HFO nor any of its Supervised Persons accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Item 6 Performance-based Compensation & Side-by-Side Management

A. PERFORMANCE-BASED COMPENSATION

Performance-based compensation may create an incentive for an advisor to recommend an investment that may carry a higher degree of risk to the Client. Performance-based compensation may only be charged on the accounts of qualified Clients.

A qualified Client is

- (i) a natural person who, or a company that, immediately after entering into the contract has at least \$1,100,000 under the management of the investment adviser;
- (ii) a natural person who, or a company that, the investment adviser entering in the contract (and any person acting on his behalf) reasonably believes, immediately prior to entering into the contract either
 - a. has a net worth (together, in the case of a natural person, with assets jointly held with a spouse) of more than \$2,200,000.
 - b. is a qualified purchaser as defined by the Investment Act of 1940 or
- (iii) a natural person who immediately prior to entering into the Client Agreement is
 - a. an executive officer, director, trustee, general partner, or person serving in a similar capacity, of the investment adviser; or
 - b. an employee of the investment adviser (other than an employee performing solely clerical, secretarial or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

As stated on Item 5(A) above, HFO and/or the General Partner may also engage in performance-based fee arrangements, which are fees based on a share of the capital gains or capital appreciation of the Client's assets. The performance-based fee arrangement is based on the following fee schedules:

Holden Capital, LP

The General Partner is entitled to receive a performance-based fee in an amount equal to 25% of the net profits. General Partner's performance-based fee will be based on the net profits allocated to such Limited partner on an annual basis, net of all expenses, during the relevant period. However, if a Limited Partner has any prior net losses allocated to him for any previous calendar year, the General Partner will not be allocated the performance-based fee from that Limited Partner for any subsequent calendar year until such time as, and only

to the extent that, the cumulative net profits allocated to such Limited Partner exceeds such prior allocated net losses. This provision is also known as a “High Water Mark.”

The General Partner in its discretion may waive or reduce the performance-based fee chargeable to any Limited Partner or reallocate any portion of its performance-based fee to any Limited Partner, without notice to or action by the Limited Partners; provided, however, that no such waiver or reduction may increase the amount thereof to be borne by any other Limited Partner.

Managed Accounts

HFO may also receive performance-based fees from its qualified Clients, as permitted by applicable regulations, ranging from 15%-25% for mark to market profit & loss (positive or negative) of Client’s Account(s) at the end of the calendar quarter. If the accumulated performance fee calculation is negative at the end of the calendar quarter; no fee will be charged. The performance based fee is subject to a High Water Mark, which is the highest value the Client’s Account(s) has achieved, such that HFO shall not be entitled to a performance based fee during any period unless the Client’s Account(s) value is above the high water mark, with a look back period of one calendar quarter. A loss in any calendar quarter will decrease the cumulative loss recorded to date. HFO will not charge a performance based fee as long as a cumulative loss exists, until such time as, and only to the extent that the cumulative net profits allocated to such Client exceeds such prior allocated net losses. Any loss will be pro-rated for any withdrawals during the prior calendar quarter.

HFO’s performance-based compensation is structured to comply with Florida regulation 69W-600.0131 and in accordance with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) and other applicable provisions of federal and state laws.

Performance-based compensation charged to Managed Accounts may be waived, reduced or negotiated at the sole discretion of HFO.

B. SIDE-BY-SIDE MANAGEMENT

“Side-by-Side Management” refers to a situation in which the same adviser manages accounts that are billed based only on a percentage of assets under management and at the same time manages other accounts for which fees are performance-based.

HFO faces a conflict of interest to the extent that it manages an account for which it receives a performance-based compensation at the same time as it manages other accounts for which HFO receives lower performance-based compensation or does not receive performance-based compensation and only receives the Management Fee. A performance-based compensation arrangement generally entitles an investment adviser to additional compensation if the performance of an account bearing the performance-based compensation exceeds the established high-water mark. HFO has the potential to receive higher compensation from an account for which is it paid a performance-based compensation than for an account that is charged a lower performance-based compensation or strictly a Management Fee.

HFO may have an incentive to favor accounts or take increased investment risk on behalf of accounts for which it receives a performance-based compensation because it could receive

greater compensation from such accounts than those that do not provide for the performance-based compensation and is only compensated through the Management Fee.

HFO has implemented certain policies and procedures to address these conflicts of interest, including policies designed to ensure allocation of trades and securities to Client accounts on a fair and equitable basis. HFO will not unfairly favor certain accounts (such as accounts paying performance fees) over others when allocating investment opportunities. Please see Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading for further details.

Item 7 Types of Clients

HFO's advisory Clients includes a domestic private fund that is exempt from registration under the Investment Company Act of 1940, as amended. Fund Interests ("Interests") are being offered under the 3(c)(1) exemption of the Investment Company Act for investment by up to one hundred (100) persons who are "accredited investors" as defined in Rule 501(a) of Regulation D under the federal Securities Act of 1933 ("Securities Act"). The Interests will not be registered under the Securities Act or the securities laws of any state.

HFO also provides discretionary and non-discretionary advisory services to individuals, high net worth individuals, trusts, family offices, charitable organizations, corporations and other business entities through Managed Accounts.

HFO generally does not impose a minimum size for establishing a relationship to open a Managed Account. Limited Partners in the Fund are generally subject to a minimum investment requirement of \$50,000. However, it is at the discretion of HFO or the General Partner of the Fund to negotiate or waive such minimum amounts.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

A. METHODS OF ANALYSIS

In addition to a specific or stand-alone method of analysis, HFO may use one or more of the following methods of analyses or investment strategies for evaluating different types of investments or independent managers when providing investment advice to Clients, subject to the Clients' investment objectives, risk tolerance, time horizons and stated guidelines:

- Fundamental Analysis. HFO attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.
- Qualitative Analysis. This type of analysis attempts to subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of

research and development factors not readily subject to measurement and predict changes to share price based on that data. A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

- Mutual Fund and/or ETF Analysis. This type of analysis attempts to look at the experience and track record of the manager of the mutual fund or exchange traded fund (ETF) in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. This analysis also looks at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund[s] in the Client's portfolio. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the Client may purchase the same security, increasing the risk to the Client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding[s] less suitable for the Client's portfolio.

