

**PEACHTREE ALTERNATIVE STRATEGIES FUND**  
**Institutional Shares**

**Supplement dated April 30, 2020, to the  
Prospectus dated August 29, 2019**

**The following information supplements the information in the sections entitled “Prospectus Summary - Principal Risks” and “Principal Risks” in the prospectus:**

**Market Risk** – The success of the Fund’s activities may be affected by political, regulatory, and social developments, and general economic and market conditions including interest rates, the availability of credit, inflation rates, economic uncertainty, changes in laws, pandemics or epidemics, natural or environmental disasters, terrorism, trade disputes and national and international political circumstances. These factors may lead to instability in world economies and markets generally and may affect the volatility, value and liquidity of the Fund’s investments. Unexpected volatility or illiquidity could impair the Fund’s ability to carry out its business.

Global economies and financial markets are becoming increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market. These risks may be magnified if certain events or developments adversely interrupt the global supply chain; in these and other circumstances, such risks might affect companies worldwide. A recent example includes the pandemic risks related to the outbreak of COVID-19, a respiratory disease caused by a novel coronavirus, and the aggressive measures taken in response to the outbreak by governments, including border closures and other travel restrictions, the imposition of prolonged quarantines of large populations, and changes to fiscal and monetary policies, and by businesses, including changes to supply chains, consumer activity and operations (including staff reductions). These pandemic risks have contributed to increased volatility, severe losses and liquidity constraints in many markets, and may adversely affect the Fund’s investments and operations. The future impact of COVID-19 is currently unknown, resulting in a high degree of uncertainty for potentially extended periods of time and may result in a substantial economic downturn or recession which could negatively impact the Fund’s performance.

The Fund and its key service providers have in place business continuity plans reasonably designed to ensure that they can continue normal business operations in the event of a disaster or emergency, such as the COVID-19 pandemic. However, there can be no assurance that the Fund and its service providers will be able to maintain normal business operations for an extended period of time, particularly when employees of the Fund’s service providers are required to work at external locations or in the event they have extensive medical absences. A pandemic could also impair the information technology and other operational systems upon which the Fund’s service providers rely and could otherwise disrupt their ability to perform essential tasks.

## PROSPECTUS

### PEACHTREE ALTERNATIVE STRATEGIES FUND Institutional Shares

August 29, 2019

Peachtree Alternative Strategies Fund (“Fund”) is a Delaware statutory trust registered under the Investment Company Act of 1940 (“1940 Act”) as a non-diversified, closed-end management investment company. The Fund invests substantially all of its assets in private investment vehicles or “hedge funds” (“Portfolio Funds”) managed by a variety of different investment managers. The Portfolio Funds are not registered under the 1940 Act and may be organized within or outside of the U.S.

The Fund’s investment objective is to create a diversified portfolio of hedge fund strategies that generates attractive risk-adjusted returns relative to traditional asset classes and that generates a return stream that is not highly correlated to equity market performance.

This Prospectus concisely provides information that you should know about the Fund before investing. You are advised to read this Prospectus carefully and to retain it for future reference. A Statement of Additional Information dated August 29, 2019, as may be amended (“SAI”), containing additional information about the Fund, has been filed with the Securities and Exchange Commission (“SEC”) and is incorporated by reference in its entirety into this Prospectus. You may request, at no charge, a copy of this SAI (the table of contents of which is on the last page of this Prospectus), annual and semi-annual reports to shareholders, and other information about the Fund, and make shareholder inquiries by calling (800) 657-3812, by writing to the Fund or by visiting the Fund’s website (<http://peachtreealternativestrategies.com>). These materials, as well as the Fund’s annual and semi-annual reports and other information about the Fund, are available on the SEC’s website at [www.sec.gov](http://www.sec.gov). If you purchase Shares in the Fund, you will become bound by the terms and conditions of the Agreement and Declaration of Trust of the Fund as may be amended from time to time (the “Declaration of Trust”).

**Before making an investment decision, you or your adviser should consider factors such as net worth, income, age, risk tolerance and liquidity needs in evaluating whether the Fund is a suitable investment for you. Short-term investors and investors who cannot bear the loss of some or all of their investment or the risks associated with the limited liquidity of an investment in the Fund should not invest in the Fund. See “Principal Risks.”**

**Neither the SEC nor any state securities commission has approved or disapproved of these securities or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

	Price to Public	Proceeds to the Fund <sup>(1)</sup>
Per Institutional Share <sup>(2)</sup>	At Current NAV	Amount Invested at Current NAV
Sales Load	None <sup>(3)</sup>	None <sup>(3)</sup>
Total	\$59,572,645.93	\$59,572,645.93

(1) The total of other expenses of issuance and distribution is \$17,441.

(2) Institutional Shares are offered continuously at a price equal to the then current NAV per Share, which was \$104.80 as of April 30, 2019. Institutional Shares are not subject to a sales load.

(3) See, “Plan of Distribution” for information regarding other compensation to be paid in connection with the sale of Institutional Shares.

(4) These estimated proceeds assume the sale of all Institutional Shares registered under this registration statement. Estimated proceeds are based on the Fund’s NAV per Share of \$104.80, as of April 30, 2019.

You should not construe the contents of this Prospectus as legal, tax or financial advice. You should consult with your own professional advisers as to the legal, tax, financial or other matters relevant to the suitability of an investment in the Fund.

You should rely only on the information contained in or incorporated by reference into this Prospectus. The Fund has not authorized anyone to provide you with different information. The Fund is not making an offer of these securities in any jurisdiction where the offer is not permitted.

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary such as a broker-dealer or bank. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund electronically by contacting the Fund at 1-800-657-3812 or, if you own these shares through a financial intermediary, by contacting your financial intermediary.

You may elect to receive all future reports in paper free of charge. You can inform the Fund that you wish to continue receiving paper copies of your shareholder reports by contacting the Fund at 1-800-657-3812. If you own shares through a financial intermediary, you may contact your financial intermediary or follow instructions included with this document to elect to continue to receive paper copies of your shareholder reports. Your election to receive reports in paper will apply to all funds held with your financial intermediary.

An investment in the Fund is speculative, involves significant risk and is not suitable for all investors. Before investing, you should consider the following specific risks of an investment in the Fund:

- Because you may not be able to sell your Shares, you will not be able to reduce your investment exposure to the Fund on any market downturn. See "Principal Risks."

In order to achieve its investment objective, Homrich & Berg, Inc. (the "Adviser") invests the Fund's assets in a variety of professionally managed Portfolio Funds that employ a variety of strategies including but not limited to: equity long/short, credit long/short, distressed credit, merger arbitrage, discretionary macro, event driven, structured credit arbitrage, statistical arbitrage and multi-strategy. The Fund cannot guarantee that its investment objective will be achieved or that its investment program will be successful.

Ultimus Fund Distributors, LLC ("Distributor") acts as principal underwriter and distributor for the Shares on a best efforts basis, subject to various conditions. The Distributor may retain additional broker-dealers and other financial intermediaries (each a "Selling Agent") to assist in the distribution of Shares and Shares are available for purchase through these Selling Agents or directly through the Distributor. Generally, Shares are only offered to investors that are U.S. persons for U.S. federal income tax purposes.

Shares are only sold to investors qualifying as "Eligible Investors" as described in this Prospectus. The term "Eligible Investor" includes, among others, investors that: (1) are U.S. persons for U.S. federal income tax purposes and (2) satisfy the definitions of "accredited investor" as defined in Regulation D under the Securities Act of 1933, as amended. See "Eligible Investors."

This Prospectus offers Shares of the Fund's Institutional class ("Institutional Shares") which may be purchased through the Distributor or a Selling Agent. In the future, the Fund may offer other classes of common shares with different pricing structures.

The Fund intends to accept initial and additional purchases of Institutional Shares from Eligible Investors who are "Institutional Investors" or individual investors. "Institutional Investors" may include: (1) corporations, banks, trust companies, insurance companies, investment companies, foundations, endowments, defined benefit plans, retirement plans and other similar entities and (2) Eligible Investors investing through Selling Agents that have entered into an agreement with the Distributor to offer Institutional Shares through a no-load network or platform.

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## PROSPECTUS SUMMARY

*This is only a summary and does not contain all of the information that you should consider before investing in the Fund's Institutional Shares. Before investing in the Fund's Institutional Shares, you should carefully read the more detailed information appearing elsewhere in this Prospectus, especially the information under the heading "Principal Risks."*

### **The Fund**

Peachtree Alternative Strategies Fund (the "Fund") is a Delaware statutory trust that is registered under the Investment Company Act of 1940, as amended (the "1940 Act") as a non-diversified, closed-end management investment company. Interests in the Fund ("Shares") are also registered under the 1940 Act and the Securities Act of 1933, as amended (the "1933 Act"). Although Shares are registered under the 1940 Act and the 1933 Act, they are subject to substantial limitations on transferability and resale.

The Fund operates as a "fund of hedge funds" and provides investors access to a variety of professionally managed private investment funds that Homrich & Berg, Inc. (the "Adviser") believes will provide a diversifying return stream to shareholders (each a "Portfolio Fund"). These Portfolio Funds are not registered under the 1940 Act and may be organized within or outside of the U.S.

The Fund is suitable only for investors that can tolerate a significant amount of investment risk and that do not require liquidity of their interests in the Fund.

This Prospectus offers Shares of the Fund's Institutional class (the "Institutional Shares"). In the future, the Fund may offer other classes of common shares with different pricing structures.

### **The Offering**

**Offering of Institutional Shares by the Fund** – the Fund is offering Institutional Shares on a continuous basis. Institutional Shares are offered at their net asset ("NAV") per Share as of the first Fund business day ("Business Day") of each month. For purposes of this Prospectus, "Business Day" means any day that the New York Stock Exchange ("NYSE") is open for business.

See "Purchases of Shares," "Repurchases of Institutional Shares" and "Plan of Distribution," and "Transfer of Shares."

### **Eligible Investors**

The Fund will only sell Institutional Shares to a prospective investor who is a U.S. person for U.S. Federal income tax purposes and who satisfies the definition of "accredited investor" as defined in Regulation D under the 1933 Act. Investors meeting these requirements are referred to in this Prospectus as "Eligible Investors."

After an initial purchase, shareholders subscribing for additional Institutional Shares will be required to verify their status as Eligible Investors at the time of each additional subscription. The qualifications required to invest in the Fund appear in the subscription agreement that must be completed by each prospective shareholder.

With limited exceptions, Institutional Shares are not transferable, and liquidity for investments in Institutional Shares may be provided only through periodic repurchase offers by the Fund. See "Eligible Investors" and "Transfer of Shares."

**Investment Objective**

The Fund's investment objective is to create a diversified portfolio of hedge fund strategies that generates attractive risk-adjusted returns relative to traditional asset classes and that generates a return stream that is not highly correlated to equity market performance.

See "Investment Objective."

**Principal Investment Strategies**

The Fund will seek to achieve its investment objective by investing in a variety of hedge fund strategies that the Adviser believes will provide a diversifying return stream to shareholders.

The Fund implements these strategies by investing in Portfolio Funds. The Portfolio Funds are not registered under the 1940 Act and may be organized outside of or within the U.S.

Potential strategies for investment include, but are not limited to: (1) long/short equity (taking "long" positions in equity securities of U.S. and foreign issuers that are believed to be likely to increase in value and taking "short" positions in equity securities of U.S. and foreign issuers that are believed to be likely to decline in value); (2) credit long/short (investing in credit-sensitive securities, long and/or short, based upon credit analysis of issuers and securities, and credit market views); (3) distressed credit (using intensive credit analysis to invest in equity and/or fixed income securities of financially troubled U.S. and/or foreign issuers); (4) discretionary macro (investing across a variety of securities and financial instruments of U.S. and foreign issuers based on interpretations of the global macro economy and changes therein on the valuation of such securities and financial instruments). Investments may include Equity and Fixed Income Securities, currencies and commodities (i.e., agricultural, metals, energy); (5) managed futures (trading of futures contracts and options on futures contracts as either buyers or sellers of contracts representing real assets such as gold, silver, wheat, coffee, sugar, heating oil, or financial assets such as government bonds, equity indices and currencies to take advantage of investment opportunities in the equity, fixed income, currency and commodity markets); (6) structured credit (investments in residential and commercial mortgage-backed securities, other asset-backed securities, collateralized loan obligations and collateralized debt obligations); (7) statistical arbitrage (identify pricing anomalies in equities and other asset classes). Generally this strategy utilizes heavy quantitative, computational, and statistical analysis to identify short-term trends that can be taken advantage of in the relevant markets); and (8) multi-strategy (utilizing several of the strategies listed here, and potentially other strategies).

The Fund will have diversified exposure to various hedge fund strategies that fall within 5 main categories: equity related strategies (such as equity long/short), credit related strategies (such as credit long/short and distressed credit), quantitative strategies (such as statistical arbitrage), multi-strategy, and opportunistic investments. Although allocations may vary outside of these ranges based on market conditions and opportunity set, the Fund is generally expected to allocate between 25-40% to multi-strategy, 20-30% to equity related strategies, 20-30% to credit related strategies, 10-20% to quantitative strategies and 0-20% to opportunistic strategies. Equity related strategies tend to have positive correlation to equity markets. The remaining strategies are intended to have lower correlation to equity markets over time. Managers are likely to invest in an array of securities across the globe, including emerging markets, in order to provide a diversifying return stream that is unrelated to traditional equity market risk factors.

The Adviser will determine the amount to allocate to each strategy. The Adviser intends that amounts will be allocated to at least several of the strategies at all times. Factors that determine the amount that the Adviser will allocate to each strategy include: the Adviser's opinion of the opportunity set in that strategy, the capacity for investment with high quality managers in a given strategy and overall risk management of the Fund.

In order to implement the strategies, the investment managers of the Portfolio Funds (the "Investment Managers") may utilize one or more approaches, including but not limited to: (1) the effect of economic, political, or corporate changes on the prices of securities (Directional Trading Approach); (2) the effect of events on different securities (Event Driven Approach); (3) perceived valuations of securities (e.g., whether an issuer is overvalued or undervalued) (Fundamental Approach) and (4) a mispricing of securities relative to each other or relative to historic norms (Relative Value Approach).

While it is anticipated that many Portfolio Funds will invest in publicly traded U.S. and foreign common stocks, Portfolio Funds may also use other equity securities such as preferred stock, convertible securities and warrants ("Equity Securities"). Many Portfolio Funds may also invest in fixed income securities such as corporate debt obligations, government securities, municipal securities, financial institution obligations, mortgage-related securities, asset-backed securities and zero-coupon securities issued by U.S. issuers and similar securities issued by foreign issuers (collectively, "Fixed Income Securities"). Fixed Income Securities may have various maturity, duration and quality limitations, and may include high yield fixed income securities or "junk bonds" (higher-risk, lower-rated fixed income securities such as those rated lower than BBB- by Standard & Poor's Rating Service, Inc. ("S&P") or lower than Baa3 by Moody's Investors Service, Inc. ("Moody's")). Many Portfolio Funds may also take long or short positions in Fixed Income Securities as a hedge against the equity or fixed income exposure in its portfolio.

**Derivatives.** Portfolio Funds may use derivatives, typically, options on Equity or Fixed Income indices (each an "Index"), futures on Indices and total return swaps involving one or a basket of Equity or Fixed Income Securities, to create synthetic exposure to these Indices/securities for the purposes of increasing portfolio profitability or hedging against certain strategy risks, including short selling risk.

*Options.* An option contract is a bilateral agreement that permits, but does not obligate, the purchaser, in return for a premium paid to the writer (seller) of the option, to buy an asset from (in the case of a call option) or sell an asset to (in the case of a put option) the writer (seller) at a specific price (the "Strike Price") on or before the expiration date of the contract. An Investment Manager may purchase a call option or write (sell) a put option on an Index if the Investment Manager expects the value of the Index to increase during the term of the option. Alternatively, an Investment Manager may purchase a put option or write (sell) a call option on an Index if the Investment Manager expects the market value of that Index to decrease during the term of the option. The exercise of an Index option settles in cash. A Portfolio Fund may close out a call or put written on an Index by purchasing a call or put, respectively, on the same Index and with the same Strike Price and expiration date. To close out a position as a purchaser of an Index option, a Portfolio Fund may sell the option previously purchased, although the Portfolio Fund could exercise the option should it deem it advantageous to do so.



*Futures.* A futures contract is a bilateral agreement where one party agrees to accept delivery/purchase an asset (a long position), and the other party agrees to make delivery/sell the asset (a short position), as called for in the contract, on a specified date (the “Settlement Date”) and at an agreed-upon price (the “Settlement Price”). An Investment Manager may take a long position in an Index futures contract if the Investment Manager expects the value of the Index to increase during the term of the contract. Alternatively, an Investment Manager may take a short position in an Index futures contract if the Investment Manager expects the market value of the Index to decrease during the term of the contract. Futures contracts settle in cash on the Settlement Date. A Portfolio Fund may elect to close a futures position by taking an opposite position, at the then prevailing price, thereby terminating its existing position in the contract.

*Swap Agreements.* Swap agreements are individually negotiated bilateral contracts created to gain exposure to a variety of different types of investments or market factors. In a total return swap on Equity Securities, one party sells (the “Payor”) to the other party (the “Receiver”) an amount equal to all cash flows from and price appreciation on the Equity Securities during the term of the agreement in return for a payment based on fixed or floating rate and an amount equal to any depreciation on the Equity Securities during the term of the agreement. A Portfolio Fund may elect to participate in a total return swap as “Receiver” if the Investment Manager expects the underlying Equity Securities to increase in value in an amount greater than the fixed rate to be paid under the agreement. Alternatively, a Portfolio Fund may elect to participate in a total return swap as “Payor” if the Investment Manager expects the underlying Equity Securities to decline in value during the term of the agreement but to increase in value over the long term.

*Forward Contracts.* A forward contract involves an obligation to purchase or sell a specific amount of a specific currency at a future date, which may be any fixed number of days (usually less than one year) from the date of the contract agreed upon by the parties, at a price set at the time of the contract.

**Other Investments.** Because a Portfolio Fund is not registered under the 1940 Act and its governing documents typically do not impose significant investment restrictions, a Portfolio Fund may also, without limitation or prior notice to the Fund, invest and trade in a broad range of securities, derivatives and other financial instruments including but not limited to those described above.

See “Principal Investment Strategies – Portfolio Funds.”

**Borrowing (For Non-Leverage Purposes)**

The Fund has the authority to borrow money, but does not anticipate doing so. Generally, any borrowing will be limited to 25% of the Fund's total assets at the time of the borrowing.

The Portfolio Funds may also borrow money for non-leverage purposes such as paying expenses or for the repurchase of Shares. The Fund does not expect to borrow, but to the extent that the Fund does borrow, it will do so only for repurchases.

**Leverage**

The Portfolio Funds may engage in various forms of leverage. Leverage can be employed in a variety of ways including using margin (an amount of cash or eligible securities an investor deposits with a broker when borrowing to buy Equity and Fixed Income Securities), selling short Equity and Fixed Income Securities, using derivatives and participating in other forms of direct and indirect borrowing. If a Portfolio Fund uses leverage, the value of its net assets will tend to increase or decrease at a greater rate than if no leverage were employed and leverage may result in a Portfolio Fund controlling more assets than the Portfolio Fund has equity.

See "Principal Investment Strategies – Leverage."

**Principal Risks**

An investment in the Fund is speculative, involves significant risk and is not suitable for all investors. It is possible that you may lose some or all of your investment and attempts by the Fund to manage the risks of investing in Portfolio Funds do not imply that an investment in the Fund is low risk or without risk. No guarantee or representation is or can be made that the Fund will achieve its investment objective. Investors should carefully consider the risks involved in an investment in the Fund, including but not limited to those discussed below. In considering an investment in the Fund, prospective investors should read the entire Prospectus and consult their independent financial, tax and legal advisers, and should be aware of the risks of investing in the Fund prior to acquiring Institutional Shares.

The following is a summary of the principal risks of investing in the Fund. The order in which these risks are presented may not be representative of the level of the Fund's exposure to any of these risks. The principal risks of investing in the Fund may adversely affect the Fund's performance. For a more complete discussion of these risks, see "Principal Risks" below.

**Market Risk** – The success of the Fund's activities may be affected by general economic and market conditions including interest rates, the availability of credit, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may affect the volatility, value and liquidity of the Fund's investments.

**Portfolio Fund Risk** – The Fund's investment in the Portfolio Funds subjects shareholders to the following investment risks and may result in a decline in the value of the Portfolio Funds:

**Borrowing Risk (For Non-Leverage Purposes).** The rights of creditors to the assets of a debtor are senior to those of equity investors. As a creditor, a third-party lender would have a first priority claim on any cash and assets held by a Portfolio Fund.

**Convertible Securities Risk.** The value of convertible securities generally declines as interest rates increase and increases as interest rates decline. A Portfolio Fund may not have pre-established minimum credit standards for convertible securities and may invest, without limit, in unrated or below investment grade convertible securities. Convertible securities are typically issued by smaller capitalized companies whose stock price may be volatile. Convertible securities that are unrated or are rated below investment grade are associated with a higher risk of default on interest and principal payments. The issuer of a convertible security may force a Portfolio Fund to convert the convertible securities before it would otherwise choose to do so, which may decrease the Portfolio Fund's return.

**Currency Risk.** Instruments denominated in foreign currencies, if unhedged, will fluctuate with U.S. dollar exchange rates as well as in response to price changes of the investments in the various local markets and the value of local currencies.

**Distressed Securities Risk.** An investment in distressed securities is speculative because issuers of these securities may be in transition, out of favor, financially leveraged, troubled or potentially troubled and may be or have recently been involved in taking strategic actions, restructurings, bankruptcy reorganizations or liquidations. An issuer's default in its payment obligations may also result in a decline in the value of the issuer's securities.

**Emerging Markets Risk.** In addition to the risks applicable to foreign investments, emerging markets are generally more volatile and the risk of political and social upheaval is greater. There also may be a lack of public information regarding companies operating in emerging markets. Securities traded on emerging markets are potentially illiquid and emerging markets may impose high transaction costs and may be less regulated than more developed foreign markets.

**Equity Securities Risk.** The value of Equity Securities may fluctuate in response to specific situations for each company, industry market conditions, and general economic environments. The Equity Securities of smaller companies may involve more risk, may be less liquid, and may be subject to greater volatility. Consequently, it may be more difficult to buy or sell the equity securities of smaller companies at an acceptable price, especially during periods of market volatility.

**Fixed Income Securities Risk.** Changes in interest rates may reduce the value of Fixed Income Securities. The value of a Fixed Income Security may also decline if an issuer defaults or if its credit quality deteriorates. High yield Fixed Income Securities or "junk bonds" are considered to be speculative by major credit rating agencies, have a much greater degree of default on payments of principal and/or interest and tend to be more volatile and less liquid than higher-rated securities with similar maturities.

As interest rates decline, issuers may pre-pay fixed rate securities forcing investors to replace those securities with securities with lower interest rates, thus reducing performance.

**Focus Risk.** A Portfolio Fund that invests in a particular market sector will be subject to the risks associated with that sector and may be more adversely affected by risks of that market sector than if the Portfolio Fund invested its assets across multiple market sectors.

**Foreign Investment Risk.** Foreign investments may be subject to nationalization risk, expropriation risk, confiscatory taxation and to potential difficulties repatriating funds. Foreign investments may also be adversely affected by changes in currency exchange rates, social, political and economic developments, and the possible imposition of exchange controls or other foreign government laws or restrictions and may be more volatile and less liquid due to the smaller size of some foreign markets and lower trading volumes. There is also less regulation, generally, of the financial markets in foreign countries than there is in the U.S.

**Forward Contract Risk.** The forward contract markets are generally not regulated and a counterparty may refuse to perform on a forward contract. Forward contracts are not guaranteed by an exchange or clearing house and therefore a non-settlement or a default on a contract could deprive an investor of unrealized profits or force it to cover its commitment to purchase or resell, if any, at the current market price.

**Futures Risk.** The price of an Index futures contract can be highly volatile and is dictated by a variety of factors including the value of the Index, the Settlement Price, the time remaining until the expiration date of the futures contract and the volatility of the Index. There is no guarantee that an Investment Manager will be able to accurately forecast the effect of these factors on the price of Index futures. A small investment in a futures contract may have a large impact on the performance of a Portfolio Fund as a futures contract may result in losses in excess of amounts invested. The buyer of an Index future will suffer losses, which may theoretically be unlimited, as the value of the underlying Index declines. The seller of an Index future will suffer losses, which also may theoretically be unlimited, as the value of the Index increases. Because of low margin deposits normally required to participate in futures positions, an extremely high level of leverage is typical. As a result, a relatively small price movement in an Index futures contract may result in substantial losses to a Portfolio Fund. Changes in the liquidity of Index futures (i.e. due to, among other things, price fluctuation or position limitations imposed by U.S. commodity exchanges) may result in significant, rapid and unpredictable changes in the value of the Index futures. If Index futures cannot be closed out timely due to illiquid secondary markets, losses may result. Potential losses on Index futures contracts are unlimited.

**Hedging Risk.** Strategies utilized to hedge against losses may not be successful and may offset gains. The success of hedging transactions is dependent on an Investment Manager's ability to correctly predict market changes being hedged against (e.g., currency/interest rate fluctuations and fluctuations in the general securities markets) in relation to fluctuations in the value of the investments maintained by a Portfolio Fund. Also, a hedging strategy subject to leverage may not be successful and may result in rather than limit Portfolio Fund losses.

**Initial Public Offerings Risk.** Prompt disposal of investments acquired in an initial public offering at the price at which they are valued may not be possible. Other risks include lack of trading and operating history and lack of information about the issuer.

**Leverage Risk.** The use of leverage by a Portfolio Fund can substantially increase the adverse impact of the risks of investing in the Portfolio Fund and can result in substantial losses to the Portfolio Fund. In particular, the leverage may result in: (i) margin calls or the imposition of interim margin requirements as markets move against investments made with borrowings and premature liquidations of investment positions; and (ii) a decrease in the value of a Portfolio Fund's net assets if income and appreciation on investments made with borrowed funds are less than the required interest payments on borrowings. In addition, performance-based fees of the Portfolio Funds give rise to certain conflicts of interest, including the incentive for Investment Managers to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect.

**Liquidity Risk.** A Portfolio Fund may invest a portion of the value of its total assets in restricted securities (i.e., securities that may not be sold to the public without an effective registration statement under the 1933 Act) and other investments that are illiquid and, as a result, may be unable to sell such investments when desired, without adversely affecting the price or at prices approximating the value at which they purchased the securities.

**Long/Short Strategy Risk.** The success of a long/short strategy is contingent upon an Investment Manager's ability to correctly identify investment opportunities with the highest probability of success (long positions) and/or those with the highest probability of failure (short positions). Substantial losses may be recognized as a result of the implementation of this strategy. Also, this strategy is subject to the investment risks associated with the securities utilized to implement the strategy.

Some Investment Managers employ certain additional strategies, the risks of which are as follows:

*Directional Trading Approach Risk.* The success of this technique is contingent upon an Investment Manager's ability to predict the effect of economic and political changes on the valuation of Equity Securities and to successfully implement long or short positions in those securities based on such predictions.

*Event Driven Approach Risk.* The success of this technique is contingent upon an Investment Manager's ability to timely identify potential corporate events and to successfully implement long and short equity positions based on the impact that such events will have on the underlying issuers.

*Fundamental Long/Short Approach Risk.* The success of this technique is contingent upon an Investment Manager's ability to correctly determine the valuation of an issuer's Equity Securities and to successfully implement long or short equity positions in those securities based on perceived future price movements of such securities.

*Relative Value Approach Risk.* The success of this technique is contingent upon an Investment Manager's ability to identify pricing discrepancies amongst Equity Securities or groups of Equity Securities and to successfully implement long and short positions based on such discrepancies.

**Options Risk.** The price of an Index option can be highly volatile and is dictated by a variety of factors including the value of the Index, the Strike Price, the time remaining until the expiration date of the option and the volatility of the Index. There is no guarantee that an Investment Manager will be able to accurately forecast the effect of these factors on the price of an Index option. A small investment in an Index option may have a large impact on the performance of a Portfolio Fund as an Index option may result in losses in excess of amounts invested. The seller (writer) of an Index call option assumes the risk of a theoretical unlimited increase in the market value of the Index above the Strike Price. The market for Index options may be, or may suddenly become, illiquid and may result in significant, rapid and unpredictable changes in the value of Index options. If Index options cannot be closed out timely due to illiquid secondary markets, losses may result. Potential losses on the purchases of puts and calls are limited to the amount of premium paid. The writing of calls and puts exposes the writer to potentially unlimited losses.

**Short Selling Risk.** The sale of a borrowed security, if uncovered, may result in a loss if the price of the borrowed security increases after the sale. Losses on short sales are theoretically unlimited.

**Swap Agreements Risk.** The price of a total return swap on an Equity Security or basket of Equity Securities can be highly volatile and is dictated by a variety of factors including the value of Equity Securities, the expected total return to be paid to the Receiver, fluctuations in interest rates, the volatility of the Equity Securities and the creditworthiness of the participants. There is no guarantee that an Investment Manager will be able to accurately forecast the effect of these factors on the price of these swaps. Each Participant's investment in the swap is subject to the Equity Risk associated with a direct investment in the Equity Securities. Since the Receiver is obligated to pay the Payor an amount equal to the decline in the value of the Equity Securities during the agreement's term, the Receiver assumes the risk of a theoretical unlimited decrease in the market value of the securities. Similarly, since the Payor is obligated to pay the Receiver an amount based on the increase in the value of the Equity Securities during the agreement's term, the Payor assumes the risk of a theoretical unlimited increase in the market value of the securities. Participation in a total return swap also involves counterparty credit risk and payments owed to a participant may be delayed or not made consistent with the terms of the swap agreement due to financial issues experienced by a counterparty. If the Receiver is paying a floating rate, the Receiver's payment will increase as interest rates increase and the amount due to the Payor will decrease as interest rates decrease.

**Turnover Risk.** The turnover rate within a Portfolio Fund may be significant, potentially involving substantial brokerage commissions and fees. The Fund bears its allocable share of the costs and expenses of the Portfolio Funds.

**Fund of Funds Structure Risk** – Generally, the Portfolio Funds are not registered as investment companies under the 1940 Act. Accordingly, the Fund, as an investor in these Portfolio Funds, will not have the benefit of protections afforded by the 1940 Act to investors in registered investment companies. The following additional risks are relevant to the Fund’s implementation of the fund of funds structure:

**Control Risk.** The Adviser will not have control of, or have the ability to exercise influence over, the trading policies or strategies of a Portfolio Fund. Investment decisions of the Portfolio Funds are also made independently of each other so that, at any particular time, one Portfolio Fund may be purchasing shares of an issuer whose shares are being sold at the same time by another Portfolio Fund. Transactions of this sort could result in the Fund directly or indirectly incurring certain transaction costs without accomplishing any net investment result.

**Custody Risk.** A Portfolio Fund may not be required to, or may not, custody assets consistent with the requirements of the 1940 Act and therefore such assets are more likely at risk to fraud and loss of assets due to the bankruptcy of financial institutions utilized to hold Portfolio Fund assets.

**Expense Layering Risk.** In addition to its own expenses, the Fund will also bear its allocable share of the costs and expenses of each Portfolio Fund, including its allocable share of the management and incentive compensation paid to an Investment Manager. As a result, the Fund’s investments in the Portfolio Funds may result in the Fund paying higher expenses than other funds with similar investment objectives and strategies or if it invested directly in the securities held by the Portfolio Funds. Also, each Investment Manager generally will be entitled to receive a management fee of between 1% and 2.5% (annualized) of the average NAV of the Fund’s investment in a Portfolio Fund and a performance-based allocation, which can range up to 25% of a Portfolio Fund’s net profits. Each Investment Manager may receive performance compensation based on its individual performance, irrespective of the Fund’s overall performance. Consequently, the Fund may bear its allocable share of substantial incentive compensation paid to certain Investment Managers even during a period when the Fund, overall, is incurring significant losses. In addition, the performance-based allocation that will be received by an Investment Manager may create an incentive for that manager to pursue more risky and speculative strategies than would be the case in the absence of such allocation.

**Foreign Organization Risk.** The Fund invests in Portfolio Funds organized outside of the U.S. and these Portfolio Funds may operate under regulatory infrastructures that are less stringent than those governing domestic Portfolio Funds. See also “Portfolio Fund Risk – Foreign Investment Risk” below.

**Implementation Risk.** The performance of the Fund depends on the success of the Adviser in selecting Portfolio Funds for investment and the allocation and reallocation of assets among those Portfolio Funds. The performance of the Fund also depends upon the success of the Investment Managers in implementing the strategies of the Portfolio Funds.

**Limited Voting Rights Risk.** If the Fund purchases non-voting securities of a Portfolio Fund or waives its right to vote its securities, it will not be able to vote on matters that require investor approval including matters that could adversely affect the Fund's investment in the Portfolio Fund.

**Liquidity Risk.** The Fund's interests in Portfolio Funds are illiquid and subject to substantial restrictions on transferability. The Fund may not be able to acquire initial or additional interests in a Portfolio Fund or withdraw all or a portion of its investment from a Portfolio Fund promptly after it has made a decision to do so because of limitations set forth in that fund's governing documents.

**Operational Risk.** Certain Portfolio Funds may only employ the services of a limited number of principals and the departure of any one of these principals may adversely affect the success of the Portfolio Funds' investment strategies. Certain Portfolio Funds are subject to start-up operational risks such as limited operating histories, management with limited business management experience and insufficient resources to implement best practices with respect to the firm's infrastructure, operational processes or risk management tools.

**Transparency Risk.** Portfolio Funds typically provide limited portfolio information. A Portfolio Fund's investment strategies may evolve over time in response to fluctuating market conditions without notice to investors. This may result in a Portfolio Fund using investment strategies that are not fully disclosed to the Adviser, which may involve risks under some market conditions that are not anticipated by the Adviser. Absent the availability of strategy and investment details, the Fund may not be in a position to timely liquidate interests in a Portfolio Fund as changes to the Portfolio Fund's strategies and investments change over time.

**Valuation Risk.** Ordinarily, the Adviser will fair value the Fund's investment in a Portfolio Fund as of each month-end using the value reported for that date provided by the Portfolio Fund in accordance with procedures established by the Fund's Board of Trustees (the "Board"). Because the valuations of the Portfolio Funds are unaudited (except for those provided for the Portfolio Fund's fiscal year end), the Adviser, however, will generally not be able to independently confirm the accuracy of the valuations provided by the Portfolio Funds. An Investment Manager may face a conflict of interest with respect to these reported valuations as they will affect the Investment Manager's compensation

**Non-Diversification Risk** – The Fund is non-diversified and the Fund's investment in the securities of a limited number of Portfolio Funds exposes the Fund to greater market risk and potentially greater market losses than if its investments were diversified in securities issued by a greater number of issuers. Several Portfolio Funds may also take substantial positions in the same security or groups of securities at the same time. This overlap in investments may subject the Fund to additional market risk and potentially greater market losses.



**Liquidity Risk** – An investment in the Fund is highly illiquid. A shareholder does not have the right to require the Fund to redeem or repurchase Institutional Shares and Institutional Shares are subject to substantial restrictions on transferability. There is currently no market for Institutional Shares, and it is not contemplated that one will develop.

**Loss of Investment Risk** – An investment in the Fund is subject to loss, including the possible loss of the entire amount invested.

**Cybersecurity Risk.** The Fund may suffer an intentional cybersecurity breach such as: unauthorized access to systems, networks, or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems (“denial of services”), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Fund, the Adviser, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss.

**Legal and Regulatory Risk** – Securities markets are subject to comprehensive statutes and regulations. Legal, tax and regulatory changes could occur that may adversely affect the Fund and the Portfolio Funds in which it invests. Future regulatory changes, including those relating to the regulation of hedge funds and leverage and the effect of such changes on the Fund could be substantial and adverse including, for example, increased compliance costs and the limitation or prohibition of certain types of investment activities by the Fund and the Portfolio Funds. Limitations on the investment activities of the Fund and the Portfolio Funds may result in the inability of the Fund to pursue its investment objective and strategies.

#### **Purchases of Shares**

**Offering of Institutional Shares by the Fund.** The Fund continuously offers Institutional Shares at their NAV per Share through Ultimus Fund Distributors, LLC, the principal underwriter and distributor of the Institutional Shares (the “Distributor”). Additional broker-dealers or other financial intermediaries (“Selling Agents”) may be appointed by the Distributor to assist in the distribution of Institutional Shares. The Institutional Shares are not subject to a sales load. Selling Agents may also impose terms and conditions on investor accounts and investments in the Fund that are in addition to the terms and conditions set forth in this Prospectus. These additional terms and conditions that may be imposed by Selling Agents are not imposed by the Fund, the Distributor or the Fund’s service providers.

Eligible Investors who are “Institutional Investors” or individual investors may purchase Institutional Shares. “Institutional Investors” may include: (1) corporations, banks, trust companies, insurance companies, investment companies, foundations, endowments, defined benefit plans, retirement plans and other similar entities; and (2) Eligible Investors investing through Selling Agents that have entered into an agreement with the Distributor to offer Institutional Shares through a no-load network or platform.

The minimum initial subscription for Institutional Shares is \$25,000 and the minimum subsequent subscription is \$5,000. The Fund intends to accept initial and additional purchases of Institutional Shares as of the first Business Day of each calendar month. Institutional Shares may be offered less frequently as determined by the Board in its sole discretion.

Generally, purchases are subject to the receipt of immediately available funds at least three (3) Business Days prior to the applicable purchase date (i.e., the first Business Day of each month). The investor will not become a shareholder of the Fund and will have no rights under the Fund’s Agreement and Declaration of Trust (the “Declaration of Trust”) until the purchase date. The investor must also complete a subscription agreement (for initial purchases) and/or such other documentation as required by the Fund (for both initial and subsequent purchases). Generally, this documentation must be received by the Fund’s transfer agent at least five (5) Business Days before the purchase date. Investors should confirm specific deadlines for receipt of funds and documentation by a Selling Agent as those entities may maintain different deadlines.

The Fund reserves the right to reject, in whole or in part, any purchase of Institutional Shares and may suspend the offering of Institutional Shares at any time.

See “Plan of Distribution” and “Purchases of Shares.”

See “Purchases of Shares,” “Repurchases of Institutional Shares,” “Plan of Distribution,” and “Transfer of Shares.