HFO periodically performs research and analysis of select investments and independent managers that we may use in making investment recommendations to our Clients. HFO's analysis methods rely on the assumption that the investment vehicles which we recommend for our Clients, the companies whose securities we purchase and sell on behalf of our Clients, the rating agencies that review these securities, and other publicly or privately available sources of information about these securities, are providing accurate, timely and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate, misleading, or untimely information. This is an ongoing risk regarding all the strategies discussed below.

For assets managed by Independent Managers, HFO will conduct an initial due diligence and ongoing monitoring of the Independent Manager's continued qualifications, investment strategy, suitability and performance as it pertains to the client's assets.

B. INVESTMENT STRATEGIES

In working with each Client to develop a recommended investment strategy, HFO first reviews factors such as the Client's investment objectives, risk tolerance and time horizon. HFO next develops a portfolio designed to accomplish the Client's goals with the risk tolerance appropriate to the Client. HFO is mainly focused on investing with the ideology of being a part owner in each underlying security. We are dedicated to buying securities available at fair prices in relation to qualitative and intrinsic values. If the underlying company has a good business model, quality management, and can retain its competitive advantage, then these investments may be held for several years. HFO believes in letting the long-term benefit of compound interest generate profitable returns for their Clients.

HFO may utilize a range of investment strategies to implement the advice given to Clients including long-term purchases, short-term purchases, trading, short sales, margin

transactions, and option strategies including covered options, uncovered options and spreading strategies.

MATERIAL RISKS OF METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

These investment styles, methods, strategies and investment involve risk of loss of your investment. You should be aware that past performance of any security is not necessarily indicative of future results. Therefore, you should not assume that future performance of any specific investment or investment strategy will be profitable. HFO does not provide any representation or guarantee that Client goals will be achieved. Further, depending on the different types of investments, there may be varying degrees of risk. The value of your investment may be affected by one or more of the following risks, any of which could cause the Client's portfolio's return, the price of the portfolio's shares or the portfolio's yield to fluctuate:

- ❖ **General Economic and Market Conditions.** The success of a Client's investment account will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Client's investments), and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of securities prices and the liquidity of the Client's investments. Volatility or illiquidity could impair the Client's profitability or result in losses. The Client may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets, the larger the positions, the greater the potential for loss.
- ❖ **Market Volatility and Economic Instability.** The value of your portfolio's assets will fluctuate as the stock or bond market fluctuates. The value of your investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market. The prices of financial instruments in which the Firm may invest can be highly volatile. Price movements of forward and other derivative contracts in which the Client's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Client subject to the risk of failure of any of the exchanges on which its positions trade or of their clearinghouses. In addition, the U.S. and other national economies have recently undergone significant disruptions, and future economic conditions are uncertain. Both market and economic conditions and events may be expected to have an impact (potentially adverse) on the profitability of the Client's portfolio.
- ❖ **Equity Securities.** The value of the equity securities held by the Client are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential

for long-term growth, equity securities are more volatile and riskier than some other forms of investment.

- ❖ **Debt and Other Income Securities.** The Client may invest in fixed-income and adjustable rate securities. Income securities are subject to interest rate, market and credit risk. Interest rate risk relates to changes in a security's value as a result of changes in interest rates generally. Even though such instruments are investments that may promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. In general, the values of fixed income securities increase when prevailing interest rates fall and decrease when interest rates rise. Because of the resetting of interest rates, adjustable rate securities are less likely than nonadjustable rate securities of comparable quality and maturity to increase or decrease significantly in value when market interest rates fall or rise, respectively. The debt securities in which the Client may invest are not required to satisfy any minimum credit rating standard and may include instruments that are considered to be of relatively poor standing and have predominantly speculative characteristics with respect to capacity to pay interest and repay principal.
- ❖ **Credit Risk.** An issuer or guarantor of a fixed-income security, or the counterparty to a derivatives or other contract, may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default causing a loss of the full principal amount of a security. The degree of risk for a particular security may be reflected in its credit rating. There is the possibility that the credit rating of a fixed-income security may be downgraded after purchase, which may adversely affect the value of the security.
- ❖ **Municipal Bond Risk.** Municipal securities issuers may face local economic or business conditions (including bankruptcy) and litigation, legislation or other political events that could have a significant effect on the ability of the municipality to make payments on the interest or principal of its municipal bonds. In addition, because municipalities issue municipal securities to finance similar types of projects, such as education, healthcare, transportation, infrastructure and utility projects, conditions in those sectors can affect the overall municipal bond market. Furthermore, changes in the financial condition of one municipality may affect the overall municipal bond market. The municipal obligations in which Clients invest will be subject to credit risk, market risk, interest rate risk, credit spread risk, selection risk, call and redemption risk and tax risk, and the occurrence of any one of these risks may materially and adversely affect the value of the Client's assets or profits.
- ❖ **High-Yield Securities.** The Client may invest in high-yield securities. Such securities are generally not exchange traded and, as a result, these instruments trade in a smaller secondary market than exchange-traded bonds. In addition, the Client may invest in bonds of issuers that do not have publicly traded equity securities, making

it more difficult to hedge the risks associated with such investments. It is possible that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is possible that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default of such securities.