**No Redemptions;  
Repurchases of Shares**

Because the Fund is a closed-end fund, shareholders do not have the right to require the Fund to redeem any or all of their Institutional Shares. To provide a limited degree of liquidity to shareholders, the Fund may from time to time offer to repurchase Institutional Shares pursuant to written repurchase offers, but is not obligated to do so. Repurchases will be made at such times, in such amounts and on such terms as may be determined by the Board, in its sole discretion. In determining whether the Fund should offer to repurchase Institutional Shares, the Board will consider a variety of operational, business and economic factors. The Board convenes quarterly to consider whether or not to authorize a repurchase offer. The Board expects that repurchase offers, if authorized, will be made no more frequently than on a quarterly basis and will typically have a valuation date as of March 31, June 30, September 30 or December 31 (or, if any such date is not a Business Day, on the last Business Day of such calendar quarter) (each a “Valuation Date”).

In order to permit the Fund to finance the repurchase of Institutional Shares through a liquidation of all or a portion of its interest in a Portfolio Fund, the repurchase offer will terminate, and shareholders will be required to tender the Institutional Shares they wish to sell in the repurchase offer, at least 45 days prior to the Valuation Date (“Repurchase Offer Acceptance Deadline”). The Repurchase Offer Acceptance Deadline will be specified in the notice describing the terms of the applicable repurchase offer. A repurchase offer will terminate on the designated Repurchase Offer Acceptance Deadline and any tender of Institutional Shares received from a shareholder after that date will be void.

The Fund requires that a tendering shareholder tender a minimum of \$10,000 worth of Institutional Shares. A shareholder tendering only a portion of its Institutional Shares for purchase will be required to continue to hold Institutional Shares with a value of at least \$25,000 after giving effect to the repurchase. If a shareholder tenders an amount that would cause the value of its Institutional Shares (after giving effect to the repurchase) to fall below \$25,000, the Fund may reduce the amount to be repurchased so that value of the shareholder’s account is at least \$25,000 or the Fund may repurchase all of the shareholder’s Institutional Shares.

The proceeds of repurchases of Institutional Shares may be paid by the in-kind distribution of illiquid securities held by the Fund, or partly in cash and partly in-kind.

See “Repurchases of Institutional Shares.”

#### **Transfer of Shares**

There is no public market for Institutional Shares and none is expected to develop. The Fund will not list Institutional Shares on a stock exchange or similar market. With very limited exceptions, Institutional Shares are not transferable, and liquidity for investments in Institutional Shares may be provided only through periodic repurchase offers by the Fund. If a shareholder attempts to transfer Institutional Shares in violation of the Fund’s transfer restrictions, the transfer will not be permitted and will be void.

See “Transfer of Shares.”

#### **Distributions/Dividend Reinvestment Plan**

The Fund intends to distribute substantially all of its net investment income and all of its realized short-term and long-term gains, if any, to shareholders annually as of the last Business Day of each calendar year. Distributions paid by the Fund may include a return of capital. Unless a shareholder elects to receive distributions in cash, all distributions will be automatically reinvested in additional Institutional Shares and will be made at the net asset value per share calculated on the next valuation date following the distribution. The automatic reinvestment of dividends and distributions will not relieve participants of any income taxes that may be payable (or required to be withheld) on dividends and distributions. Since Shares are illiquid, shareholders may need other sources of cash to pay any taxes due.

See “Distributions to Shareholders” and “Dividend Reinvestment Plan.”

**Adviser**

Homrich & Berg, Inc., a Georgia corporation, is the Adviser. The Adviser is a registered investment adviser with its principal offices at 3550 Lenox Rd. NE, Suite 2700, Atlanta, GA, 30326.

As of June 30, 2019, the Adviser's total assets under management were approximately \$6 billion.

For management services rendered to the Fund pursuant to an Investment Advisory Agreement between the Fund and the Adviser, the Adviser receives an annual fee of 0.75%, payable monthly based on the Institutional Shares' month end NAV.

See "Management – Investment Adviser"

**Performance**

Simultaneous with the commencement of the Fund's operations on January 3, 2017 ("Commencement of Operations"), the Fund acquired substantially all of the assets of H&B Hedge Fund, LLC (the "Predecessor Fund") in exchange for shares of the Fund. The performance of Institutional Shares for periods before January 3, 2017 is that of the Predecessor Fund and includes the expenses of the Predecessor Fund. The Fund's expenses are greater than the actual expenses of the Predecessor Fund. For the estimated gross expenses of the Institutional Shares (including Acquired Fund Fees and Expenses), see "Summary of Fund Expenses."

For past performance information of Institutional Shares, see "Performance."

**PAST PERFORMANCE DOES NOT GUARANTEE FUTURE INVESTMENT RESULTS.****Services**

**Administrator, Fund Accountant, Transfer Agent and Compliance Services.** Ultimus Fund Solutions, LLC (the "Administrator" or "Ultimus"), 225 Pictoria Drive, Suite 450, Cincinnati, Ohio 45246, provides administration, fund accounting, transfer agency and compliance services to the Fund and supplies certain officers to the Fund, including a Principal Financial Officer and Principal Accounting Officer, Chief Compliance Officer and an Anti-Money Laundering Compliance Officer, as well as additional compliance support personnel. Fees and expenses of the Administrator are paid by the Fund.

**Custodian.** The Huntington National Bank, (the "Custodian"), 41 South High Street, Columbus, Ohio 43215, is custodian of the Fund's investments and may maintain Fund assets with U.S. and foreign subcustodians (which may be banks, trust companies, securities depositories and clearing agencies), subject to policies and procedures approved by the Board. Fees and expenses of the Custodian are paid by the Fund.

See "Services."

## **Fund Expenses**

**Fund Expenses.** The Fund bears its own operating expenses which include, but are not limited to: (1) organizational and offering costs; (2) the fees and certain expenses of its service providers including legal and audit fees and certain travel expenses related to due diligence services; (3) Trustee fees; (4) repurchase offer expenses; (5) costs of printing prospectuses and shareholder reports; (6) certain research, due diligence and risk management services and (7) registration fees.

**Portfolio Fund Expenses.** The Portfolio Funds incur their own operating expenses. As an investor in the Portfolio Funds, the Fund indirectly bears its pro rata allocation of the Portfolio Funds' expenses.

**Expense Limitation.** The Adviser has contractually agreed to waive its management fee and/or reimburse expenses to the extent necessary to ensure that the total annual Fund operating expenses attributable to the Institutional Shares will not exceed 1.25% (after fee waivers and/or expense reimbursements, and exclusive of taxes, interest, portfolio transaction expenses, acquired fund fees and expenses and extraordinary expenses not incurred in the ordinary course of the Fund's business). Expenses reimbursed and/or fees reduced by the Adviser may be recouped by the Adviser for a period of three (3) years following the date such reimbursement or reduction was made if such recoupment does not cause current expenses to exceed the expense limit for Institutional Shares in effect at the time the expenses were paid/waived and any expense limit in effect at the time of recoupment. These arrangements will continue until August 31, 2020 and may be terminated at any time by the Board. No such termination will affect the obligation (including the amount of the obligation) of the Fund to repay amounts of waived fees and/or reimbursed expenses with respect to periods prior to such termination; provided that no reimbursement of expenses will occur more than three (3) years following the date such reimbursement or reduction was made.

See "Expenses."

## **Certain Tax Considerations**

The Fund intends to qualify, for U.S. federal income tax purposes, as a RIC under subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). To maintain its RIC status, the Fund must meet specified source-of-income and asset diversification requirements and distribute annually an amount equal to at least 90% of its ordinary income and realized net short-term capital gains in excess of realized net long-term capital losses, if any, reduced by deductible expenses.

For each taxable year that the Fund qualifies as a RIC, the Fund will not be subject to federal income tax on any of its income distributed to shareholders. The Fund will distribute substantially all of its net investment income and gains to shareholders and these distributions will generally be taxable to shareholders as ordinary income. Shareholders not subject to tax on their income will not be required to pay tax on these distributions.

See "Certain Tax Considerations."

## **Certain ERISA Considerations**

Generally, investors subject to The Employee Retirement Income Security Act of 1974 ("ERISA") and other tax exempt investors, including employee benefit plans, individual retirement accounts, and Keogh Plans, may acquire Institutional Shares to the extent that they are Eligible Investors. Fund assets are not deemed to be "plan" assets under ERISA.

Before investing the assets of a plan subject to ERISA (each an "ERISA Plan") or a plan or other arrangement such as an IRA or Keogh plan subject to Section 4975 of the Code (together with ERISA Plans, "Plans") in the Fund, the Plan fiduciary should determine whether such an investment is consistent with his, her or its fiduciary responsibilities as set out in U.S. Department of Labor ("DOL") regulations. The fiduciary should, for example, consider whether an investment in the Fund may be too illiquid or too speculative for the Plan, and whether the assets of the Plan would be suitably allocated within and across different asset classes if the investment is made.

See "Certain ERISA Considerations."

## SUMMARY OF FUND EXPENSES

The following tables are intended to assist investors in understanding the various costs and expenses directly or indirectly associated with investing in the Fund.

<b>Annual Fund Operating Expenses (as a percentage of average net assets)</b>	<b>Institutional Shares</b>
Management Fees	0.75%
Other Expenses <sup>(1)</sup>	0.31%
Acquired Fund Fees and Expenses <sup>(2)</sup>	3.99%
<b>Total Annual Fund Operating Expenses<sup>(3)</sup></b>	<b>5.05%</b>

- (1) “Other Expenses” are based on estimated amounts for the Fund’s current fiscal year. The Fund’s actual expenses may vary from the estimated expenses shown in the table. “Other Expenses” do not include any fees or expenses charged by a Portfolio Fund (which are reflected separately under “Acquired Fund Fees and Expenses”).
- (2) Shareholders indirectly bear a portion of the asset-based fees, performance or incentive fees or allocations and other expenses incurred by the Fund as an investor in the Portfolio Funds. Fees and expenses of Portfolio Funds are based on the Portfolio Funds’ historic fees and expenses. Generally, fees payable to an Investment Manager are estimated to range from 1% to 2.5% (annualized) of the average NAV of the Fund’s investment in a Portfolio Fund. In addition, certain Investment Managers charge an incentive allocation or fee which can range up to 25% of a Portfolio Fund’s net profits. These fees payable to Investment Managers are estimates and may be higher or lower. If the Fund redeems some or all of its investment in a Portfolio Fund within the first twelve months of its investment, the Portfolio Fund may charge a liquidation fee of up to 5% of the amount of the redemption. The Portfolio Funds held by the Fund and their fees will change over time, impacting the calculation of the “Acquired Fund Fees and Expenses.” Future “Acquired Fund Fees and Expenses” may be substantially higher or lower because certain fees are based on the performance of the Acquired Funds, which may fluctuate over time.
- (3) The Adviser has contractually agreed to waive its management fee and/or reimburse expenses to limit the Fund’s total annual fund operating expenses attributable to the Institutional Shares to 1.25% (after fee waivers and/or expense reimbursements, and exclusive of taxes, interest, portfolio transaction expenses, acquired fund fees and expenses and extraordinary expenses not incurred in the ordinary course of the Fund’s business). Expenses reimbursed and/or fees reduced by the Adviser may be recouped by the Adviser for a period of three (3) years following the date such reimbursement or reduction was made if such recoupment does not cause current expenses to exceed the expense limit for Institutional Shares in effect at the time the expenses were paid/waived and any expense limit in effect at the time of recoupment. These arrangements will continue until August 31, 2020 and may be terminated at any time by the Board. No such termination will affect the obligation (including the amount of the obligation) of the Fund to repay amounts of waived fees and/or reimbursed expenses with respect to periods prior to such termination.

*Expense Example.* This Example helps you compare the cost of investing in the Fund to the cost of investing in other investment companies. The Example assumes that: (1) you invest \$1,000 in the Fund; (2) your investment has a 5% return each year; (3) operating expenses and net expenses remain as stated in the previous table except to reflect the completion of the amortization of offering costs; and (4) all income dividends and capital gains distributions are reinvested in additional Institutional Shares at the NAV per Share. The Example should not be considered a representation of future expenses. Your actual costs may be higher or lower.

<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
\$50	\$151	\$252	\$504

### **FINANCIAL HIGHLIGHTS**

The financial highlights table is intended to help you understand the Fund's financial performance since inception. The table below reflects the financial results for a single Institutional Share. This information has been derived from the Fund's financial statements. The information has been audited by Cohen & Company, Ltd., the Fund's independent registered public accounting firm, whose report appears in the Fund's annual report to shareholders dated April 30, 2019. The annual report is available from the Fund upon request without charge.

	For the Year Ended April 30, 2019	For the Year Ended April 30, 2018	For the Period Ended April 30, 2017 <sup>(1)</sup>
<b>Per Share Operating Performance</b>			
<b>Net asset value, beginning of period</b>	<u>\$ 106.58</u>	<u>\$ 103.36</u>	<u>\$ 100.00</u>
Investment operations:			
Net investment loss	(0.24) <sup>(2)</sup>	(0.14)	(0.35)
Net realized and unrealized gains from investments	0.88	4.98	3.71
<b>Net change in net assets resulting from operations</b>	<u>0.64</u>	<u>4.84</u>	<u>3.36</u>
Distributions from:			
Net investment income	(0.98)	(1.09)	—
Net realized gains	(1.44)	(0.53)	—
	<u>(2.42)</u>	<u>(1.62)</u>	<u>—</u>
<b>Net asset value, end of period</b>	<u>\$ 104.80</u>	<u>\$ 106.58</u>	<u>\$ 103.36</u>
<b>Total return<sup>(3)</sup></b>	0.66%	4.69%	3.36% <sup>(4)</sup>
Net assets, end of period	\$ 211,927,912	\$ 187,358,329	\$ 101,956,582
<b>Ratios To Average Net Assets</b>			
Expenses after waiver <sup>(5)(6)</sup>	0.43%	0.56%	1.19% <sup>(7)</sup>
Expenses before waiver <sup>(5)</sup>	1.14%	1.30%	1.52% <sup>(7)</sup>
Net investment loss after waiver <sup>(5)</sup>	(0.23%)	(0.44%)	(1.15%) <sup>(7)</sup>
Portfolio turnover rate	9.76%	19.65%	2.78% <sup>(4)</sup>

(1) For the period January 3, 2017 (commencement of operations) through April 30, 2017.

(2) Calculated based on the average shares outstanding during the year.

(3) Total return in the above table represents the rate an investor would have earned or lost on an investment in the Fund, assuming reinvestment of distributions, if any.

(4) Not annualized.

(5) The ratios do not reflect the Fund's proportionate share of income and expenses including performance fees/allocations, of the underlying Portfolio Funds.

(6) Reflects voluntary waivers of fees made by the Fund's investment adviser of 0.71%, 0.74% and 0.33% for the periods ended April 30, 2019, April 30, 2018 and April 30, 2017, respectively. Voluntary waivers may be terminated at any time.

(7) Annualized.



## **THE FUND**

The Fund is a Delaware statutory trust formed on August 19, 2016 that is registered under the 1940 Act as a non-diversified, closed-end management investment company. Although the Institutional Shares are registered under both the 1940 and 1933 Acts, they are subject to substantial limitations on transferability and resale.

The Fund's office is located at 225 Pictoria Drive, Suite 450, Cincinnati, OH 45246 and its telephone number is (800) 657-3812.

The Fund operates as a "fund of hedge funds" and provides investors access to a variety of professionally managed private investment funds that Homrich & Berg, Inc. (the "Adviser") believes will provide a diversifying return stream to shareholders (each a "Portfolio Fund"). The Adviser believes that investing in multiple Portfolio Funds with a variety of investment approaches provides for the best opportunity to produce long term returns with low volatility.

The Portfolio Funds are not registered under the 1940 Act and may be organized outside of or within the U.S.

The Fund is suitable only for investors that can tolerate a significant amount of investment risk and that do not require liquidity of their interests in the Fund.

This Prospectus offers the Fund's Institutional Shares.

## **USE OF PROCEEDS**

The Fund invests proceeds from the sale of Institutional Shares, net of fees and expenses, consistent with its investment objective and investment strategies. These proceeds are invested as soon as possible (and not later than 3 months) after their receipt consistent with market conditions and the availability of suitable investments. Pending investment in Portfolio Funds, the Fund may invest the proceeds in cash equivalents such as high-quality, short-term debt securities and money market funds. The Fund may also maintain a portion of the proceeds in cash equivalents to satisfy operational expenses or to fund repurchases.

At times when the Fund is not investing in Portfolio Funds, it will not be pursuing its investment objective.

## INVESTMENT OBJECTIVE

The Fund's investment objective is to create a diversified portfolio of hedge fund strategies that generates attractive risk-adjusted returns relative to traditional asset classes and that generates a return stream that is not highly correlated to equity market performance.

An investment in the Fund may not be appropriate for all investors and is not intended to be a complete investment program. No assurance can be given that the Fund will achieve its investment objective.

The Fund's investment objective is non-fundamental and may be changed by the Board.

## PRINCIPAL INVESTMENT STRATEGIES

### Portfolio Funds

The Fund will seek to achieve its investment objective by investing in a variety of hedge fund strategies that the Adviser believes will provide a diversifying return stream to shareholders.

The Fund invests in these strategies by investing in Portfolio Funds. The Portfolio Funds are not registered under the 1940 Act. To facilitate compliance with the Code provisions applicable to RICs, the Fund invests in Portfolio Funds organized both within and outside of the U.S. See "Certain Tax Considerations – Taxation as a RIC."

Potential strategies for investment include, but are not limited to the following.

**Long/Short Equity.** The Portfolio Funds may take "long" positions in equity securities of U.S. and foreign issuers that they believe are likely to increase in value and may take "short" positions in equity securities of U.S. and foreign issuers that they believe will decline in value.

**Credit Long/Short.** The Portfolio Funds may invest in credit-sensitive securities, long and/or short, based upon credit analysis of issuers and securities, and credit market views.

**Distressed Credit.** The Portfolio Funds may use intensive credit analysis to invest in equity and/or fixed income securities of financially troubled U.S. and/or foreign issuers.

**Discretionary Macro.** The Portfolio Funds may invest across a variety of securities and financial instruments of U.S. and foreign issuers based on interpretations of the global macro economy and changes therein on the valuation of such securities and financial instruments. Investments may include Equity and Fixed Income Securities, currencies and commodities (i.e., agricultural, metals, energy). Long and short positions may be utilized.

**Managed Futures.** The Portfolio Funds may trade futures contracts and options on futures contracts as either buyers or sellers of contracts representing real assets such as gold, silver, wheat, coffee, sugar, heating oil, or financial assets such as government bonds, equity indices and currencies to take advantage of investment opportunities in the equity, fixed income, currency and commodity markets. Generally, portfolio managers are looking at trends in historical pricing in the relevant assets as an indicator of future price movement.

**Structured Credit.** The Portfolio Funds may invest in residential and commercial mortgage-backed securities, collateralized loan obligations and collateralized debt obligations and/or other asset-backed securities.

**Statistical Arbitrage.** The Portfolio Funds invest by trying to identify pricing anomalies in equities and other asset classes. Generally this strategy utilizes heavy quantitative, computational, and statistical analysis to identify short-term trends that can be taken advantage of in the relevant markets.

**Multi-Strategy.** Certain Portfolio Funds may utilize several of the strategies listed here, and potentially other strategies.

In order to implement the strategies, the Investment Managers may utilize one or more approaches, including: (1) the effect of economic, political, or corporate changes on the prices of securities (Directional Trading Approach); (2) the effect of events on different securities (Event Driven Approach); (3) perceived valuations of securities (e.g., whether an issuer is overvalued or undervalued) (Fundamental Approach) and (4) a mispricing of securities relative to each other or relative to historic norms (Relative Value Approach).

The Fund will have diversified exposure to various hedge fund strategies that fall within 5 main categories: equity related strategies (such as equity long/short), credit related strategies (such as credit long/short and distressed credit), quantitative strategies (such as statistical arbitrage), multi-strategy, and opportunistic investments (such as discretionary macro). Although allocations may vary outside of these ranges based on market conditions and opportunity set, the Fund is generally expected to allocate between 25-40% to multi-strategy, 20-30% to equity related strategies, 20-30% to credit related strategies, 10-20% to quantitative strategies and 0-20% to opportunistic strategies. Equity related strategies tend to have positive correlation to equity markets. The remaining strategies are intended to have lower correlation to equity markets over time. Managers are likely to invest in an array of securities across the globe, including emerging markets, in order to provide a diversifying return stream that is unrelated to traditional equity market risk factors

The Adviser will determine the amount to allocate to each strategy. The Adviser intends that amounts will be allocated to at least several of the strategies at all times. Factors that determine the amount that the Adviser will allocate to each strategy include: the Adviser's opinion of the opportunity set in that strategy, the capacity for investment with high quality managers in a given strategy and overall risk management of the Fund.

While it is anticipated that the Portfolio Funds will invest in publicly traded U.S. and foreign common stocks, Portfolio Funds may also use other equity securities such as preferred stock, convertible securities and warrants ("Equity Securities"). Portfolio Funds may also invest in fixed income securities such as corporate debt obligations, government securities, municipal securities, financial institution obligations, mortgage-related securities, asset-backed securities and zero-coupon securities issued by U.S. issuers and similar securities issued by foreign issuers (collectively, "Fixed Income Securities"). Fixed Income Securities may have various maturity, duration and quality limitations, and may include high yield fixed income securities or "junk bonds" (higher-risk, lower-rated fixed income securities such as those rated lower than BBB- by Standard & Poor's Rating Service, Inc. ("S&P") or lower than Baa3 by Moody's Investors Service, Inc. ("Moody's")). Portfolio Funds may also take long or short positions in Fixed Income Securities as a hedge against the equity or fixed income exposure in its portfolio.

**Derivatives.** Portfolio Funds may use derivatives, typically: (1) options on Equity Securities, Indices, and currencies; (2) futures on Indices; and (3) total return swaps involving one or a basket of Equity Securities, to create synthetic exposure to these Indices/securities for the purposes of increasing portfolio profitability or hedging against certain long/short strategy risks, including short selling risk.

A Portfolio Fund may also invest in forward foreign currency contracts (each a “forward contract”) to protect against or speculate on the fluctuation of various currencies.

*Options.* An option contract is a bilateral agreement that permits, but does not obligate, the purchaser, in return for a premium paid to the writer (seller) of the option, to buy an asset from (in the case of a call option) or sell an asset to (in case of a put option) the writer (seller) at the Strike Price on or before the expiration date of the contract. An Investment Manager may purchase a call option or write (sell) a put option on Equity Securities, Indices or currencies if the Investment Manager expects the value of the Equity Securities, Indices or currencies to increase during the term of the option. Alternatively, an Investment Manager may purchase a put option or write (sell) a call option on Equity Securities, Indices or currencies if the Investment Manager expects the market value of the Equity Securities, Indices or currencies to decrease during the term of the option.

A Portfolio Fund may close out a call or put written on an Equity Security, Index or currency by purchasing a call or put, respectively, on the same Equity Security, Index or currency, as applicable, with the same Strike Price and expiration date. To close out a position as a purchaser of an option on an Equity Security, Index or currency, a Portfolio Fund may sell the option previously purchased, although the Portfolio Fund could exercise the option should it deem it advantageous to do so. If the Strike Price of a call option is less than the value of the underlying Equity Security, Index or currency or the Strike Price of a put option thereon exceeds the value of the underlying Equity Security, Index or currency, the purchaser may exercise the option. If exercised, options on Equity Securities or currencies will settle upon the delivery of those securities or currencies to the option purchaser. Index options will settle in cash and the purchaser receives a cash amount from the seller equal to the difference between the Strike Price and the closing price of the Index, multiplied by a factor (typically \$100), on the date of exercise.

*Forward Contracts.* A forward currency contract involves an obligation to purchase or sell a specific amount of a specific currency at a future date, which may be any fixed number of days (usually less than one year) from the date of the contract agreed upon by the parties, at a price set at the time of the contract. At or before settlement of a forward currency contract, the seller may either deliver the currency or terminate its contractual obligation to deliver the currency by purchasing an offsetting contract. If the seller makes delivery of the foreign currency at or before the settlement of a forward contract, it may be required to obtain the currency through the conversion of assets into the currency. A purchaser may close out a forward contract obligating it to purchase currency by selling an offsetting contract, in which case, the purchaser will realize a gain or a loss.

*Futures.* A futures contract is a bilateral agreement where one party agrees to accept delivery/purchase an asset (a long position), and the other party agrees to make delivery/sell the asset (a short position), as called for in the contract, on a specified date and at the Settlement Price. A futures contract on an Index involves the delivery of an amount of cash equal to a specified dollar amount (e.g. \$500 for S&P 500 futures) times the difference between the Index value at the close of trading of the contract and the price at which the futures contract was originally struck. An Investment Manager may take a long position in a futures contract if the Investment Manager expects the value of the Index to increase during the term of the contract. Alternatively, an Investment Manager may take a short position in a futures contract if the Investment Manager expects the market value of the Index to decrease during the term of the contract. Futures contracts settle in cash on the Settlement Date. Generally, futures contracts are closed out prior to their expiration date. A Portfolio Fund may elect to close a futures position by taking an opposite position, at the then prevailing price, thereby terminating its existing position in the contract.

*Swap Agreements.* Swap agreements are individually negotiated bilateral contracts created to gain exposure to a variety of different types of investments or market factors. In a total return swap on Equity Securities, the Payor sells to the Receiver an amount equal to all cash flows from and price appreciation on the Equity Securities during the term of the agreement in return for a payment based on a fixed or floating rate and an amount equal to any depreciation on the Equity Securities during the term of the agreement. A Portfolio Fund may elect to participate in a total return swap as “Receiver” if the Investment Manager expects the underlying Equity Securities to increase in value in an amount greater than the fixed rate to be paid under the agreement. Alternatively, a Portfolio Fund may elect to participate in a total return swap as “Payor” if the Investment Manager expects the underlying Equity Securities to decline in value during the term of the agreement but to increase in value over the long term.

**Other Investments.** Because a Portfolio Fund is not registered under the 1940 Act and its governing documents typically do not impose significant investment restrictions, the Portfolio Fund may also, without limitation or prior notice to the Fund, invest and trade in a broad range of securities, derivatives and other financial instruments including but not limited to those described above.

### **Portfolio Funds Selection Process**

It is the responsibility of the Adviser to (1) identify Investment Managers and Portfolio Funds in which the Fund will invest; and (2) determine the percentage of Fund assets to be allocated to each Portfolio Fund. The Adviser may leverage research from an independent third party research service as a component of its investment decision making process.

The Adviser selects Portfolio Funds based upon, among other things, their track record, expertise, competitive advantage, opportunity set, and value add to the Fund as a whole. In addition to an investment research process that considers the topics mentioned above, the Adviser conducts an operational due diligence process in an effort to identify those Investment Managers with the highest ethical standards and institutional quality infrastructure. Some items that are likely to be strongly considered in the due diligence process for potential portfolio funds include:

- Historical performance of the fund
- Track record of Portfolio Managers prior to their involvement with the potential Portfolio Fund
- Background of the Portfolio Managers and research team in relation to the strategy of the potential Portfolio Fund
- The opportunity set for the strategies employed by the potential Portfolio Fund
- The degree to which the potential Portfolio Fund would supplement the strategies currently employed within the Fund
- Correlation between the potential Portfolio Fund and traditional assets such as stocks and bonds
- Portfolio Manager investment in the potential Portfolio Fund
- Fees charged by the Investment Manager
- Liquidity of the potential Portfolio Fund
- Background check on the Portfolio Managers

- References from current investors in the potential Portfolio Fund
- Potential conflicts of interest between the Investment Manager, potential Portfolio Fund, and its service providers
- Infrastructure of the Investment Manager including risk management process, trade processing, fund administration, custodian, legal counsel, and prime brokerage

No single criterion listed above is determinative and certain investments may be made irrespective of the failure of the Investment Manager to meet all of the criteria listed above. Additionally, certain of the above criteria may be emphasized over others in the selection of a particular Investment Manager.

In seeking to identify opportunities for investment, the Adviser believes that it is important to identify a specific opportunity to generate returns going forward, and identify the Investment Manager who is in the best position to take advantage of that opportunity. As such, the Adviser is constantly scanning the marketplace for potential new portfolio funds to identify new opportunities. The Adviser maintains relationships throughout the hedge fund industry with peer firms, broker/dealers, and hedge fund industry contacts, among others.

### **Ongoing Due Diligence**

The Adviser regularly monitors Portfolio Funds to ensure that they are performing in line with the original investment thesis and that the strategy employed by the Portfolio Fund continues to be the optimal use of Fund assets.

The Adviser conducts performance analysis to ensure that the Portfolio Fund is performing in line with expectations. In an effort to analyze performance, the Adviser utilizes weekly performance estimates when available, final monthly performance, Portfolio Fund allocation data, and market data to determine whether or not the Investment Manager is executing on their stated strategy.

The Adviser conducts broad market analysis to ensure that the Portfolio Fund is still an optimal use of Fund assets. Based on observations from markets along with news developments and information obtained from industry relationships, the Adviser's view on the opportunity set is likely to evolve over time. As such, the Adviser will continually monitor whether or not the opportunity set for its Portfolio Funds is consistent with the Adviser's overall market view.

Finally, the Adviser maintains ongoing communication with the Investment Managers. Although the level of communication varies across Portfolio Funds, the Adviser communicates with the Investment Managers frequently. In addition, the Adviser receives updates from Portfolio Funds including weekly or bi-weekly estimates, with monthly performance confirmed by the Portfolio Fund's administrator, as well as information regarding the Portfolio Fund's allocation to underlying investments. From time to time the Adviser will conduct "on-site" due diligence by travelling to the headquarters of the Portfolio Fund to meet with the Investment Manager.

The Adviser may leverage research from a third party research provider as part of its ongoing due diligence process in conjunction with or in place of any of the above steps in the due diligence process.

## **Liquidation of Investments**

Through the results obtained through the ongoing due diligence process, the Adviser may liquidate investments in Portfolio Funds for a variety of reasons including but not limited to:

- The opportunity set that was available when the Adviser made the original investment in the Portfolio Fund is no longer available or a more attractive opportunity set has arisen
- The risks taken by the Portfolio Fund are no longer complementary to the Fund when looked at in its entirety
- The Adviser believes that the Investment Manager is no longer the best suited to execute on their strategy
- The Adviser no longer believes that the Investment Manager is adhering to the highest ethical standards or has the infrastructure in place to ensure that the Portfolio Fund is of institutional quality

Since Portfolio Funds are generally illiquid and may only be redeemed at certain times, changes to the Fund's allocation to one or more Portfolio Funds will generally be made when additional investment proceeds are received by the Fund or when selecting investments to liquidate to fund the repurchase of Shares, which may be periodically approved by the Board to provide limited liquidity to shareholders. The Adviser also takes into account liquidation fees that may be imposed by a Portfolio Fund when implementing changes to portfolio asset allocations amongst the Portfolio Funds. Generally, in order to avoid and/or limit the generation of these liquidation penalties, the Adviser expects to implement allocation adjustments upon receipt of additional investment proceeds by the Fund and/or by first liquidating interests in Portfolio Funds that are no longer subject to liquidation fees (i.e., interests held by the Fund beyond the lock-up/gate periods).

## **Investment Limitations Related to Portfolio Funds**

The Adviser typically will not invest more than 25% of the Fund's assets with any one Investment Manager (measured at the time of investment).

In addition, the Fund will limit its investment in any one Portfolio Fund to less than 5% of that Portfolio Fund's outstanding voting securities to avoid 1940 Act prohibitions on affiliated transactions. The Fund may, however, purchase non-voting securities of Portfolio Funds or waive its voting rights with respect to interests held in Portfolio Funds.

Waivers of voting rights typically will be effected by means of a written agreement with the relevant Portfolio Fund pursuant to which the Fund automatically waives any voting rights it may hold subject to certain requirements. Determinations of whether the Fund will waive its voting rights are made by the Adviser as part of the investment process. The Adviser will make a determination whether forgoing the right to vote is consistent with its fiduciary duty as an investment adviser to the Fund. When deciding to forego or waive voting rights, the Adviser will only consider the interests of the Fund.

As a general matter, unlike public corporations or registered investment companies, the Portfolio Funds in which the Fund may invest provide their investors with an ability to vote only under limited circumstances (if at all). The Fund's practices regarding investment in non-voting securities of Portfolio Funds or waivers of its voting rights are, therefore, not expected to adversely affect the Fund's operations or its rights as an investor in a Portfolio Fund. It is possible, however, that the Fund could be precluded from participating in a vote on a particular issue, including an issue that may have a material adverse consequence to the Fund. The Adviser considers this risk minimal relative to the increased flexibility potentially available to the Fund and its shareholders from investing in non-voting securities.

**Exemption from Registration as a Commodity Pool Operator.** Pursuant to a claim for exemption filed with the National Futures Association on behalf of the Fund, the Fund is not deemed to be a commodity pool operator or a commodity pool under the Commodity Exchange Act and is not subject to registration or regulation as such under the Commodity Exchange Act (“Exemption”). In order to comply with the claimed exemption, the Fund will not participate, directly, or indirectly through its investment in the Portfolio Funds, in commodity futures contracts, commodity options contracts or swaps (collectively, “Commodity Contracts”) for other than bona fide hedging purposes (as defined under the Commodity Exchange Act) unless:

- (1) the aggregate initial margin and premiums required to establish the Commodity Contracts does not exceed 5% of the liquidation value of the Fund’s portfolio (after taking into account unrealized profits and unrealized losses on such contracts); or
- (2) the aggregate net notional value (as defined in the Commodity Exchange Act) of such Commodity Contracts, determined at the time the most recent position was established, does not exceed 100% of the liquidation value of the Fund’s portfolio (after taking into account unrealized profits and unrealized losses on such contracts).

The Fund does not intend to invest in Commodity Contracts directly. The applicability of these limitations to the Fund and other fund of fund products with only indirect exposure to Commodity Contracts through other funds in which they invest is currently under review by the Commodity Futures Trading Commission (“CFTC”). If the CFTC amends the Exemption to modify or eliminate the applicability of these restrictions to fund of fund products, the Fund intends to continue to rely on the Exemption and related restrictions as modified.

#### **Borrowing (For Non-Leverage Purposes)**

The Fund has the authority to borrow money, such as for the repurchase of Shares, but does not anticipate doing so. Generally, any borrowing will be limited to 25% of the Fund’s total assets at the time of the borrowing.

The Portfolio Funds may borrow for non-leverage purposes such as paying expenses and may pledge their assets as collateral for loans.

#### **Leverage**

The Portfolio Funds may engage in various forms of leverage. Leverage can be employed in a variety of ways including using margin (an amount of cash or eligible securities an investor deposits with a broker when borrowing to buy Equity and Fixed Income Securities), selling short Equity and Fixed Income Securities, using derivatives and participating in other forms of direct and indirect borrowing. If a Portfolio Fund uses leverage, the value of its net assets will tend to increase or decrease at a greater rate than if no leverage were employed and leverage may result in a Portfolio Fund controlling more assets than the Portfolio Fund has equity. A Portfolio Fund’s returns will increase if the Portfolio Fund earns a greater return on investments purchased with borrowed funds than the cost of borrowing such funds.



## Cash and Cash Equivalents

The Fund may invest in cash and cash equivalents pending investments in Portfolio Funds and to: (1) satisfy periodic offers to repurchase Institutional Shares when and if authorized by the Board; and (2) pay fees and expenses.

The Fund may not achieve its investment objective when holding cash and cash equivalents.

## PRINCIPAL RISKS

An investment in the Fund is speculative, involves significant risk and is not suitable for all investors. It is possible that you may lose some or all of your investment and attempts by the Fund to manage the risks of investing in Portfolio Funds does not imply that an investment in the Fund is low risk or without risk. No guarantee or representation is or can be made that the Fund will achieve its investment objective. Investors should carefully consider the risks involved in an investment in the Fund, including but not limited to those discussed below.

In considering an investment in the Fund, prospective investors should read the entire Prospectus and consult their independent financial, tax and legal advisers, and should be aware of the risk factors prior to acquiring Institutional Shares.

The principal risks of the Fund may adversely affect the Fund's performance. The order in which the principal risks are presented may not be representative of the level of the Fund's exposure to any of these risks.

### Market Risk

The success of the Fund's activities may be affected by general economic and market conditions including interest rates, the availability of credit, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may affect the volatility, value and liquidity of the Fund's investments. Unexpected volatility or illiquidity could impair the Fund's ability to carry out its business.

### Portfolio Fund Risk

The Fund's investment in the Portfolio Funds subjects shareholders to the following investment risks and may result in a decline in the value of the Portfolio Funds:

**Borrowing Risk (For Non-Leverage Purposes).** As a creditor, a third-party lender has a first priority claim on any cash and assets held by a Portfolio Fund. In the event that a credit facility utilized by a Portfolio Fund is terminated by the third-party lender, the Portfolio Fund may be required to liquidate investments and be forced to sell investments at unfavorable prices in order to repay outstanding borrowings. The rights of creditors to the assets of a debtor are senior to those of equity investors.

**Convertible Securities Risk.** The value of convertible securities generally declines as interest rates increase and increases as interest rates decline. A Portfolio Fund may not have pre-established minimum credit standards for convertible securities and may invest, without limit, in unrated or below investment grade convertible securities. Convertible securities are typically issued by small capitalized companies whose stock prices may be volatile. Convertible securities that are unrated or are rated below investment grade are associated with a higher risk of default on interest and principal payments. In the event of a liquidation of the issuing company, holders of convertible securities would generally be paid only after holders of any senior debt obligations.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by a Portfolio Fund is called for redemption, the Portfolio Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party, which may decrease the Portfolio Fund's return.

**Currency Risk.** Instruments denominated in foreign currencies, if unhedged, will fluctuate with U.S. dollar exchange rates as well as in response to price changes of the investments in the various local markets and the value of local currencies. An increase in the value of the U.S. dollar compared to other currencies will reduce the effect of increases and magnify the effect of decreases in the value of foreign currencies and in the prices of instruments denominated in foreign currencies or that provide exposure to foreign currencies. Conversely, a decrease in the value of the U.S. dollar will have the opposite effect on non-U.S. dollar securities.

**Distressed Securities Risk.** An investment in distressed securities is speculative because issuers of these securities may be in transition, out of favor, financially leveraged, troubled or potentially troubled and may be or have recently been involved in taking strategic actions, restructurings, bankruptcy reorganizations or liquidations. An issuer's default in its payment obligations may also result in a decline in the value of the issuer's securities.