- ❖ **Small- and Medium-Capitalization Stocks.** The Client may invest its assets in stocks of companies with smaller market capitalizations. Small- and medium-capitalization companies may be of a less seasoned nature or have securities that may be traded in the over-the-counter market. These “secondary” securities often involve significantly greater risks than the securities of larger, better-known companies. In addition to being subject to the general market risk that stock prices may decline over short or even extended periods, such companies may not be well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. Additionally, stocks of such companies may be more volatile in price and have lower trading volumes than larger capitalized companies, which results in greater sensitivity of the market price to individual transactions.
- ❖ **Over-the-Counter Trading.** HFO may purchase or sell instruments for a Client not traded on an exchange. Over-the-counter instruments, unlike exchange traded instruments, are two-party contracts with price and other terms negotiated by the buyer and seller. The risk of nonperformance by the obligor on such an instrument is greater and the ease with which the Client can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange-traded instrument. In addition, significant disparities may exist between the bid and asked prices for such instruments. Over-the-counter instruments are also not subject to the same type of government regulation as exchange-traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with such transactions
- ❖ **Exchange Traded Funds.** The Client may invest in a type of investment company called an exchange-traded fund (“ETF”). ETFs are a type of investment security, representing an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses.

- ❖ **ETNs.** The Firm may invest in Exchange-traded notes (“ETN”). ETN’s are types of unsecured debt securities that track an underlying index of securities and trade on a major exchange like a stock. ETNs are similar to bonds but do not have interest payments. Instead, the prices of ETNs fluctuate like stocks.
- ❖ **Derivative Investments.** Derivatives are financial contracts whose value depends on, or is derived from, an underlying product, such as the value of a securities index. The risks generally associated with derivatives include the risks that: (1) the value of the derivative will change in a manner detrimental to the Client; (2) before purchasing the derivative, the Firm will not have the opportunity to observe its performance under all market conditions; (3) another party to the derivative may fail to comply with the terms of the derivative contract; (4) the derivative may be difficult to purchase or sell; and (5) the derivative may involve indebtedness or economic leverage, such that adverse changes in the value of the underlying asset could result in a loss substantially greater than the amount invested in the derivative itself or in heightened price sensitivity to market fluctuations. Derivatives markets can be highly volatile. The profitability of investments by the Client in the derivatives markets depends on the ability of the Firm to analyze correctly these markets, which are influenced by, among other things, changing supply and demand relationships, governmental, commercial and trade programs and policies designed to influence world political and economic events, and changes in interest rates.
- ❖ **Options.** The Firm will utilize options in furtherance of its investment strategy. Options positions may include long positions, where the Client is the holder of put or call options, as well as short positions, where the Client is the seller (writer) of an option. Although option techniques can increase investment return, they can also involve a relatively higher level of risk. The writing (selling) of uncovered options involves a theoretically unlimited risk of a price increase or decline, as the case may be, in the underlying security. The expiration of unexercised long option positions effectively results in loss of the entire cost or premium paid for the option. Option premium costs, as well as the cost of covering options written by the Client, can reduce or eliminate position profits or create losses as well. The Client’s ability to close out its position as a purchaser of an exchange-listed option is dependent upon the existence of a liquid secondary market on option exchanges. On occasion the Client may also utilize options, particularly in foreign markets, which may have limited liquidity.

The seller (“writer”) of a call option which is covered assumes the risk of a decline in the market price of the underlying security or other instrument below the purchase price of the underlying instrument, less the amount of premium received by the seller, and forgoes the opportunity for gain on the underlying instrument above the exercise price of the option. The buyer of a call option assumes the risk of losing its entire investment (the premium paid) in the call option. If the buyer of a call option sells

short the underlying security or other instrument, a loss on the call option itself may be offset, in whole or in part, by any gain on the short sale of the underlying position.

The seller (“writer”) of a put option which is covered assumes the risk of an increase in the market price of the underlying security or other instrument above the sales price (in establishing the short position) of the underlying instrument, plus the premium received by the seller, and forgoes the opportunity for gain on the underlying instrument below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment (the premium paid) in the put option. If the buyer of a put option holds a long position in the underlying security or other instrument, a loss on the put option itself may be offset, in whole or in part, by any gain on the underlying position.

If the Client desires to sell a particular security from its portfolio on which it has written a call option, or purchased a put option, it may seek to execute a closing transaction prior to, or concurrently with, the sale of the security. There is no assurance that the Client will be able to execute such closing transactions at a favorable price. If the Client cannot enter into such a transaction, it may be required to hold a security that it might otherwise have sold, in which case it would continue to be at market risk on the security.

The Client’s ability to close out its position as purchaser of an exchange-listed option is dependent upon the existence of a liquid secondary market on an exchange. Among the possible reasons for the absence of a liquid secondary market on an exchange are: (i) insufficient trading interest in certain options; (ii) restrictions on transactions imposed by an exchange; (iii) trading halts, suspensions or other restrictions imposed with respect to particular classes or series of options or underlying securities; (iv) interruption of the normal operations on an exchange; (v) inadequacy of the facilities of an exchange or the options clearinghouse to handle current trading volume; or (vi) a decision by one or more exchanges to discontinue the trading of options (or a particular class or series of options), in which event the secondary market on that exchange (or in that class or series of options) would cease to exist, although outstanding options on that exchange would generally continue to be exercisable in accordance with their terms.