**Emerging Markets Risk.** In addition to the risks applicable to foreign investments, emerging markets are generally more volatile and the risk of political and social upheaval is greater. There also may be a lack of public information regarding companies operating in emerging markets. Securities traded on emerging markets are potentially illiquid and emerging markets may impose high transaction costs and may be less regulated than more developed foreign markets.

**Equity Securities Risk.** The value of Equity Securities may fluctuate in response to specific situations for each company, industry market conditions, and general economic environments. The Equity Securities of smaller companies may involve more risk, may be less liquid, and may be subject to greater volatility. Consequently, it may be more difficult to buy or sell the Equity Securities of smaller companies at an acceptable price, especially during periods of market volatility.

**Fixed Income Securities Risk.** Changes in interest rates may reduce the value of Fixed Income Securities. The longer the duration of a Fixed Income Security, the more its value typically declines in response to increases in interest rates. The value of a Fixed Income Security may also decline if an issuer defaults or if its credit quality deteriorates. In addition, the value of a Fixed Income Security may also fluctuate as a result of the market's perception of the creditworthiness of the issuer as well as the liquidity of the fixed income market.

High yield Fixed Income Securities or "junk bonds" (higher-risk, lower-rated fixed income securities such as those rated lower than BBB- by Standard & Poor's Rating Service, Inc. ("S&P") or lower than Baa3 by Moody's Investors Service, Inc. ("Moody's")) are considered to be speculative by major credit rating agencies, have a much greater degree of default on payments of principal and/or interest and tend to be more volatile and less liquid than higher-rated securities with similar maturities.

As interest rates decline, issuers may pre-pay fixed rate securities forcing investors to replace those securities with securities with lower interest rates, thus reducing performance.

**Focus Risk.** A Portfolio Fund that invests in a particular market sector will be subject to the risks associated with that sector and may be more adversely affected by risks of that market sector than if the Portfolio Fund invested its assets across multiple market sectors.

**Foreign Investment Risk.** Foreign investments may be subject to nationalization risk, expropriation risk, confiscatory taxation and to potential difficulties in repatriating funds. Foreign investments may also be adversely affected by changes in currency exchange rates, social political and economic developments, and the possible imposition of exchange controls or other foreign government laws or restrictions. Foreign investments may also be subject to withholding or other taxes on dividends, interest, capital gains or other income. Foreign investments may be more volatile and less liquid due to the smaller size of some foreign markets and lower trading volumes. There may be less publicly available information about a foreign issuer than about a U.S. issuer, and accounting, auditing and financial reporting standards and requirements may not be comparable. There is also less regulation, generally, of the financial markets in foreign countries than there is in the U.S. For example, some foreign exchanges, in contrast to domestic exchanges, are “principals’ markets” in which performance is the responsibility only of the individual member with whom the trader has entered into a contract and not of an exchange or clearing corporation. In such a case, a Portfolio Fund is subject to the risk of the inability of, or refusal by, the counterparty to perform with respect to such contracts.

**Forward Contract Risk.** The forward contract markets are generally not regulated and a counterparty may refuse to perform on a forward contract. Forward contracts are not guaranteed by an exchange or clearing house and therefore a non-settlement or a default on a contract could deprive an investor of unrealized profits or force it to cover its commitment to purchase or resell, if any, at the current market price.

**Futures Risk.** The price of an Index futures contract can be highly volatile and is dictated by a variety of factors including the value of the Index, the price at which the contract will be settled, the time remaining until the expiration date of the futures contract and the volatility of the Index.

There is no guarantee that an Investment Manager will be able to accurately forecast the effect of these factors on the price of Index futures. If a Portfolio Fund invests in Index futures at inopportune times or its Investment Manager misjudges market conditions, the Portfolio Fund’s investment in the futures may lower the Portfolio Fund’s return and result in a loss to the Portfolio Fund. A Portfolio Fund could also experience losses if the Index futures do not offset losses incurred by the Portfolio Fund on other portfolio investments.

Changes in the liquidity of futures (i.e. due to, among other things, price fluctuation or position limitations imposed by U.S. commodity exchanges) may result in significant, rapid and unpredictable changes in the value of the futures. It is also possible that the Commodity Futures Trading Commission may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract or order that trading in a particular contract be conducted for liquidation only. If Index futures cannot be closed out timely due to illiquid secondary markets, losses may result.

A small investment in a futures contract may have a large impact on the performance of a Portfolio Fund as a futures contract may result in losses in excess of amounts invested. The buyer of an Index future will suffer losses, which are theoretically unlimited, as the value of the underlying Index declines. The seller of an Index future will suffer losses, which also are theoretically unlimited, as the value of the Index increases. Because of low margin deposits normally required to participate in futures position, an extremely high level of leverage is typical. As a result, a relatively small price movement in an Index futures contract may result in substantial losses to a Portfolio Fund. The market for Index futures may be, or may suddenly become, illiquid and may result in significant, rapid and unpredictable changes in the value of the Index futures.

**Hedging Risk.** Strategies utilized to hedge against losses may not be successful and may offset gains. It may not be possible for an Investment Manager to hedge against a change or event at a price sufficient to protect a Portfolio Fund’s assets from the decline in value of the portfolio positions anticipated as a result of such change. In addition, it may not be possible to hedge against certain changes or events at all. The success of hedging transactions is dependent on an Investment Manager’s ability to correctly predict market changes being hedged against (e.g., currency/interest rate fluctuations and fluctuations in the general securities markets) in relation to fluctuations in the value of the investments maintained by a Portfolio Fund. Unanticipated changes in the markets or events being hedged or the non-occurrence of events being hedged against may result in a poorer performance by the Portfolio Fund than in the absence of the implementation of a hedging strategy. Also, a hedging strategy subject to leverage may not be successful and may result in rather than limit Portfolio Fund losses.

**Initial Public Offerings Risk.** Prompt disposal of investments acquired in an initial public offering at the price at which they are valued may not be possible. Other risks include lack of trading and operating history and lack of information about the issuer. These factors may contribute to substantial price volatility for such investments. The limited number of securities available for trading in some initial public offerings may make it more difficult for a Portfolio Fund to buy or sell significant positions without an unfavorable effect on prevailing market prices. In addition, some companies participating in an initial public offering are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving revenues or operating income.

**Leverage Risk.** The use of leverage by a Portfolio Fund can substantially increase the adverse impact of the risks of investing in the Portfolio Fund and can result in substantial losses to the Portfolio Fund. In particular, the leverage may result in: (i) margin calls or the imposition of interim margin requirements as markets move against investments made with borrowings and premature liquidations of investment positions; and (ii) a decrease in the value of a Portfolio Fund's net assets if income and appreciation on investments made with borrowed funds are less than the required interest payments on borrowings. In addition, performance-based fees of the Portfolio Funds give rise to certain conflicts of interest, including the incentive for Investment Managers to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect.

In an unsettled credit environment, an Investment Manager may find it difficult or impossible to obtain leverage and a Portfolio Fund may not be able to successfully implement its strategy without leverage. In addition, the termination of a loan or line of credit on short notice by the lender could result in premature liquidations of investment positions at prices below what the Investment Manager deems to be fair value for the positions.

**Liquidity Risk.** A Portfolio Fund may invest a portion of the value of its total assets in restricted securities (e.g., securities that may not be sold to the public without an effective registration statement under the 1933 Act) and other investments that are illiquid and, as a result, may be unable to sell such investments when desired, without adversely affecting the price or at prices approximating the value at which they purchased the securities. When registration is required to sell a security, a Portfolio Fund may be obligated to pay all or part of the registration expenses, and a considerable period may elapse between the decision to sell and the time such Portfolio Fund may be permitted to sell a security under an effective registration statement. If adverse market conditions developed during this period, such Portfolio Fund might obtain a less favorable price than the price that prevailed when such Portfolio Fund decided to sell.

Portfolio Funds may permit or require that redemptions of interests be made in-kind. Upon its withdrawal of all or a portion of its interest in Portfolio Funds, the Fund may receive securities that are illiquid or difficult to value.

**Long/Short Strategy Risk.** The success of a long/short strategy is contingent upon an Investment Manager's ability to correctly identify investment opportunities with the highest probability of success (long positions) and/or those with the highest probability of failure (short positions). Substantial losses may be recognized as a result of the implementation of this strategy. Also, this strategy is subject to the investment risks associated with the securities utilized to implement the strategy.

Investment Managers may utilize the following strategies the risks of which are as follows:

**Directional Trading Approach Risk.** The success of the Directional Trading Approach is contingent upon an Investment Manager's ability to predict the effect of economic and political changes on the valuation of Equity Securities and to successfully implement long or short equity positions in those securities based on such predictions. If the Investment Manager's prediction regarding the effect of economic and political changes on Equity Securities is incorrect, a substantial loss may result.

**Event Driven Approach Risk.** The success of the Event Driven Approach is contingent upon an Investment Manager's ability to timely identify potential corporate events and to successfully implement long and short equity positions based on the impact that such events will have on the underlying issuers. If a predicted corporate event does not occur or does not have the impact predicted, a substantial loss may occur.

**Fundamental Long/Short Approach Risk.** The success of the Fundamental Long/Short Approach is contingent upon an Investment Manager's ability to correctly determine the valuation of an issuer's Equity Securities and to successfully implement long or short equity positions in those securities based on perceived future price movements of such securities. If the Investment Manager's perception of an equity's valuation or its future price is incorrect, a substantial loss may result.

**Relative Value Approach Risk.** The success of the Relative Value Approach is contingent upon an Investment Manager's ability to identify pricing discrepancies amongst Equity Securities or groups of Equity Securities and to successfully implement long and short equity positions based on such discrepancies. If perceived pricing discrepancies do not materialize or if the Investment Manager fails to correctly exploit the pricing discrepancies, a substantial loss may result.

**Options Risk.** The price of an Index option can be highly volatile and is dictated by a variety of factors including the value of the Index, the Strike Price, the time remaining until the expiration date of the option and the volatility of the Index. There is no guarantee that an Investment Manager will be able to accurately forecast the effect of these factors on the price of an Index option. If a Portfolio Fund invests in Index options at inopportune times or its Investment Manager misjudges market conditions, the Portfolio Fund's investment in the options may lower the Portfolio Fund's return and result in a loss to the Portfolio Fund. A Portfolio Fund could also experience losses if the Index options do not offset losses incurred by the Portfolio Fund.

A small investment in an Index option may have a large impact on the performance of a Portfolio Fund as an Index option may result in losses in excess of amounts invested. The buyer of an Index call and a put option risks losing the entire premium paid to purchase the options. The seller (writer) of an Index call option assumes the risk of a theoretical unlimited increase in the market value of the Index above the Strike Price. The seller (writer) of an Index put option assumes the risk of a theoretical unlimited decline in the market value of the Index above the Strike Price.

The market for Index options may be, or may suddenly become, illiquid and may result in significant, rapid and unpredictable changes in the value of Index options. If Index options cannot be closed out timely due to illiquid secondary markets, losses may result.

**Short Selling Risk.** The sale of a borrowed security, if uncovered, may result in a loss if the price of the borrowed security increases after the sale. Purchasing securities to close out the short position can itself cause their market price to rise further, increasing losses. Furthermore, a short seller may be prematurely forced to close out a short position if a counterparty demands the return of borrowed securities. Losses on short sales are theoretically unlimited.

**Swap Agreements Risk.** The price of a total return swap on an Equity Security or basket of Equity Securities can be highly volatile and is dictated by a variety of factors including the value of Equity Securities, the expected total return to be paid to the Receiver, fluctuations in interest rates, the volatility of the Equity Securities and the creditworthiness of the participants. There is no guarantee that an Investment Manager will be able to accurately forecast the effect of these factors on the price of such swaps.

Each Participant's investment in the swap is subject to the Equity Risk associated with a direct investment in the Equity Securities. Since the Receiver is obligated to pay the Payor an amount equal to the decline in the value of the Equity Securities during the agreement's term, the Receiver assumes the risk of a theoretical unlimited decrease in the market value of the securities. Similarly, since the Payor is obligated to pay the Receiver an amount based on the increase in the value of the Equity Securities during the agreement's term, the Payor assumes the risk of a theoretical unlimited increase in the market value of the securities.

Participation in a swap agreement also involves counter-party risk and payments owed to a Portfolio Fund may be delayed or not made consistent with the terms of the swap agreement due to financial issues experienced by a counterparty. If a counterparty to a swap agreement defaults, a Portfolio Fund's only recourse is to pursue contractual remedies against the counterparty which may be unsuccessful.

If the Receiver is paying a floating rate, the Receiver's payment will increase as interest rates increase and the amount due to the Payor will decrease as interest rates decrease.

**Turnover Risk.** The turnover rate within a Portfolio Fund may be significant, potentially involving substantial brokerage commissions and fees. The Fund bears its allocable share of the costs and expenses of the Portfolio Funds.

The above discussion covers the principal risks associated with an investment in the Fund, but is not, nor is it intended to be, a complete enumeration or explanation of all risks involved in an investment in the Fund. Prospective shareholders should read this entire Prospectus and consult with their own advisers before deciding whether to invest in the Fund. An investment in the Fund should only be made by shareholders who understand the nature of the investment, do not require more than limited liquidity in the investment and can bear the financial risks of the investment including loss of principal. In addition, since the Fund's investment program will evolve over time, an investment in the Fund will likely be subject to risk factors not described in this Prospectus. The Fund, however, will supplement this Prospectus from time to time to disclose any material changes in the information contained in the Prospectus.

**Fund of Funds Structure Risk**

Generally, the Portfolio Funds are not registered as investment companies under the 1940 Act. Accordingly, the Fund, as an investor in these Portfolio Funds, will not have the benefit of protections afforded by the 1940 Act to investors in registered investment companies. The following additional risks are relevant to the Fund's implementation of the fund of funds structure:

**Control Risk.** The Adviser will not have control of, or have the ability to exercise influence over, the trading policies or strategies of a Portfolio Fund. A Portfolio Fund may fail to pursue its investment objective and strategies and the Portfolio Fund's strategies may change and it may not use the same trading method in the future that was used to compile performance histories. Investment decisions of the Portfolio Funds are also made independently of each other so that, at any particular time, one Portfolio Fund may be purchasing shares of an issuer whose shares are being sold at the same time by another Portfolio Fund. Transactions of this sort could result in the Fund directly or indirectly incurring certain transaction costs without accomplishing any net investment result.

**Custody Risk.** A Portfolio Fund may not be required to or may not custody assets consistent with the requirements of the 1940 Act and therefore such assets are more likely at risk to fraud and loss of assets due to the bankruptcy of financial institutions utilized to hold Portfolio Fund assets.

**Expense Layering Risk.** In addition to its own expenses, the Fund will also bear its allocable share of the costs and expenses of each Portfolio Fund, including its allocable share of the management and incentive compensation paid to an Investment Manager. As a result, the Fund's investments in the Portfolio Funds may result in the Fund paying higher expenses than other funds with similar investment objectives and strategies or if it invested directly in the securities held by the Portfolio Funds.

Also, each Investment Manager generally will be entitled to receive a management fee of between 1% and 2.5% (annualized) of the average NAV of the Fund's investment in a Portfolio Fund and a performance-based allocation, which can range up to 25% of a Portfolio Fund's net profits. Each Investment Manager may receive performance compensation based on its individual performance, irrespective of the Fund's overall performance. Consequently, the Fund may bear its allocable share of substantial incentive compensation paid to certain Investment Managers even during a period when the Fund, overall, is incurring significant losses.

**Foreign Organization Risk.** The Fund invests in Portfolio Funds organized outside of the U.S. and these Portfolio Funds may operate under regulatory infrastructures that are less stringent than those governing domestic Portfolio Funds. Further, it may be more difficult or impossible to effect service of process on the Portfolio Funds, enforce judgments against the Portfolio Funds obtained in U.S. courts and based on U.S. securities laws, bring an original action in foreign court to enforce liabilities of the Portfolio Funds based on U.S. securities laws, and to bring claims on behalf of shareholders of the Portfolio Funds. See also "Portfolio Fund Risk – Foreign Investment Risk" below.

**Implementation Risk.** The performance of the Fund depends on the success of the Adviser in selecting Portfolio Funds for investment and the allocation and reallocation of assets among those Portfolio Funds. The performance of the Fund also depends upon the success of the Investment Managers in implementing the strategies of the Portfolio Funds.

**Limited Voting Rights Risk.** If the Fund purchases non-voting securities of a Portfolio Fund or waives its right to vote its securities, it will not be able to vote on matters that require investor approval including matters that could adversely affect the Fund's investment in the Portfolio Fund.

**Liquidity Risk.** The Fund's interests in Portfolio Funds are illiquid and subject to substantial restrictions on transferability. The Fund may not be able to acquire initial interests (or additional interests) in a Portfolio Fund or withdraw all or a portion of its investment from a Portfolio Fund promptly after it has made a decision to do so because of limitations set forth in that fund's governing documents (or in such negotiated "side letter" or similar arrangement as the Adviser may be able to negotiate on behalf of the Fund). Certain Portfolio Funds may: (1) impose lock-up periods or periods during which an investor may not redeem its investment; (2) impose gates or limitations on the size of an investment withdrawal by an individual investor or by investors, collectively during a specific period; and/or (3) assess fees on investment withdrawals. With respect to purchases, the Fund may have to invest some of its assets temporarily in money market securities until it is possible to acquire initial or additional interests in a Portfolio Fund.



**Operational Risk.** Certain Portfolio Funds may only employ the services of a limited number of principals and the departure of any one of these principals may adversely affect the success of the funds' investment strategies. Certain Portfolio Funds are associated with start-up operational risks such as limited operating histories, management with limited business management experience and insufficient resources to implement best practices with respect to the firm's infrastructure, operational processes or risk management tools.

**Transparency Risk.** Portfolio Funds typically provide limited portfolio information. A Portfolio Fund's investment strategies may evolve over time in response to fluctuating market conditions without notice to investors. While the Adviser in many cases seeks to negotiate arrangements that provide for regular reporting of performance and portfolio data by the Portfolio Funds, at times the only means of obtaining independent verification of performance data will be reviewing the Portfolio Funds' annual audited financial statements. Absent such negotiated arrangements (or as may otherwise be provided in the Portfolio Funds' governing documents), Portfolio Funds are not contractually or otherwise obligated to inform their investors, including the Fund, of details surrounding their investment strategies. This may result in a Portfolio Fund using investment strategies that are not fully disclosed to the Adviser, which may involve risks under some market conditions that are not anticipated by the Adviser. For example, if two or more Portfolio Funds were to invest significantly in the same company or industry, the Fund's investments could be "concentrated" in the same company or industry without the Adviser having the opportunity to assess the risks of such concentration. Absent the availability of strategy and investment details, the Fund may not be in a position to timely liquidate interests in a Portfolio Fund as changes to the Portfolio Fund's strategies and investments change over time.

**Valuation Risk.** Ordinarily, the Adviser will fair value the Fund's investment in a Portfolio Fund as of each month-end using the value reported for that date provided by the Portfolio Fund in accordance with procedures established by the Board. Because the valuations of the Portfolio Funds are unaudited (except for those provided for the Portfolio Fund's fiscal year end), the Adviser will not generally be able to independently confirm the accuracy of the valuations provided by the Portfolio Funds. An Investment Manager may face a conflict of interest with respect to these reported valuations as they will affect the Investment Manager's compensation. Revisions to the gain and loss calculations of each Portfolio Fund therefore will be an ongoing process, and no net capital appreciation or depreciation figure can be considered final as to a Portfolio Fund until its annual audit is completed.