Portfolio Funds. Allocating a portion of the Client’s assets among a group of registered investment companies, private investment funds, the Client will indirectly bear the fund’s proportionate share of any management fees, performance-based compensation and other expenses paid by such portfolio funds in which the Client invests in addition to the management fee charged by the fund and fund expenses. The Client will be dependent upon the expertise and abilities of the portfolio managers of the portfolio funds in which it invests. No assurance can be given that

the strategy or strategies utilized by a given portfolio fund will be successful under all or any future market conditions. There can be no guarantee of future performance and there is no assurance that the portfolio funds will be able to achieve their investment objectives or be profitable. The Client may also be negatively affected by adverse price movements of significant positions held by one or more of the portfolio funds. Certain portfolio funds may invest in securities that are subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such securities tend to be volatile and a portfolio fund may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over the counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

- ❖ **Real Estate Related Securities Risk.** Investing in real estate related securities includes, among others, the following risks: possible declines in the value of real estate; risks related to general and local economic conditions, including increases in the rate of inflation; possible lack of availability of mortgage funds; overbuilding; extending vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from cleanup of, and liability to third parties for damages resulting from environmental problems; casualty or condemnation losses; uninsured damages from floods, earth quakes or other natural disasters; limitations on and variations in rents; and changes in interest rates. Investing in Real Estate Investment Trusts (“REITs”) involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs are dependent upon management skills, are not diversified, and are subject to heavy cash flow dependency, default by borrowers and self-liquidation.
- ❖ **Interest Rate Risk.** Changes in interest rates will affect the value of your portfolio’s investments in fixed-income securities tend to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations.
- ❖ **Concentration of Investments.** The Client’s investment portfolio may, at times, be confined to the securities of relatively few issuers. Any concentration necessarily increases the degree of exposure to a variety of issuer-related, industry or market risks. By concentrating investments in a small number of large security positions relative to Client capital, a loss in any such position could materially reduce the Client’s performance asset base, to the extent not offset by other gains.
- ❖ **Leverage; Interest Rates; Margin.** The Firm expects to utilize leverage, on behalf of Clients, on a moderate basis, as the Firm considers appropriate, primarily for investment purposes to increase investment positions or to make additional investments. Leverage may be employed by means of conventional margin

arrangements, or through options, swaps, forwards and other derivative instruments (i.e., so called “synthetic” leverage).

While leverage (including the use of derivatives) presents opportunities for increasing the Client’s portfolio total return, it has the effect of potentially increasing losses as well. Accordingly, any event that adversely affects the value of an investment, either directly or indirectly, could be magnified to the extent that leverage is employed. The effect of the use of leverage by the Firm in a market that moves adversely to the investments of the entity employing the leverage, could result in a loss to the Client that would be greater than if leverage were not employed by the Firm. In addition, to the extent that the Firm borrows funds, the interest cost at which the Firm can borrow will affect the Client’s portfolio total return.

The use of short-term margin borrowings by the Firm may result in certain additional risks to the Client. For example, should the securities that are pledged to brokers to secure the Client’s margin accounts decline in value, or should brokers from which the Firm has borrowed increase their maintenance margin requirements (i.e., reduce the percentage of a position that can be financed), then the Client could be subject to a “margin call,” pursuant to which the Client must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The broker will typically have the right to liquidate the Client’s portfolio in certain circumstances. In the event of a precipitous drop in the value of the assets of the Client portfolio, the Firm might not be able to liquidate assets quickly enough to pay off the margin debt and might suffer mandatory liquidation of positions in a declining market at relatively low prices. Similar risks may arise in connection with longer-term borrowings and certain derivative transactions.

- ❖ **Short Selling.** Short selling involves selling securities that are not owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Fund of buying those securities to cover the short position. There can be no assurance that the Firm will be able to maintain the ability to borrow securities sold short. There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Lastly, even though the Firm will secure a “good borrow” of the security sold short at the time of execution, the lending institution may recall the lent security at any time, thereby forcing the Firm to purchase the security at the then-prevailing market price, which may be higher than the price at which such security was originally sold short by the Firm.
- ❖ **Hedging Strategies.** The Firm may employ certain hedging techniques. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in

the values of portfolio positions, or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the overall portfolio value. Such hedge transactions, however, also limit the opportunity for gain if the value of the portfolio position should increase. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio position being hedged may vary. Insufficient correlation between hedged and hedging positions may not only result in failing to protect the Client against the risks sought to be hedged but may actually increase the magnitude of overall loss in the event of losses in the hedging positions.

- ❖ **Company Risk.** There is always a certain level of company or industry specific risk when investing in stock positions. This is referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that a company may perform poorly or that its value may be reduced based on factors specific to it or its industry (e.g., employee strike, unfavorable media attention).
- ❖ **Management Risk.** The Client's portfolio is subject to management risk because it is actively managed by our investment professional, who may have responsibilities for more than one strategy and other Clients. We will apply our investment techniques and risk analysis in making investment decisions for the Client's portfolio, but there is no guarantee that these techniques and our judgments will produce the intended results.
- ❖ **Investment Concentration.** Some Client accounts may have a high concentration in one sector, industry, issuer or security that may subject such accounts to greater risk of loss in the event such investments take an economic downturn. In the view of the Firm, such concentration offers a greater potential for capital appreciation as well as increased risk of loss. Such concentration may also be expected to increase the volatility of the Client's investment portfolio.
- ❖ **Use of Independent Managers.** HFO may select certain Independent Managers to manage all or a portion of its clients' assets. In these situations, HFO continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Manager's ability to successfully implement their investment strategies. In addition, HFO generally does not have the ability to supervise the Independent Managers on a day-to-day basis.
- ❖ **Allocation Risk.** The allocation of investments among different global asset classes may have a significant effect on your portfolio's value, when one of these asset classes is performing more poorly than others. As both the direct investments and derivative positions will be periodically adjusted to reflect our view of market and economic conditions, there will be transactions costs incurred which may be, over time, significant. In addition, there is a risk that certain asset allocation decisions may not achieve the desired results and, as a result, your portfolio may incur significant losses.