#### **Non-Diversification Risk**

The Fund is non-diversified and the Fund's investment in the securities of a limited number of issuers exposes the Fund to greater market risk and potentially greater market losses than if its investments were diversified in securities issued by a greater number of issuers. Several Portfolio Funds may also take substantial positions in the same security or groups of securities at the same time. This overlap in investments may subject the Fund to additional market risk and potentially greater market losses.

#### **Liquidity Risk**

An investment in the Fund is highly illiquid. A shareholder does not have the right to require the Fund to redeem or repurchase Institutional Shares. Repurchases will be made at such time, in such amounts, and on such terms as may be determined by the Board, in its sole discretion. Even if the Fund makes a repurchase offer, there is no guarantee that shareholders will be able to redeem all of the Institutional Shares they desire to sell. Generally, the maximum number of Institutional Shares that will be repurchased by the Fund during any repurchase offer is not expected to have a value that exceeds 25% of the Institutional Shares' aggregate NAV as of the repurchase date. Also, if a repurchase offer is oversubscribed, the Fund will generally repurchase only a pro rata portion of the Institutional Shares tendered by each shareholder. In order to fund a repurchase offer, the Fund may have to liquidate investments earlier than the Adviser desires and may result in liquidation costs (e.g. redemption fees imposed by Portfolio Funds) and/or losses on investments to the Fund.

Institutional Shares are subject to substantial restrictions on transferability and may not be sold, assigned, transferred, conveyed or disposed without the consent of the Board. Shareholders should not expect the Board to grant consents to transfer requests.

There is currently no market for the Institutional Shares and it is not contemplated that one will develop. Because a shareholder may be unable to sell its Institutional Shares, the shareholder will be unable to reduce its exposure to the Fund on any market downturn. Also, Institutional Shares may not be readily acceptable as collateral for a loan.

### **Loss of Investment Risk**

An investment in the Fund is subject to loss, including the possible loss of the entire amount invested. No guarantee or representation is made that the Fund's investments will be successful, and investment results may vary substantially over time. Past results are not necessarily indicative of the Fund's future performance.

### **Cybersecurity Risk**

The Fund may suffer an intentional cybersecurity breach such as: unauthorized access to systems, networks, or devices (such as through "hacking" activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems ("denial of services"), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Fund, the Adviser, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss.

### **Legal and Regulatory Risk**

Securities markets are subject to comprehensive statutes and regulations. Legal, tax and regulatory changes could occur that may adversely affect the Fund and the Portfolio Funds in which it invests. Future regulatory changes, including those relating to the regulation of hedge funds and leverage and the effect of such changes on the Fund could be substantial and adverse including, for example, increased compliance costs and the limitation or prohibition of certain types of investment activities by the Fund and the Portfolio Funds. Limitations on the investment activities of the Fund and the Portfolio Funds may result in the inability of the Fund to pursue its investment objective and strategies.

## ELIGIBLE INVESTORS

Each prospective investor will be required to represent that he, she or it is acquiring Institutional Shares directly or indirectly for the account of an Eligible Investor. An Eligible Investor is a U.S. person for U.S. federal income tax purposes and who is either:

- A natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and who has a reasonable expectation of reaching the same income level in the current year;
- A natural person whose individual net worth or joint net worth with that person's spouse, at the time of purchase exceeds \$1,000,000. The following assets or liabilities shall be excluded from the net worth calculation: (i) the value of the investor's primary residence and (ii) any indebtedness that is secured by the investor's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of Institutional Shares (except that if the amount of such indebtedness outstanding at the time of the sale of Institutional Shares exceeds the amount outstanding 60 days before such time other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability). Any indebtedness that is secured by the investor's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of the Institutional Shares shall be included as a liability for purposes of the net worth calculation;
- An employee benefit plan within the meaning of ERISA and: (1) the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser; or (2) the employee benefit plan has total assets in excess of \$5,000,000; or (3) if a self-directed plan, the investment decisions are made solely by persons that qualify under any other eligibility category set forth herein;
- A trust (1) with total assets in excess of \$5,000,000; (2) that was not formed for the purpose of investing in the Fund; and (3) the person responsible for directing the investment of assets in the Fund has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment;
- A Trustee or executive officer of the Fund;
- An entity with total assets in excess of \$5,000,000 that was not formed for the purpose of investing in the Fund and that is one of the following: (1) a corporation; (2) a partnership; (3) a limited liability company; (4) an organization described in Section 501(c)(3) of the Code; or (5) a Massachusetts or similar business/statutory trust;
- Any "bank" as defined in Section 3(a)(2) of the 1933 Act, "savings and loan association" or other institution as defined in Section 3(a)(5)(A) of the 1933 Act whether acting in its individual or fiduciary capacity;
- A broker or dealer registered with the SEC under the Securities Exchange Act of 1934;
- A "business development company" within the meaning of Section 2(a)(48) of the 1940 Act;
- An insurance company as defined in Section 2(a)(13) of the 1933 Act;

- Any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, and such plan has total assets in excess of \$5,000,000;
- A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, as amended;
- An entity in which all of the equity owners are “accredited investors” (as defined in Regulation D under the 1933 Act).

After an initial purchase, existing shareholders subscribing for additional Institutional Shares will be required to verify their status as Eligible Investors at the time of each additional subscription. The qualifications required to invest in the Institutional Shares will appear in the subscription agreement that must be completed by each prospective shareholder.

The Distributor and Selling Agents may impose additional eligibility requirements for investors who purchase Institutional Shares through Selling Agents and will notify prospective shareholders of such requirements. If the Distributor imposes additional eligibility requirements, the Distributor will notify current and prospective investors via a supplement (or other revision) to the Prospectus.

Institutional Shares are only offered to Eligible Investors who are U.S. persons for U.S. federal income tax purposes. See “Certain Tax Considerations.”

## **PLAN OF DISTRIBUTION**

### **Offering of Institutional Shares by the Fund**

The Fund continuously offers Institutional Shares at their NAV per Share through the Distributor. The Fund has entered into a Distribution Agreement with the Distributor, 225 Pictoria Drive, Suite 450, Cincinnati, OH 45246. Pursuant to the Distribution Agreement, the Distributor serves on a best efforts basis, subject to various conditions. The Distributor is not required to buy any Institutional Shares and does not intend to make a market in the Institutional Shares. There is no sales charge for purchases of Institutional Shares.

Under the Fund’s Distribution Agreement, the Distributor is also responsible for entering into agreements with Selling Agents to assist in the distribution of Institutional Shares, reviewing the Fund’s proposed advertising materials and sales literature and making certain filings with regulators. For these services, the Distributor shall receive an annual fee of \$6,000 from the Adviser. The Distributor retains the right to charge interest of 1.5% on any amounts that remain unpaid beyond 30 days of the due date.

The Adviser is also responsible for paying any out-of-pocket expenses incurred by the Distributor in providing services under the Distribution Agreement. The Distributor has agreed to waive fees, expense reimbursements and interest on unpaid fees payable to it under the Distribution Agreement to the extent that the payment of any such fees, expenses, and interest would cause total compensation payable to the Distributor under the Distribution Agreement to exceed 2.5% of the gross offering proceeds (the “Waiver”). The Waiver remains in effect until the Distributor’s resignation or termination as the Fund’s principal underwriter unless amended prior to that time at the written request of the Trust and the Adviser in order to ensure continued compliance with underwriting compensation limitations applicable to closed-end investment companies.

Under the Fund's Distribution Agreement with the Distributor, the Fund agrees to indemnify the Distributor and its control persons against certain liabilities including those that may arise under the 1933 Act and the 1940 Act as a result of: (1) the Distributor serving as distributor of the Fund pursuant to the agreement; (2) the Fund's breach of any of its obligations, representations, warranties or covenants contained in the agreement; (3) the Fund's failure to comply with any applicable securities laws or regulations; or (4) untrue statements of material fact or the omissions of material facts required to make statements not misleading in Fund offering materials, sales materials and shareholder reports.

The Distributor may engage one or more Selling Agents to assist in the distribution of Institutional Shares. Selling Agents may charge a separate fee for their service in conjunction with an investment in the Fund and/or maintenance of investor accounts. Such a fee is not a sales load imposed by the Fund or the Distributor, and will be in addition to the fees charged or paid by the Fund. The payment of these fees and the effect of these fees on the performance of a shareholder's investment in Institutional Shares will not be reflected in the performance returns of Institutional Shares.

Selling Agents may also impose terms and conditions on investor accounts and investments in the Fund that are in addition to the terms and conditions described in this Prospectus and are not imposed by the Fund, the Distributor or any other Fund service providers. These terms and conditions may affect or limit a prospective or current shareholder's ability to purchase Institutional Shares, a current shareholder's ability to tender Institutional Shares to the Fund for repurchase or to otherwise transact business with the Fund. Services provided by Selling Agents may vary. Shareholders investing in Institutional Shares through a Selling Agent should consult with the Selling Agent regarding the terms and conditions related to accounts held at the Selling Agent, services provided to such accounts and related service fees as well as operational limitations of the Selling Agent.

The Adviser and its affiliates shall pay for any distribution, shareholder servicing, marketing and promotional services rendered to the Institutional Shares including payments to Selling Agents for the sale of Institutional Shares and related shareholder services and payments to other entities marketing the Fund. These expenses are not reflected in the expense table included in this Prospectus. Compensation to any Selling Agent is not expected to exceed 1.00% of the value of client assets invested in Institutional Shares, payable monthly or quarterly based on the Institutional Shares' quarter or month end NAV, as applicable. The Adviser shall not pay compensation to any Selling Agent if the payment of such compensation causes the compensation payable to the Distributor under the Distribution Agreement and to all Selling Agents, in the aggregate, to exceed 2.5% of the Fund's gross offering proceeds. Payments to Selling Agents or other entities marketing the Fund create conflicts of interest by influencing the Selling Agent, marketing entity and your salesperson to recommend Institutional Shares over another investment. These payments may also benefit the Adviser, the Distributor and their respective affiliates if these payments result in an increase in the NAV of Institutional Shares, the value upon which any fees payable by the Fund to these entities are based.

## **PURCHASES OF SHARES**

Eligible Investors who are "Institutional Investors" or individual investors may purchase Institutional Shares. "Institutional Investors" may include: (1) corporations, banks, trust companies, insurance companies, investment companies, foundations, endowments, defined benefit plans, retirement plans and other similar entities; and (2) Eligible Investors investing through Selling Agents that have entered into an agreement with the Distributor to offer Institutional Shares through a no-load network or platform.

The Fund intends to accept initial and additional purchases of Institutional Shares made by Eligible Investors who are individual or Institutional Investors as of the first Business Day of each calendar month. Institutional Shares will be sold at their NAV per share and may be offered less frequently as determined by the Board in its sole discretion. Institutional Shares are available for purchase through Selling Agents or directly through the Distributors.

Each Eligible Investor must complete a subscription agreement (for initial purchases), and/or such other documentation as required by the Fund (for both initial and subsequent purchases). Generally, the Fund's transfer agent must receive this documentation at least five (5) Business Days before the purchase date (i.e., the first Business Day of each month). An investor who misses this deadline may have their purchase rejected, in which case they must submit the required documentation at least five (5) Business Days before the next month's purchase date in order to invest in the Fund in the following month. Investors should confirm specific deadlines for receipt of funds and documentation by Selling Agents as those entities may maintain different deadlines. The Fund reserves the right to reject, in whole or in part, any purchase of Institutional Shares and may suspend the offering of Institutional Shares at any time.

The Institutional Shares are not subject to a sales load. The minimum initial investment in the Institutional Shares is \$25,000 and the minimum additional investment is \$5,000. The Fund may reduce the minimum initial investment amount for Eligible Investors that are officers or Trustees of the Fund and Managing Members and employees of the Adviser. A Selling Agent may impose different investment minimums.

Except as otherwise permitted by the Board, initial and subsequent purchases will be payable in cash and must be made via wire transfer of funds. Payments for each initial and subsequent purchase of Institutional Shares must be made in one installment. Generally, purchases are subject to the receipt of immediately available funds at least three (3) Business Days prior to the applicable purchase date or such other date as the Distributor may determine in its sole discretion and communicate to investors. The investor will not become a shareholder of the Fund and will have no rights under the Declaration of Trust until the purchase date. Cleared funds received in advance of dates when Institutional Shares may be subscribed for will be held in a bank account maintained by the Administrator for the benefit of investors in the Fund. The Administrator will transfer the subscription proceeds to the Fund and any interest earned on the subscription proceeds will be credited to the Fund and not to the investor. If a purchase is rejected, the purchase amount will be returned without interest promptly to the investor.

To help the government fight the funding of terrorism and money laundering activities, federal law requires financial institutions to obtain, verify, and record information that identifies each person who opens an account. When a prospective shareholder opens an account with the Fund, the shareholder will be asked to provide its name, address, date of birth, social security number and other information or documents that will allow the shareholder to be identified. This information will be verified. If the Fund is unable to verify the identity of a prospective shareholder, the Fund may take reasonable steps, including closing your account and redeeming your investment at the NAV per Share next calculated after the Fund decides to close your account.

Selling Agents also may impose fees (subject to the underwriting compensation limit set by FINRA applicable to its members), terms and conditions on investor accounts and investments in Institutional Shares that are in addition to the fees, terms and conditions set forth in this Prospectus. Such terms and conditions are not imposed by the Fund, the Distributor or any other Fund service provider. These terms and conditions may affect an investor's ability to purchase Institutional Shares, or otherwise transact business with the Fund. All questions regarding these terms and conditions should be directed to the investor's Selling Agent.

## REPURCHASES OF INSTITUTIONAL SHARES

### No Right of Redemption

There is no public market for Institutional Shares and none is expected to develop. Institutional Shares are generally not freely transferable and liquidity will normally be provided only through limited repurchase offers that may be made from time to time by the Fund. No shareholder will have the right to require the Fund to redeem Institutional Shares or portions thereof. An investment in Institutional Shares is therefore suitable only for investors who can bear the risks associated with the limited liquidity of the Institutional Shares.

### Repurchases of Institutional Shares

**Repurchase offers will be made at such times and on such terms as may be determined by the Board in its sole discretion and generally will be offers to repurchase an aggregate specified dollar amount of outstanding Institutional Share or a specific number of Institutional Shares.** Any such offer will be made only on terms that the Board determines to be fair to the Fund and to all shareholders or persons holding Institutional Shares acquired from shareholders. When the Board determines that the Fund will repurchase Institutional Shares or portions thereof, notice will be provided to each shareholder describing the terms thereof, and containing information shareholders should consider in deciding whether and how to participate in such repurchase opportunity. The Board convenes quarterly to consider whether or not to authorize a tender offer. The Board expects that repurchase offers, if authorized, will be made no more frequently than on a quarterly basis and will typically have a valuation date as of March 31, June 30, September 30 or December 31 (or, if any such date is not a Business Day, on the last Business Day of such calendar quarter).

The Board will consider the following factors, among others, in making its determination:

- the recommendation of the Adviser;
- whether any shareholders have requested to tender Institutional Shares or portions thereof to the Fund;
- the liquidity of the Fund's assets (including fees and costs associated with withdrawing from investments);
- the investment plans and working capital requirements of the Fund;
- the relative economies of scale with respect to the size of the Fund;
- the history of the Fund in repurchasing Institutional Shares or portions thereof;
- the availability of information as to the value of the Fund's assets;
- the economic condition of the securities markets and the economy generally as well as political, national or international developments or current affairs; and
- the anticipated tax consequences to the Fund of any proposed repurchases of Institutional Shares or portions thereof.

Institutional Shares will be repurchased at their NAV. Due to liquidity constraints associated with the Fund's investments in a Portfolio Fund, it is presently expected that, under the procedures applicable to the repurchase of Institutional Shares, Institutional Shares will be valued for purposes of determining their repurchase price as of a Valuation Date.

The Fund's assets consist primarily of interests in the Portfolio Funds. Therefore, in order to finance the repurchase of Institutional Shares, the Fund may find it necessary to liquidate all or a portion of its interest in one or more Portfolio Funds. Because interests in a Portfolio Fund are generally not transferable, the Fund may withdraw a portion of its interest in a Portfolio Fund only pursuant to the redemption terms of that Portfolio Fund which may involve the payment of certain fees and costs. The Fund may decide not to make a repurchase offer larger than the sum of the amount available for redemption from the Portfolio Funds in which it holds interests. The Fund may also borrow money in order to finance the repurchase of Institutional Shares.

In order to permit the Fund to finance the repurchase of Institutional Shares through a liquidation of all or a portion of its interest in a Portfolio Fund, the repurchase offer will terminate, and shareholders will tender the Institutional Shares they wish to sell in the repurchase offer, at least 45 days prior to the Valuation Date. If the Fund borrows money to finance a repurchase of Institutional Shares, the Repurchase Offer Acceptance Deadline may be less than 45 days prior to the Valuation Date. The Repurchase Offer Acceptance Deadline will be specified in the notice describing the terms of the applicable repurchase offer. A repurchase offer will terminate on the designated Repurchase Offer Acceptance Deadline and any tender of Institutional Shares received from a shareholder after that date will be void.

The Fund requires that a tendering shareholder tender a minimum of \$10,000 worth of Institutional Shares. A shareholder tendering only a portion of its Institutional Shares for purchase will be required to continue to hold Institutional Shares with a value of at least \$25,000 after giving effect to the repurchase. If a shareholder tenders an amount that would cause the value of its Institutional Shares (after giving effect to the repurchase) to fall below \$25,000, the Fund may reduce the amount to be repurchased so that the value of the shareholder's account is at least \$25,000 or the Fund may repurchase all of the shareholder's Institutional Shares.

Shareholders who tender Institutional Shares in a repurchase offer may not have all of the tendered Institutional Shares purchased by the Fund. If over-subscriptions occur, the Fund may elect to repurchase less than the full amount that a shareholder requests to be repurchased. If a repurchase offer is oversubscribed, the Fund generally will repurchase only a pro rata portion of the amount tendered by each shareholder. If all of a shareholder's Institutional Shares are repurchased, that shareholder will cease to be a shareholder.

Promptly after the Repurchase Offer Acceptance Deadline, each shareholder whose Institutional Shares have been accepted for purchase by the Fund in a repurchase offer will receive cash, or a non-interest bearing, non-transferable promissory note (the "Promissory Note") issued by the Fund entitling such shareholder to be paid, in an amount equal to 100% of the unaudited NAV of such shareholder's repurchased Institutional Shares, determined as of the Valuation Date. The Promissory Note, and not cash, will be the only consideration paid promptly after the Repurchase Offer Acceptance Deadline in connection with repurchase offers structured such that the Repurchase Offer Acceptance Deadline is at least 45 days prior to the Valuation Date.