- ❖ **Liquidity Risk.** Liquidity exists when particular investments are difficult to purchase or sell, possibly preventing us from selling out of such illiquid securities at an advantageous price. Securities involving substantial market and credit risk also tend to involve greater liquidity risk.
- ❖ **Business Continuity Risk.** We have adopted a business continuation strategy to maintain critical functions in the event of a partial or total building outage affecting our offices or a technical problem affecting applications, data centers or networks. The recovery strategies are designed to limit the impact on Clients from any business interruption or disaster. Nevertheless, our ability to conduct business may be curtailed by a disruption in the infrastructure that supports our operations. In addition, our asset management activities may be adversely impacted if certain service providers to HFO or our Clients fail to perform.
- ❖ **No Operating History.** The Fund expects to commence operations in July 2021, and therefore has no operating history upon which potential investors may evaluate the Fund's future performance. As a newly formed enterprise, the Fund is subject to the typical risks attendant to any newly formed business with no operating history.
- ❖ **Key Person Risk.** HFO is heavily reliant upon its founder and President, Sean Meunier, for the performance of its investment advisory services. In the event Mr. Meunier becomes incapacitated or otherwise unavailable to perform the Firm's investment activities, performance of Client accounts could be adversely affected. Mr. Meunier may have significant business responsibilities in addition to those of the Firm including, without limitation, the management of other investment vehicles and accounts.
- ❖ **Cybersecurity Risk.** With the increased use of technologies, such as the Internet, to conduct business, the Firm, its Clients, and companies the Clients' invest in are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the Firm and other service providers (including, but not limited to, accountants, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the ability to calculate a Client's new asset value, impediments to trading, the inability of investors to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting companies the Clients invest in, counterparties with which the Firm engages in transactions, governmental and other regulatory authorities, exchange and other financial market

operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for investors) and other parties. In addition, substantial costs may be incurred by the companies the Client invest in or the Client itself in order to prevent any cyber incidents in the future. While the Client's service providers, including the Firm, have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Firm and the Clients cannot control the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect the Clients. The Clients and its investors could be negatively impacted as a result.

The aforementioned explanation of risks is not exhaustive, but rather highlights some of the more significant risks involved in HFO's investment strategy. Alternative investment products often engage in leveraging and other speculative investment practices that may increase the risk of investment loss. There may be other circumstances not described here that could adversely affect your investment and prevent your portfolio from reaching its objective. Some risks may not be applicable to all Clients. For a complete explanation of the Fund's relevant investment strategies and their associated risks, investors should review the Governing Documents, which contain additional explanations of strategies, risks and other related details not discussed above.

D. RECOMMENDATION OF SPECIFIC TYPES OF SECURITIES

HFO does not primarily recommend a particular type of security.

Item 9 Disciplinary Information

HFO is required to disclose whether there are legal or disciplinary events that are material to a Client's or prospective Client's evaluation of HFO's advisory business or the integrity of its management.

Neither HFO nor any of its management persons have any legal or disciplinary events that are material to a Client or prospective Client's evaluation of HFO's advisory business or integrity of HFO's management.

Item 10 Other Financial Industry Activities and Affiliations

A. FINANCIAL INDUSTRY ACTIVITIES

HFO is not a registered broker-dealer and does not have an application pending to register as a broker-dealer. Furthermore, none of HFO's management or Supervised Persons is a registered representative of a broker-dealer and no such person has an application pending to become a registered representative of a broker-dealer.

B. FINANCIAL INDUSTRY AFFILIATIONS

Neither HFO nor any management person is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading

advisor, and does not have an application pending to register as such.

However, as noted in Item 4, HFO is affiliated with the General Partner to the Fund, which acts as a commodity pool operator (“CPO”) that is exempt from registration with the Commodity Futures Trading Commission (“CFTC”) pursuant to CFTC Rule 4.13(a)(3) and will operate the Fund in accordance with the criteria of CFTC Rule 4.13(a)(3).

C. OTHER MATERIAL RELATIONSHIPS

As noted above, HFO is related by common ownership to the General Partner of the Fund, as both entities are owned and controlled by Sean Meunier.

In addition to the aforementioned, HFO may refer Clients to other service providers including but not limited to banks, accountants, attorneys, insurance companies, trustees and real estate agents (“professionals”) in exchange for referral fees and therefore HFO may have an incentive to refer Clients to such professionals.

HFO believes these professionals provide quality services commensurate with the fees charged, however Clients may be able to obtain the same or similar services from other providers and/or professionals for lower fees. Clients are under no obligation to utilize the providers and/or the professional services and may utilize the services of their own choosing. Referral arrangements are conducted on an arms-length basis so as to neither disadvantage nor advantage other Clients or related parties.

D. OTHER INVESTMENT ADVISERS

HFO does recommend and select other Independent Managers for its Clients.

HFO may recommend or select Independent Managers for its clients. Notwithstanding, HFO is not compensated by Independent Managers for purposes of referring a client’s Account to such Independent Manager. If this were to change, HFO will adequately disclose additional forms of compensation in a timely manner. HFO can maintain relationships with Independent Managers as a result of managing your account. There is a conflict of interest in utilizing Independent Managers, as there is an incentive to HFO in selecting a particular manager over another in the form of fees or services they offer. In order to minimize this conflict, the Firm seeks to make its selections in the best interest of our clients.

However, HFO does not have any material arrangements with other investment advisers that would be material to its advisory Clients.

Item 11 Code of Ethics, Participation in Client Transactions and Personal Trading

A. CODE OF ETHICS

HFO has adopted a Code of Ethics (“Code”) pursuant to Rule 204A-1 under the Advisers Act, which is designed to promote high ethical standards, detect and address potential conflicts of interest and prevent acts prohibited by law. Policies and procedures have been designed to implement the principles in the Code. HFO will provide a copy of its Code to any Client or prospective Client upon request.

The Code is predicated upon the following principles: (i) at all times the interests of HFO’s

Clients must be placed ahead of the interests of HFO and HFO's members, officers, directors, employees, or other person who provides investment advice on behalf of HFO (each a "Supervised Person" and collectively the "Supervised Persons") and (ii) all personal securities transactions by HFO's Supervised Persons must be conducted consistent with applicable laws and regulations and the general principles set forth in the Code and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility.

The Code also addresses outside activities of Supervised Persons, restrictions on the acceptance or offer of significant gifts and the pre-clearance and reporting of political contributions.

B. PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS

HFO does not engage in principal transactions and does not conduct cross transactions. Accordingly, HFO in the ordinary course of business does not compete with Clients in the market for securities. Similarly, HFO does not use its own money to trade as a counterparty with Client accounts.

HFO may cause Clients to purchase or sell securities in which HFO and/or its Supervised Persons directly or indirectly, have a position or interest, in cases where such transactions are deemed appropriate and consistent with the relevant Clients' investment objectives. This may include, without limitation, causing Clients to purchase securities that are also held by Supervised Persons of HFO in their own personal trading accounts, subject, in all cases, to compliance with HFO's Code.

The Code is designed to assure that the personal transactions, activities and interests of HFO's Supervised Persons will not interfere with HFO's ability to make and implement investment decisions in the best interest of its Clients. The Code requires pre-clearance of certain transactions by HFO's Supervised Persons and requires that the interests of Clients be placed ahead of those of HFO's Supervised Persons in their personal trading. We believe that our Code, trade allocation and inside information policies manage any potential conflicts of interest between HFO and its Clients.

None of HFO's Supervised Persons may engage in a transaction for himself, herself or for his or her immediate family in a security or investment which is being actively recommended to any of HFO's Clients, unless in accordance with the following procedures:

If HFO is recommending any security for purchase by any Client, none of HFO's Supervised Persons may engage in personal transactions in that security prior to the Client's purchase having been completed; and

If HFO is recommending that any of its Clients sell any security, none of the above persons may engage in personal transactions in that security prior to the Client's sale of that security.

From time-to-time, various potential and actual conflicts of interest may arise from the investment advisory activities of the Firm, and its Supervised Persons. The Firm and its Supervised Persons may give advice to, or take action for, Clients that may differ from,

conflict with, or be adverse to advice given or action taken for other Clients. These activities may adversely affect the prices and availability of other securities held by or potentially considered for one or more Clients.

Item 12 Brokerage Practices

A. SELECTION AND RECOMMENDATION

HFO has a duty to select brokers, dealers and other trading venues that provide 'best execution' for our Clients. Generally speaking, the duty of best execution requires an investment adviser to seek to execute securities transactions for Clients in such a manner that the Client's total cost or proceeds in each transaction is the most favorable under the circumstances, taking into account all relevant factors. The lowest possible commission, while very important, is not the only consideration.

Our standards and procedures governing best execution are set forth in several written policies. Generally, to achieve best execution, we consider the following factors, without limitation, in selecting brokers and intermediaries: (1) execution capability; (2) order size and market depth; (3) availability of competing markets and liquidity; (4) trading characteristics of the security; (5) availability of accurate information comparing markets; (6) quantity and quality of research received from the broker dealer; (7) financial responsibility of the broker-dealer; (8) reputation and integrity; (9) responsiveness; (10) recordkeeping; (11) ability and willingness to commit capital; (12) available technology; and (13) ability to address current market conditions. HFO regularly evaluates the execution, performance and risk profile of the broker-dealers it uses.

B. SOFT DOLLAR BENEFITS

HFO does not receive research or other products or services (so-called "soft dollar benefits") other than execution from third parties in connection with Client securities transactions. HFO, as a matter of policy and practice, does not have any formal or informal arrangements or commitments to utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis.

C. BROKERAGE FOR CLIENT REFERRALS

HFO does not receive Client referrals from third parties for recommending the use of specific broker-dealer brokerage services.

D. DIRECTED BROKERAGE

HFO offers Client arrangements for their securities to be held in a brokerage account maintained at a qualified custodian. While we will recommend that Clients use certain custodian/broker, the Client must decide whether to do so and open account(s) with the recommended custodian/broker by entering into account agreements directly with them. We do not open accounts for Clients, although we may assist Clients in doing so. HFO allows Clients to direct brokerage outside our recommendation. HFO may be unable to achieve the most favorable execution of Client transactions. Client directed brokerage may cost Clients more money. For example, in a directed brokerage account, Clients may pay higher

brokerage commissions because HFO may be unable to aggregate orders to reduce transaction costs, or Clients may receive less favorable prices.

E. ORDER AGGREGATION

Managed Accounts that employ similar or substantially similar investment strategies to those of the Fund may invest and trade on a pari passu basis; however, certain differences in the specific investment strategies employed (including, applicable investment parameters, eligibility criteria with respect to various Clients, applicable expenses, available capital, the relative use of leverage and other factors) may result in non-pari passu treatment of specific clients with respect to some or all of their investment and trading activities. The Firm may, from time to time in its discretion, be expected to adjust (or “rebalance”) the portfolio holdings of one or more of its Clients so as to eliminate or minimize variations among the portfolio holdings of such Clients that employ the same or similar investment strategies or otherwise to maintain, in the view of the Firm, a desirable portfolio composition for each of such Clients, subject to the applicable client differences noted above. With respect to any rebalancing transactions, different broker-dealers will generally be used to effect buy orders, on one hand, and sell orders, on the other hand, in the same security. The Firm will attempt to execute rebalancing transactions at the next publicly quoted price on the trading day on which securities are rebalanced among Clients. Rebalancing transactions may, or may not, be subject to commissions.