Unless the existence of changes in tax or other laws or regulations or unusual market conditions result in a delay, payment in respect of the Promissory Note for a partial repurchase of a shareholder's Institutional Shares will be made within the later of: (1) 45 days after the Valuation Date; or (2) 10 Business Days after the Fund has received 95% of the aggregate amount requested to be withdrawn by the Fund from Portfolio Fund(s) in order to fund the repurchase. The Promissory Note is expected to contain terms providing for payment at two separate times, in the case of the repurchase of all of a shareholder's Institutional Shares, as is customary regarding such payments:



- The initial payment in respect of the Promissory Note (the “Initial Payment”), in the case of a full repurchase of a shareholder’s Shares, will be an amount equal to at least 95% of the estimated value of the repurchased Shares, determined as of the Valuation Date. Unless the existence of changes in tax or other laws or regulations or unusual market conditions result in a delay, the Initial Payment will be made within the later of: (1) 45 days after the Valuation Date; or (2) 10 Business Days after the Fund has received 95% of the aggregate amount requested to be withdrawn by the Fund from Portfolio Fund(s) in order to fund the repurchase.
- The second and final payment in respect of the Promissory Note (the “Final Payment”), in the case of a full repurchase of a shareholder’s Shares, for the balance (which will not be credited for interest) is expected to be in an amount equal to the excess, if any, of (1) the value of the repurchased Institutional Shares, determined as of the Valuation Date, over (2) the Initial Payment. Unless the existence of changes in tax or other laws or regulations, delays in withdrawal proceeds from Portfolio Funds, or unusual market conditions result in a delay, the Final Payment will be made within 60 days of the completion of the next annual audit of the Institutional Shares by the Fund’s independent registered public accountant.

All repurchases of Institutional Shares will be subject to any and all conditions as the Board may impose in its sole discretion.

Shareholders will have to decide whether to tender their Institutional Shares for repurchase without the benefit of having current information regarding the value of Institutional Shares as of a date proximate to the Valuation Date. In addition, there will be a substantial period of time between the date that shareholders must tender Institutional Shares and the date they can expect to receive payment for their Institutional Shares from the Fund.

The maximum number of Institutional Shares that will be repurchased by the Fund during any repurchase offer generally is not expected to have a value that exceeds 25% of the Institutional Shares’ aggregate NAV on the applicable Valuation Date.

As set forth above, when Institutional Shares are repurchased by the Fund, shareholders generally will receive cash distributions equal to the value of the Institutional Shares repurchased. However, at the sole discretion of the Board, the proceeds of repurchases of Institutional Shares may be paid by the in-kind distribution of securities held by the Fund, or partly in cash and partly in-kind. The Fund does not expect to distribute securities in-kind except in unusual circumstances, such as in the unlikely event that the Fund does not have sufficient cash to pay for Institutional Shares that are repurchased or if making a cash payment would result in a material adverse effect on the Fund or on shareholders not tendering Institutional Shares for repurchase. Such investments so distributed may consist of illiquid securities held directly by the Fund, interests in Portfolio Funds or securities held by Portfolio Funds that were distributed to the Fund in-kind. Such investments will not be readily marketable or saleable and may have to be held by such holders for an indefinite period of time. As a result, an investment in the Fund is suitable only for sophisticated investors. Any such in-kind distributions will not materially prejudice the interests of remaining shareholders. See “Principal Risks” above. Repurchases will be effective after receipt of all eligible written tenders of Institutional Shares from shareholders are accepted by the Fund.

Because the Fund expects to determine the NAV of the Institutional Shares as of the last Business Day of each month, shareholders may not be able to obtain current information regarding the value of Institutional Shares when making their decision as to whether to tender Institutional Shares for repurchase.

The repurchase of a shareholder's Institutional Shares by the Fund will generally be a taxable event for the shareholder. Gain or loss will be equal to the difference between the amount received by the shareholder and the shareholder's tax basis in the Institutional Shares.

The Fund believes that repurchase offers generally will be beneficial to the Fund's shareholders, and typically will be funded from available cash or sales of Portfolio Funds. However, payment for repurchased Institutional Shares may require the Fund to liquidate Portfolio Funds earlier than the Adviser otherwise would liquidate such holdings, potentially resulting in losses, and may increase the Fund's portfolio turnover. The Adviser intends to take measures to attempt to avoid or minimize such potential losses and turnover, and instead of liquidating Portfolio Funds, may borrow money to finance repurchases of Institutional Shares. If the Fund borrows to finance repurchases, interest on that borrowing will negatively affect shareholders who do not tender their Institutional Shares in a repurchase offer by increasing the Fund's expenses and reducing any net investment income. To the extent the Fund finances repurchase offers by selling Portfolio Funds, the Fund may hold a larger proportion of its total assets in less liquid Portfolio Funds. Repurchase of the Institutional Shares will tend to reduce the amount of outstanding Institutional Shares and, depending upon the Institutional Shares' investment performance, its net assets. A reduction in the net assets of the Institutional Shares will tend to increase that class' expense ratio.

Prior to the Repurchase Offer Acceptance Deadline, the Fund may cancel an offer to repurchase Institutional Shares, amend the offer or postpone the acceptance of tenders made pursuant to the offer if: (1) the Fund would not be able to liquidate portfolio securities in a manner that is orderly and consistent with the Fund's investment objective and policies in order to purchase Institutional Shares tendered pursuant to the offer; (2) there is, in the judgment of the Board, any: (a) legal action or proceeding instituted or threatened challenging the offer or otherwise materially adversely affecting the Fund; (b) declaration of a banking moratorium by federal or state authorities or any suspension of payment by banks in the U.S. that is material to the Fund; (c) limitation imposed by federal or state authorities on the extension of credit by lending institutions; (d) suspension of trading on any organized exchange or over-the-counter market where the Fund has a material investment; (e) commencement of war, significant increase in armed hostilities or other international or national calamity directly or indirectly involving the U.S. that is material to the Fund; (f) material change in the NAV of the Institutional Shares from the NAV of the Institutional Shares as of commencement of the offer; or (g) other event or condition that would have a material adverse effect on the Institutional Shares or its investors if Institutional Shares tendered pursuant to the offer were purchased; or (3) the Board determines that it is not in the best interest of shareholders to purchase Institutional Shares pursuant to the offer. However, there can be no assurance that the Fund will exercise its right to extend, amend or cancel the offer or to postpone acceptance of tenders pursuant to the offer.

The Board may impose other conditions on repurchases of Institutional Shares. Repurchases of Institutional Shares by the Fund are subject to SEC rules governing issuer self-repurchase offers and will be made only in accordance with these rules. The Fund believes that the repurchase procedures described above comply with these requirements. However, if modification of the Fund's repurchase procedures is deemed necessary to comply with regulatory requirements, the Board will adopt revised procedures designed to provide shareholders substantially the same liquidity for Institutional Shares as would be available under the procedures described above.

### **Mandatory Repurchase by the Fund**

The Fund may repurchase Institutional Shares of a shareholder at net asset value in accordance with the Declaration of Trust and Section 23 of the 1940 Act and Rule 23c-2 thereunder.

## **TRANSFER OF SHARES**

Institutional Shares are subject to substantial restrictions on transferability.

Any Institutional Shares held by a shareholder may be transferred only: (1) by operation of law pursuant to the death, bankruptcy, insolvency, adjudicated incompetence, or dissolution of the shareholder; or (2) under certain limited instances set out in the Declaration of Trust, with the consent of the Board (which may be withheld in the Board's sole and absolute discretion). If a shareholder transfers Institutional Shares with the approval of the Board, the Board will promptly take all necessary actions so that each transferee or successor to whom or to which the Institutional Shares are transferred is admitted to the Fund as a shareholder.

No transfer will be permitted unless the Fund consults with its counsel and counsel confirms that the transfer will not cause the Fund to be treated as a "publicly traded partnership" taxable as a corporation. Notwithstanding a finding that the transfer will not cause the Fund to be treated as a "publicly traded partnership" taxable as a corporation, the Board generally may not consent to a transfer of a shareholder's Institutional Shares (or portion of such Institutional Shares) unless the following conditions are met: (1) the transferring shareholder has been a shareholder for at least six months; (2) the proposed transfer is to be made on the Valuation Date of an offer by the Fund to repurchase the Institutional Shares (or portion of the Institutional Shares); and (3) the transfer is one in which the tax basis of the Institutional Shares in the hands of the transferee is determined, in whole or in part, by reference to its tax basis in the hands of the transferring shareholder (i.e., certain transfers to affiliates). Notice to the Fund of any proposed transfer of Institutional Shares must include evidence satisfactory to the Board that the proposed transferee is an Eligible Investor.

A shareholder that transfers Institutional Shares may be charged reasonable expenses, including attorneys' and accountants' fees, incurred by the Fund in connection with the transfer.

By purchasing Institutional Shares, each shareholder has agreed to indemnify and hold harmless the Fund, the Board, the Adviser, each other shareholder and any affiliate of the foregoing against all losses, claims, damages, liabilities, costs and expenses, including legal or other expenses incurred in investigating or defending against any such losses, claims, damages, liabilities, costs and expenses or any judgments, fines and amounts paid in settlement, joint or several, to which such persons may become subject by reason of or arising from any transfer made by such shareholder in violation of the Declaration of Trust, these provisions or any misrepresentation made by such shareholder in connection with any such transfer.

## **MANAGEMENT**

### **Board of Trustees**

The Board has overall management responsibility for the Fund. See "Board of Trustees" in the Fund's Statement of Additional Information (the "SAI") for the names of and other information about the Trustees and officers of the Fund.

### **Investment Adviser**

Homrich & Berg, Inc., 3550 Lenox Rd. NE, Suite 2700, Atlanta, GA, 30326, serves as the investment adviser to the Fund. The Adviser has operated as an SEC-registered investment adviser since it was established in 1989. The Adviser provides investment advisory services to private investment funds and has not previously managed a registered investment fund. As of June 30, 2019, the Adviser had \$6 billion in assets under management. Andrew Berg is the controlling principal of the Adviser.

Pursuant to the Investment Advisory Agreement between the Fund and the Adviser (the “Advisory Agreement”), the Adviser provides portfolio management services to the Fund, subject to the general supervision of the Board, for a management fee calculated at an annual rate equal to 0.75%, payable monthly based on the Institutional Shares’ month end NAV.

The Adviser provides office space and executive and other personnel to the Fund. The Fund pays all expenses, other than those agreed to be paid by the Adviser, including but not limited to printing and postage charges, securities registration and custodian fees, and expenses incidental to its organization.

A discussion regarding the basis of the Board’s approval of the Advisory Agreement will be included in the Fund’s semi-annual report to shareholders for the period ended October 31, 2019.

### **Portfolio Managers**

Ford Donohue and Stephanie Lang are the Fund’s portfolio managers and are equally responsible for the day-to-day management of the Fund’s portfolio. Biographical information for Mr. Donohue and Ms. Lang is set forth below.

**Ford Donohue** – CFA, Director, Investments for the Adviser. Ford has worked as a Director and previously as an Analyst for the Adviser since June 2014. In that role, he is responsible for overseeing firm-wide hedge fund investments as well as managing the internal fund of funds portfolio. Previously, Ford was an Associate at Citigroup Global Markets since June of 2010 where he served in structuring and trading positions in both equity and fixed income markets.

**Stephanie Lang** – CFA, Principal and Chief Investment Officer of the Adviser. Stephanie has worked in the investment’s department at the Adviser since 2005 where she is responsible for oversight of all investments at the Adviser including that of the Adviser’s internal fund of funds.

The SAI provides additional information about each portfolio manager’s compensation, other accounts managed by the portfolio manager and the portfolio manager’s ownership of securities issued by the Fund.

### **PERFORMANCE**

The following information is intended to help you understand the risks of investing in the Fund. The information illustrates the changes in the performance of the Fund from inception and compares the performance of the Fund to the performance of a securities market index over various periods of time. Past performance is not an indication of future performance.

Simultaneous with the Fund’s Commencement of Operations, the Predecessor Fund reorganized with and into the Fund and substantially all of the assets of the Predecessor Fund were transferred to the Fund. The Predecessor Fund maintained objectives, policies, guidelines and restrictions that were, in all material respects, equivalent to those of the Fund and at the time of the conversion of the Predecessor Fund was managed by the same investment adviser, sub-adviser and portfolio managers as the Fund.

The performance of the Fund for periods before the Commencement of Operations is that of the Predecessor Fund and includes the expenses of the Predecessor Fund. The Fund’s expenses are greater than the actual expenses of the Predecessor Fund. The financial statements of the Predecessor Fund were audited for all years that the Predecessor Fund was in existence (since January 1, 1999), except for the initial year. The performance returns of the Predecessor Fund are unaudited and are calculated by the Adviser on a total return basis. The Predecessor Fund was not registered under the 1940 Act and was not subject to certain investment limitations, diversification requirements, and other restrictions imposed by the 1940 Act and the Internal Revenue Code, which, if applicable, may have adversely affected its performance. The Adviser does not manage any other registered investment companies in addition to the Fund.

## Monthly and Year-To-Date Returns Since January 1, 1999

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2019	1.2%	0.5%	0.4%	0.9%	-0.7%	0.7%	0.7%						3.7%
2018	1.5%	-0.7%	0.0%	-0.1%	0.5%	-0.7%	0.6%	0.2%	0.1%	-2.2%	-0.3%	-0.5%	-1.7%
2017	0.5%	1.3%	0.7%	0.8%	1.2%	0.0%	0.8%	0.8%	0.2%	0.8%	-0.2%	0.3%	7.5%
2016	-2.9%	-1.1%	1.0%	-0.4%	0.7%	-1.5%	2.0%	0.5%	0.3%	0.1%	-0.1%	1.0%	-0.4%
2015	-0.3%	2.2%	1.2%	-0.2%	1.2%	-0.7%	1.2%	-0.6%	-0.9%	1.7%	0.8%	-0.2%	5.5%
2014	-1.4%	1.8%	-1.2%	-1.3%	1.8%	1.1%	-1.1%	1.3%	-0.1%	0.7%	2.4%	1.1%	5.1%
2013	3.4%	0.5%	1.9%	0.9%	1.3%	-0.9%	0.9%	-1.1%	2.0%	1.4%	2.2%	2.0%	15.5%
2012	1.2%	1.0%	0.5%	-0.2%	-2.7%	-0.6%	0.8%	1.5%	1.3%	0.1%	0.9%	0.9%	4.7%
2011	0.5%	1.6%	0.6%	1.4%	-0.1%	-0.7%	0.7%	-3.8%	-4.3%	2.3%	-0.8%	-0.6%	-3.4%
2010	-0.3%	1.2%	1.5%	1.1%	-1.6%	-1.2%	1.1%	-0.3%	1.8%	1.3%	0.6%	1.7%	6.8%
2009	2.0%	0.9%	0.3%	1.3%	3.0%	1.9%	2.1%	2.2%	2.4%	0.2%	0.9%	1.6%	20.6%
2008	-2.5%	1.1%	-2.0%	2.1%	1.9%	0.1%	-1.2%	-0.5%	-4.9%	-3.9%	-2.4%	-1.8%	-13.5%
2007	1.7%	1.0%	1.3%	2.1%	2.5%	1.1%	0.4%	-0.8%	1.8%	2.3%	-0.2%	1.3%	15.3%
2006	2.9%	0.5%	1.8%	1.6%	-0.9%	-0.6%	-0.1%	1.3%	0.7%	1.5%	1.6%	1.5%	12.5%
2005	0.1%	0.6%	0.0%	-0.8%	0.4%	1.3%	1.7%	0.7%	0.9%	-0.9%	1.2%	1.6%	6.9%
2004	1.5%	0.9%	0.0%	-0.8%	-0.8%	0.1%	0.3%	-0.2%	0.4%	0.0%	1.2%	0.8%	3.4%
2003	0.1%	0.0%	-0.6%	0.2%	1.8%	0.4%	-0.3%	0.8%	0.5%	1.1%	0.7%	0.8%	5.4%
2002	0.1%	-0.1%	-0.2%	0.9%	0.9%	0.4%	0.2%	-0.2%	0.8%	-1.0%	0.6%	-0.8%	1.4%
2001	0.0%	0.7%	0.6%	-0.8%	0.1%	0.0%	-0.3%	0.1%	-0.1%	-0.6%	-0.1%	0.3%	0.0%
2000	1.3%	3.0%	1.6%	-0.4%	1.3%	1.6%	1.0%	1.9%	1.5%	-0.6%	0.7%	1.7%	15.5%
1999	2.6%	-1.9%	1.9%	2.4%	1.1%	1.4%	1.9%	1.2%	1.7%	1.8%	2.4%	3.4%	21.7%

Return Data as of December 31, 2018

	Total Return					Standard Deviation				
	1Y	3Y*	5Y*	10Y*	Since Inception*	1Y	3Y	5Y	10Y	Since Inception
<b>Peachtree Alternative Strategies Fund</b>	-1.7%	1.7%	3.1%	5.8%	6.1%	2.9%	3.4%	3.7%	4.5%	4.5%
<b>MSCI ACWI NR USD(1)</b>	-9.4%	6.6%	4.3%	9.5%	4.5%	12.9%	10.5%	10.8%	14.6%	15.2%
<b>Barclays US Agg Bond TR USD(2)</b>	0.0%	2.1%	2.5%	3.5%	4.5%	3.0%	2.8%	2.8%	2.8%	3.4%

- (1) MSCI All Country World Index captures large and mid cap representation across 23 Developed Markets and 23 Emerging Markets countries.
- (2) The Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency).
- (\*) Annualized. The Fund's inception date is January 3, 2017. The Predecessor Fund's inception date was January, 1999.

## **SERVICES**

### **Administration, Fund Accounting, Transfer Agency and Compliance Services**

Ultimus provides administration, fund accounting, transfer agency and compliance services to the Fund and supplies certain officers to the Fund, including a Principal Financial Officer and Principal Accounting Officer, Treasurer, Chief Compliance Officer and an Anti-Money Laundering Compliance Officer, as well as additional compliance support personnel. Pursuant to a Master Services Agreement, the Fund pays the Administrator a fee for administration services and a separate fee for supplying the Fund's Chief Compliance Officer and related compliance services. The Fund also reimburses the Administrator for certain out-of-pocket expenses incurred on the Fund's behalf. The fees are accrued and paid monthly by the Fund based on the average net assets for the prior month.

### **Custodian**

The Huntington National Bank, (the "Custodian"), 41 South High Street, Columbus, Ohio 43215, is custodian of the Fund's investments and may maintain Fund assets with U.S. and foreign subcustodians (which may be banks, trust companies, securities depositories and clearing agencies), subject to policies and procedures approved by the Board.

## **EXPENSES**

### **Fund Expenses**

The Fund will bear all expenses incurred in its business and operations. Expenses borne by the Fund include, but are not limited to, the following:

- All organizational and initial offering costs;
- All costs and expenses associated with the registration of the Fund under, and compliance with, any applicable federal or state laws;
- Attorneys' fees and disbursements associated with updating the Fund's registration statement, Prospectus and other offering related documents (the "Offering Materials"); the costs of printing the Offering Materials; the costs of distributing the Offering Materials to prospective investors; and attorneys' fees and disbursements associated with the preparation and review thereof;
- The costs and expenses of holding meetings of the Board and any meetings of shareholders, including legal costs associated with the preparation and filing of proxy materials;

- The fees and disbursements of the Fund's counsel, legal counsel to the Independent Trustees, independent registered public accounting firm for the Fund and other consultants and professionals engaged on behalf of the Fund;
  - All costs and expenses associated with the Fund's tender offers;
  - The fees payable to various service providers including the Adviser;
  - The fees and expenses of a third party unaffiliated with the Adviser who will perform certain operational due diligence, research and risk management services;\*
  - The travel costs incurred by the Adviser in performing operational due diligence services.
  - All costs and expenses of preparing, setting in type, printing and distributing reports and other communications to shareholders;
  - The costs of a fidelity bond and any liability insurance obtained on behalf of the Fund;
  - All expenses associated with computing Institutional Shares' NAV, including any equipment or services obtained for these purposes; and
  - Such other types of expenses as may be approved from time to time by the Board.
- \* With respect to the research paid for by the Fund and obtained by the Adviser from the independent third party, it is possible that in certain instances, the Adviser may utilize the research in the investment decision making process for other clients of the Adviser. The Adviser has put in place a policy with respect to any such research requiring the Adviser to reimburse the Fund for the cost of such research.