When HFO buys or sells the same securities on behalf of more than one Client, it might, but **would be under no obligation** to, aggregate or bunch, to the extent permitted by applicable law and regulations, the securities to be purchased or sold for multiple Clients in order to seek more favorable prices, lower brokerage commissions or more efficient execution. In such case, HFO would place an aggregate order with the broker on behalf of all such Clients in order to ensure fairness for all Clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy.

Each Client that participates in a given aggregated order will participate at the same price. The Firm intends to allocate investment opportunities among the Fund and Managed Accounts by applying such considerations as it deems appropriate, including relative size of such investment vehicles, accounts and clients, amount of available capital, size of existing positions in the same or similar securities, impact of leverage, investment objective and strategy considerations, including, without limitation, concentration parameters and tax considerations and other factors. As a result of such considerations, allocations among the Fund and Managed Accounts will not necessarily be pro rata. The Fund will not be entitled to investment priority and may not necessarily participate in every investment opportunity. In cases where a limited amount of a security or other instrument is available for purchase, the allocation of such security, as between the Fund and Managed Accounts, may necessarily reduce the amount thereof available for purchase by the Fund.

Transaction costs associated with aggregated trades are allocated pro rata based on each applicable Client’s participation in the transaction. Notwithstanding the foregoing, an aggregated order may be allocated on a basis different from that specified above if all relevant Clients receive fair and equitable treatment as described in Item 11.

Item 13 Review of Accounts

A. PERIODIC REVIEWS

Client accounts are reviewed periodically based on, among other factors, the account's investment objectives, guidelines, market conditions and changes to the Client's financial condition (as communicated by the Client). Such review is conducted by Sean Meunier, the President of HFO. Clients may meet with Mr. Meunier upon request to discuss their accounts. We will typically meet with you either in person or telephonically on an annual basis; however, additional meetings may be provided at your request, based on material changes in your financial condition, investment objectives or investment restrictions.

To ensure that the Investment profile remains suitable for the Client, Clients are instructed to promptly notify HFO of any material changes to their investment objectives and/or financial situation. As most Client accounts are managed in a similar manner according to the model or investment profile selected by the Client, HFO periodically reviews model composition, funds available, investment strategies, independent managers available to assure that the model or investment strategy satisfies the Client's investment profile, including the Client's investment objectives and risk tolerance.

B. INTERMITTENT REVIEW FACTORS

In addition to an annual review, HFO may perform reviews as it deems appropriate or otherwise required. More frequent reviews may be triggered by significant changes in variables such as the Client's individual circumstances or the market, political or economic environment. Other events that may trigger a review include asset allocation imbalances or significant investment strategy changes. Each Client is encouraged to provide HFO with notice in the event of changes in the Client's investment objectives or financial situation whenever occurring.

C. CLIENT REPORTS

Clients will receive written statements and confirmations no less than on a quarterly basis from their qualified custodian that includes an accounting of all holdings and transactions in the account for the reporting period. Clients are advised to carefully review statements provided by the Custodian.

Limited Partners will receive written monthly reports from the Fund's administrator, Yulish & Associates. Yulish & Associates serves as the interface between the Fund and its Limited Partners. The Administrator will provide to Limited Partners monthly reports via electronic correspondence.

Audited financial statements are provided to Limited Partners within 120 days following the end of the Fund's fiscal year.

Item 14 Client Referrals and Other Compensation

A. ECONOMIC BENEFITS FROM OTHERS

HFO and its related persons do not receive an economic benefit (such as sales awards or other prizes) from any third party for providing investment advice or other advisory services to its Clients.

B. COMPENSATION TO UNAFFILIATED THIRD PARTIES

HFO may compensate third parties for the referral of prospective advisory Clients (“Promoters”). Such referral fees will generally be a percentage of the annual management fees and/or other compensation earned by HFO or such other amount such as a fixed amount. Promoter arrangements inherently give rise to potential conflicts of interest because the Promoter is receiving an economic benefit for the recommendation of advisory services. Rule 206(4)-1 of the Advisors Act (the “Modernized Marketing Rule”) addresses this conflict of interest by requiring advisers who pay third party Promoters to enter into agreements requiring the Promoters to make certain disclosures to solicited potential Clients. This means that we have a conflict of interest in negotiating fees with you, or we may raise fees to include the compensation that we pay to the Promoter who introduces you to us. To mitigate this conflict, Clients are not charged management fees greater than the fees HFO charges Clients not referred by a Promoter. In accordance with the Modernized Marketing Rule, HFO requires third party Promoters who introduce potential Clients to provide the potential Client with a copy of this disclosure brochure and a copy of the Promoters’ disclosure statement which explains that the Promoter will be compensated for the referral and contains the terms and conditions of the solicitation arrangement, including the compensation the Promoter is to receive.

Item 15 Custody

A. CUSTODIAN OF ASSETS

Custody is defined as any legal or actual ability by HFO to access Client funds or securities.

HFO has custody of the Fund’s portfolio assets because it has the ability to deduct advisory fees payable to it and it has a general power of attorney over the Fund’s account. Additionally, HFO’s affiliate is General Partner of the Fund, maintains custody of the Fund’s portfolio assets (funds and securities). HFO does not have physical custody of any client funds or securities. As noted in Item 12, HFO utilizes Interactive Brokers, LLC as the Client account custodian. The physical assets of the Fund are held in an account with Interactive Brokers, LLC which serves as the Fund’s prime broker and the qualified custodian of the Fund’s portfolio assets. The Fund’s assets may also be held at Bank of America.

For Managed Accounts, Client assets are maintained in account(s) in the Client’s name held with a qualified custodian. In the Client Agreement, the Client provides HFO with written authorization allowing HFO to directly deduct advisory fees from the custodian account. Therefore, HFO is deemed to have constructive custody of Client accounts and funds (i.e., having authority to deduct the advisory fee). Each time a fee is directly deducted from the Client Account, the Firm will send (1) the qualified custodian an invoice of the amount of the fee to be deducted from the client’s account; and (2) the Client an invoice itemizing the fee.

B. ACCOUNT STATEMENTS

Clients should receive at least a quarterly statement from the qualified custodian that holds and maintains Client assets. HFO will also send an invoice directly to the Client on a monthly

basis. HFO urges Clients to carefully review such statements and compare such official custodial records to invoices provided to Clients by HFO.

On at least a quarterly basis, the Firm or the Administrator will provide Limited Partners with unaudited performance reports and other pertinent information regarding the Fund's performance in accordance with FAC 69W-600.0132. Additionally, the Fund is subject to an annual audit by Spicer Jefferies LLP a certified public accountant that is registered with and subject to regular inspection by the Public Company Accounting Oversight Board ("PCAOB"). The audited financial statements are distributed to Limited Partners following the end of the Fund's fiscal year.

Item 16 Investment Discretion

HFO provides discretionary investment advisory services. HFO will receive discretionary authority from a Client at the outset of an advisory relationship, by means of a Client Agreement that grants a power of attorney in favor of HFO to select the identity and amount of any investments to be bought or sold for a Client. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client account.

In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular Client account. When selecting securities and determining amounts, HFO observes the investment policies, limitations, and restrictions of the Clients for which it advises. Certain Clients may also limit the Firm's authority to trade or restrict certain types of securities in such account as outlined in the Client Agreement.

HFO may also provide investment advice to Managed Accounts on a non-discretionary basis, meaning the Client's specific consent must be granted prior to each transaction. If the Client enters into a non-discretionary arrangement as stated in the Client Agreement, the Client shall have an unrestricted right to decline to implement any advice provided by HFO.

Item 17 Voting Client Securities

Fiduciary obligations of prudence and loyalty require an investment adviser with proxy voting responsibility to vote proxies on issues that affect the value of the Client's investment. Proxy voting decisions must be made solely in the best interests of the Client's account.

In voting proxies for the Fund, our Firm is required to consider those factors that may affect the value of the Fund's investment and may not subordinate the interests of the Fund to unrelated objectives. HFO will exercise all rights, powers and privileges of ownership in all Fund property, including the right to vote, give assent, execute, and deliver proxies, and the Fund's proxy voting policies override the undersigned's proxy voting policies. Limited Partners are required to adopt the voting policies of the Fund for purposes of their investments in the Fund.

HFO has adopted proxy voting policies and procedures for voting proxies on behalf of its Clients. Clients may obtain a copy of our proxy voting policy upon request. Clients may also request a copy of historical voting. Should a material conflict arise between our Firm's interest and that of the Fund, our Firm will vote the proxies in accordance with our fiduciary duty to the Fund. A written record will be maintained describing the conflict of interest, and

an explanation of how the vote taken was in the Fund's best interest. HFO may refrain from voting a proxy if the cost of voting the proxy exceeds the expected benefit to the Fund.

For Managed Accounts, HFO's general practice is to accept proxy-voting responsibility for its Clients. Clients may opt-out from this general practice on a security specific basis or in its entirety by providing written notice to HFO. When HFO accepts proxy-voting responsibility, HFO will vote each proxy in accordance with its fiduciary duty to its advisory clients.

Where HFO is responsible for voting proxies on behalf of a Client, the Client cannot direct the vote on a particular solicitation. The Client can decline to assign proxy voting authority to HFO during the account opening process. Proxies will then be sent to the address of record by default. In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that HFO maintains with persons having an interest in the outcome of certain votes, HFO will take appropriate steps to ensure that proxy voting decisions are made in what it believes is in the best interest of its Clients and are not the product of any such conflict.

Item 18 Financial Information

A. BALANCE SHEET REQUIREMENT

A balance sheet is not required to be attached because HFO does not require prepayment of fees of more than \$500 per Client, six (6) months or more in advance.

B. FINANCIAL CONDITION

HFO is not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to our Clients.

C. BANKRUPTCY PETITION

HFO has never been the subject of a bankruptcy proceeding.

Item 19 Requirement for State-Registered Advisers

A. FIRM MANAGEMENT

Sean Meunier is the President and CCO. The education and business background for the Firm's member and investment adviser representative(s) is delineated in the Brochure Supplement (Form ADV 2B).

B. OTHER BUSINESS ACTIVITIES

HFO is not engaged in any other business activities other than the aforementioned services described in Item 4.

C. PERFORMANCE-BASED FEES

As discussed in Item 6 above, HFO does receive performance-based fees.

D. DISCIPLINARY DISCLOSURE REPORTING

Arbitration Claims

Neither the Firm nor its management person have been found liable in any arbitration claim alleging damages in excess of \$2,500 involving an investment or investment-related

business or activity, fraud, false statements or omissions, theft, embezzlement or other wrongful taking of property, bribery, forgery counterfeiting or extortion or dishonest, unfair or unethical practices.

Civil, Self-Regulatory Organization (SRO), or Administrative Proceeding

Neither the Firm nor its management person have been found liable in any civil, self-regulatory organization, or other administrative proceeding involving an investment or investment related business or activity, fraud, false statements or omissions, theft embezzlement or other wrongful taking of property bribery, forgery, counterfeiting, or extortion; or dishonest, unfair or unethical practices.

E. RELATIONSHIPS OR ARRANGEMENTS WITH SECURITIES ISSUERS

Neither the Firm nor its management person have any relationship or arrangement with any issuer of securities.