### **Portfolio Funds' Expenses**

The Portfolio Funds bear all expenses incurred in connection with their operations. These expenses are similar to those incurred by the Fund. The Investment Managers generally will charge asset-based fees to and receive performance-based allocations from the Portfolio Funds, which will generally reduce the investment returns of the Portfolio Funds and the amount of any distributions from the Portfolio Funds to the Fund. Generally, fees payable to the Investment Managers are estimated to range from 1% to 2.5% (annualized) of the average NAV of the Fund's investment in a Portfolio Fund. In addition, certain Investment Managers charge an incentive allocation or fee which can range up to 25% of a Portfolio Fund's net profits, although it is possible that such range may be exceeded for certain Investment Managers. These fees payable to Investment Managers are estimates and may be higher or lower.

As an investor in the Portfolio Funds, the Fund will indirectly bear its pro rata allocation of these expenses and fees.

### **Expense Limitation**

The Adviser has contractually agreed to waive management fees and/or reimburse expenses to limit the Fund's total annual fund operating expenses attributable to the Institutional Shares to 1.25% (after the fee waivers and/or expense reimbursements, and exclusive of taxes, interest, portfolio transaction expenses, acquired fund fees and expenses and extraordinary expenses not incurred in the ordinary course of the Fund's business). Expenses reimbursed and/or fees reduced by the Adviser may be recouped by the Adviser for a period of three (3) years following the date such reimbursement or reduction was made if such recoupment does not cause current expenses to exceed the expense limit in effect for Institutional Shares at the time the expenses were paid/waived and any expense limit in effect at the time of recoupment. These arrangements will continue until August 31, 2020 and may be terminated by the Board at any time. No such termination will affect the obligation (including the amount of the obligation) of the Fund to repay amounts of waived fees and/or reimbursed expenses with respect to periods prior to such termination; provided that no reimbursement of expenses will occur more than three (3) years following the date such reimbursement or reduction was made. Net expenses of the Fund may increase if the exclusions noted above would apply.

## **DETERMINATION OF NET ASSET VALUE**

The Fund will calculate the NAV of the Institutional Shares as of the close of business on the last Business Day of each calendar month and at such other times as the Board may determine, including in connection with the repurchase of Institutional Shares. The NAV of the Institutional Shares will equal the value of the assets attributable to the Institutional Shares, less all liabilities of the Institutional Shares, including accrued fund fees and expenses. The Institutional Shares' NAV per Share equals the NAV of the Institutional Shares divided by the number of outstanding Institutional Shares.

Because the Fund invests all or substantially all of its assets in Portfolio Funds, the NAV of the Institutional Shares will depend on the value of the Portfolio Funds. The NAVs of Portfolio Funds are generally not available from pricing vendors, nor are they calculable independently by the Fund or the Adviser.

Accordingly, the Board has approved procedures pursuant to which the Fund will value its investments in the Portfolio Funds at fair value (the "Valuation Procedures"). Under the Valuation Procedures, the Adviser is responsible for determining the fair value of each Portfolio Fund as of each date upon which Institutional Shares calculates its NAV (the "NAV Date"). The Valuation Procedures require the Adviser to consider all relevant information when assessing and determining the fair value of the Fund's interest in each Portfolio Fund and to make all fair value determinations in good faith. All fair value determinations made by the Adviser are subject to the review and supervision of the Board through its Valuation Committee. The Board's Valuation Committee will be responsible for ensuring that the valuation process utilized by the Adviser is fair to the Fund and consistent with applicable regulatory guidelines.

As a general matter, the fair value of the Fund's interest in a Portfolio Fund will be the amount that the Fund could reasonably expect to receive from the Portfolio Fund if the Fund's interest in the Portfolio Fund was redeemed as of the NAV Date. In accordance with the Valuation Procedures, the fair value of the Fund's interest in a Portfolio Fund as of a NAV Date will ordinarily be the most recent NAV reported by a Portfolio Fund's Investment Manager or third party administrator. In the event that the last reported NAV of a Portfolio Fund is not as of the NAV Date, the Adviser may use other information that it believes should be taken into consideration in determining the Portfolio Fund's fair value as of the NAV Date including benchmark or other triggers to determine any significant market movement that has occurred between the effective date of the most recent NAV reported by the Portfolio Fund and the NAV Date. Using the nomenclature of the hedge fund industry, any values reported as "estimated" or "final" values will reasonably reflect market values of securities for which market quotations are available or fair value as of the Portfolio Fund's valuation date.

Prior to investing in a Portfolio Fund, the Adviser will conduct a due diligence review of the valuation process utilized by the Portfolio Fund, its general partner, and where applicable, its third party administrator to confirm that the valuation process employed by the Portfolio Fund includes the use of market values where available and the principals of fair value that the Adviser reasonably believes to be consistent with those used by the Fund to value its own investments. Although the Adviser reviews and assesses each Portfolio Fund's valuation process, neither the Adviser, nor the Board's Valuation Committee will be able to confirm the accuracy of any NAV information provided by a Portfolio Fund (which are unaudited except for NAV of the Portfolio Fund as of its fiscal year end).



Each Portfolio Fund will typically make available NAV information to holders which will represent the price at which, even in the absence of redemption activity, the Portfolio Fund would have effected a redemption if any such requests had been timely made or if, in accordance with the terms of the Portfolio Fund's governing documents, it would be necessary to effect a mandatory redemption.

The valuations reported by a Portfolio Fund and upon which the Fund calculates the NAV of its Institutional Shares, may be subject to later adjustment, based on information reasonably available at that time. For example, fiscal year-end NAV calculations of each Portfolio Fund are audited by those funds' independent auditors and may be revised as a result of such audits. Other adjustments may occur from time to time. Such adjustments or revisions, whether increasing or decreasing the NAV of the Institutional Shares, because they relate to information available only at the time of the adjustment or revision, will not affect the amount of the repurchase proceeds of the Fund received by shareholders who had their Institutional Shares repurchased prior to such adjustments and received their repurchase proceeds. As a result, to the extent that such subsequently adjusted valuations adversely affect the Institutional Shares' NAV, the outstanding Institutional Shares will be adversely affected by prior repurchases to the benefit of shareholders who had their Institutional Shares repurchased at a NAV per Share higher than the adjusted amount. Conversely, any increases in the NAV per Share resulting from such subsequently adjusted valuations will be entirely for the benefit of the outstanding shareholders and to the detriment of shareholders who previously had their Institutional Shares repurchased at a NAV per Share lower than the adjusted amount. The same principles apply to the purchase of Institutional Shares. New shareholders may be affected in a similar way.

Expenses of the Institutional Shares, including the Adviser's management fee and the costs of any borrowings, are accrued and taken into account for the purpose of determining this class' NAV.

Prospective investors should be aware that situations involving uncertainties as to the value of portfolio positions could have an adverse effect on the Institutional Shares' net assets if the judgments of the Adviser should prove incorrect. Also, the fair value of a Portfolio Fund may not be the price at which the Fund's interests in the Portfolio Fund are ultimately sold.

To the extent the Adviser invests the assets of the Fund in securities or other instruments other than Portfolio Funds (e.g., cash equivalents), the Fund will generally value such assets as described below. Securities traded on one or more securities exchanges and not subject to restrictions against resale in the market are generally valued at the last quoted sales price on the primary exchange on which the securities are traded. Securities not traded on any securities exchange for which over-the-counter market quotations are readily available will be valued at the mean of the last bid and asked prices. Redeemable securities issued by a registered open-end investment company will be valued at the investment company's NAV per Share. Debt securities may also be valued based on broker/dealer supplied quotations or pursuant to matrix pricing provided by a Board approved pricing service. Matrix pricing is a method of valuing securities by reference to the value of other securities with similar characteristics such as rating, interest rate and maturity. If market quotations are not readily available or deemed to be unreliable by the Adviser, securities and other assets will be valued at fair value by the Adviser as determined in good faith in accordance with the Fund's Valuation Procedures.

## **DISTRIBUTIONS TO SHAREHOLDERS**

The Fund intends to distribute net investment income and capital gains, if any, annually as of the last Business Day of each calendar year. Unless a shareholder elects to receive distributions in cash, such distributions will automatically be reinvested in additional Institutional Shares under the Fund's Dividend Reinvestment Plan. See "Dividend Reinvestment Plan."

### **DIVIDEND REINVESTMENT PLAN**

Shareholders will automatically participate in the Fund's Dividend Reinvestment Plan ("DRIP") and have all income dividends and/or capital gains distributions automatically reinvested in additional Institutional Shares unless they elect in writing to receive distributions in cash in their Subscription Agreement with the Fund. Ultimus (the "Agent") acts as the agent for participants under the DRIP. Participants in the DRIP will receive an amount of Institutional Shares equal to the amount of the distribution on that Participant's Institutional Shares divided by the immediate post-distribution NAV per Share of the Institutional Shares.

Shareholders who elect not to participate in the DRIP will receive all distributions in cash paid by wire (or, if the Institutional Shares are held in street or other nominee name, then to the nominee) by Ultimus as dividend paying agent. The automatic reinvestment of dividends and distributions will not relieve participants of any income taxes that may be payable (or required to be withheld) on dividends and distributions.

A shareholder may withdraw from the DRIP at any time. There will be no penalty for withdrawal from the DRIP and shareholders who have previously withdrawn from the DRIP may rejoin it at any time. Changes in elections must be in writing and should include the shareholder's name and address as they appear on the records of the Fund. An election to withdraw from the DRIP will, until such election is changed, be deemed to be an election by a shareholder to take all subsequent distributions in cash. An election will be effective only for a distribution declared and having a record date of at least 10 days after the date on which the election is received. A shareholder whose Institutional Shares are held in the name of a broker or nominee should contact such broker or nominee concerning changes in that shareholder's election.

Questions concerning the DRIP should be directed to the Agent at P.O. Box 46707, Cincinnati, OH 45246-0707 or (800) 657-3812.

### **CERTAIN TAX CONSIDERATIONS**

The following discussion is a general summary of the material U.S. federal income tax considerations applicable to the Fund and to an investment in Institutional Shares. This summary does not purport to be a complete description of the income tax considerations applicable to such an investment. For example, the following summary does not describe tax consequences that are assumed to be generally known by investors or certain considerations that may be relevant to certain types of shareholders subject to special treatment under U.S. federal income tax laws, including shareholders subject to the alternative minimum tax, tax-exempt organizations, insurance companies, dealers in securities, pension plans and trusts, and financial institutions. This summary assumes that shareholders hold Institutional Shares as capital assets (generally, property held for investment). The discussion is based upon the Code, Treasury regulations and administrative and judicial interpretations, each as of the date of this Prospectus and all of which are subject to change, possibly retroactively, which could affect the continuing validity of this summary. The Fund has neither sought nor will seek any ruling from the Internal Revenue Service ("IRS") regarding this offering. This summary does not discuss any aspects of U.S. estate or gift tax or foreign, state or local income tax. It does not discuss the special treatment under U.S. federal income tax laws that could result if the Fund invested in tax-exempt securities or certain other investment assets.

Tax matters summarized herein are very complicated and the tax consequences to an investor of an investment in Institutional Shares will depend on the facts of its particular situation. Shareholders are encouraged to consult their own tax advisers regarding the specific consequences of such an investment, including tax reporting requirements, the applicability of U.S. federal, state, local and foreign tax laws, eligibility for the benefits of any applicable tax treaty and the effect of any possible changes in the tax laws.

Tax reform legislation commonly known as the Tax Cuts and Jobs Act (the “Tax Act”) was enacted on December 22, 2017. The Tax Act makes significant changes to the U.S. federal income tax rules for individuals and corporations, generally effective for taxable years beginning after December 31, 2017. Most of the changes applicable to individuals are temporary and, without further legislation, will not apply after 2025. The application of certain provisions of the Tax Act is uncertain, and the changes in the Tax Act may have indirect effects on the Fund, its investments and its shareholders that cannot be predicted. In addition, legislative, regulatory or administration changes could be enacted or promulgated at any time, either prospectively or with retroactive effect. Prospective shareholders should consult their tax advisers regarding the implications of the Tax Act on their investment in the Fund.

Specifically, the following changes made by the Tax Act affect possible investments by the Fund and the taxation of prospective shareholders. First, the Tax Act reduces the dividend received deduction percentage from 70% to 50% for ordinary dividends paid to corporate shareholders. Thus, a greater percentage of the ordinary dividend paid by the Fund to the corporate shareholder will be subject to income tax. Second, the Tax Act repeals the alternative minimum tax (“AMT”) for corporate shareholders and reduces the number of non-corporate shareholders subject to AMT. With these changes to AMT, the Fund may be more inclined to invest in certain assets, such as private activity bonds, that otherwise might subject the shareholder to AMT. Third, the Tax Act repealed the deduction of investment management fees as miscellaneous itemized deductions. A RIC may deduct these expenses when determining the amount available to be distributed to a shareholder. Thus, a shareholder in the Fund may receive better tax treatment with regard to these expenses than an investor who directly invests in the same investments.

A “U.S. Shareholder” is a beneficial owner of Institutional Shares that is for U.S. federal income tax purposes:

- a citizen or individual resident of the U.S.;
- a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the U.S. or any state thereof or the District of Columbia;
- a trust, if a court within the U.S. has primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or the trust has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person; or
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source.

If a partnership (including an entity treated as a partnership for U.S. federal income tax purposes) holds Institutional Shares, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. If a prospective shareholder of the Fund is a partnership, a partner of such a partnership should consult the partner’s tax advisers with respect to the purchase, ownership and disposition of Institutional Shares.

## **Election to be Taxed as a RIC**

The Fund intends to elect to be treated as a RIC under Subchapter M of the Code. As a RIC, the Fund generally will not pay corporate-level U.S. federal income taxes on any ordinary income or capital gains that it distributes to its shareholders as dividends. To qualify as a RIC, the Fund must, among other things, meet certain source-of-income and asset diversification requirements (that are described below). In addition, the Fund must distribute to shareholders, for each taxable year, an amount equal to at least 90% of the Fund's "investment company taxable income," which is generally its ordinary income plus the excess of realized net short-term capital gain over realized net long-term capital loss, reduced by deductible expenses, referred to herein as the "Annual Distribution Requirement."

## **Taxation as a RIC**

If the Fund:

- qualifies as a RIC; and
- satisfies the Annual Distribution Requirement;

then the Fund will not be subject to U.S. federal income tax on the portion of its investment company taxable income and net capital gain (generally, realized net long-term capital gain in excess of realized net short-term capital loss) distributed to its shareholders. The Fund will be subject to U.S. federal income tax at regular corporate rates on any income or capital gain not distributed (or deemed distributed) to shareholders.

The Fund will be subject to a 4% nondeductible U.S. federal excise tax on certain undistributed income unless the Fund distributes in a timely manner an amount at least equal to the sum of: (1) 98% of the Fund's ordinary income for each calendar year; (2) 98.2% of the Fund's capital gain net income for the one-year period generally ending October 31 in that calendar year; and (3) any income realized, but not distributed, in preceding years, which is referred to as the "Excise Tax Avoidance Requirement." The Fund currently intends to make sufficient distributions each taxable year to satisfy the Excise Tax Avoidance Requirement.

To qualify as a RIC for U.S. federal income tax purposes, the Fund generally must, among other things:

- derive in each taxable year at least 90% of its gross income from dividends, interest, payments with respect to certain securities loans, gains from the sale of stock or other securities or foreign currencies, or other income (including but not limited to, gains from options, futures or forward contracts) derived with respect to the Fund's business of investing in such stock, securities or currencies, which the Fund refers to as the "90% Income Test;" and
- diversify the Fund's holdings so that at the end of each quarter of the taxable year:
  - at least 50% of the value of the Fund's assets consists of cash, cash equivalents, U.S. Government securities, securities of other RICs, and other securities if such other securities of any one issuer do not represent more than 5% of the value of the Fund's total assets or more than 10% of the outstanding voting securities of such issuer; and

- no more than 25% of the value of the Fund's assets is invested in the securities, other than U.S. Government securities or securities of other RICs, of one issuer, the securities of two or more issuers that are controlled, as determined under applicable tax rules, by the Fund and that are engaged in the same or similar or related trades or businesses, or the securities of one or more qualified publicly traded partnerships which the Fund refers to as the "Diversification Tests."

The Fund may invest in "passive foreign investment companies" or "PFICs." A PFIC is an offshore investment fund that is treated as a corporation for U.S. tax purposes. Subchapter M of the Code does not require the Fund to look through to the underlying investments held in the portfolios of PFICs in order to determine compliance with the RIC tax requirements. Investments in PFICs may involve costs, including withholding taxes that the Fund would not incur if it invested in U.S. domestic investment funds. Also, the Foreign Account Tax Compliance Act (called "FATCA") incorporated into the Code generally will require a PFIC to register with the IRS and agree to identify certain of its direct and indirect U.S. account holders in order to avoid a U.S. withholding tax of 30% on certain payments (including payments of gross proceeds) made with respect to actual and deemed U.S. investments.

The Fund may also be required to recognize taxable income from PFIC investments in circumstances in which the Fund does not receive cash. Specifically, the Fund may elect to mark-to-market at the end of each taxable year its interests in Portfolio Funds that are classified as PFICs for U.S. federal income tax purposes. As a result of the "mark-to-market election", at the end of each taxable year the Fund would recognize as ordinary income any increase in the value of such interests, and as ordinary loss any decrease in such value to the extent it does not exceed prior increases included in income. Because any mark-to-market income will be included in investment company taxable income for each taxable year, the Fund may be required to make a distribution to shareholders in order to satisfy the Annual Distribution Requirement and the Excise Tax Avoidance Requirement, even though the Fund will not have received any corresponding cash amount.

As an alternative to the "mark-to-market election," in certain circumstances the Fund may be able make a Qualified Electing Fund ("QEF") election with respect to the shares of a PFIC in which it owns shares. If the Fund makes a QEF election, then the Fund must include in income for each year its pro rata share of the PFIC's ordinary earnings and net capital gain, if any, for the PFIC's taxable year that ends with or within the taxable year of the Fund, regardless of whether or not distributions were received from the PFIC by the Fund. Losses of the PFIC would not pass through to the Fund on a current basis; however, the Fund may ultimately recognize such losses on a disposition of the shares of the PFIC. The Fund would generally recognize capital gain or loss on the sale, exchange, or other disposition of the shares of a PFIC with respect to which the Fund made a QEF election. Such gain or loss will be treated as long-term capital gain or loss if the Fund's holding period in the PFIC shares is greater than one year at the time of the sale, exchange or other disposition. In order for the Fund to make a QEF election, the PFIC must annually provide the Fund with certain information regarding the Fund's share of the PFIC's net ordinary earnings and net long term capital gain. The Fund may not be able to obtain such information from any Portfolio Fund. Therefore, there can be no assurance that the Fund will be able to make a QEF election with respect to any Portfolio Fund.

If the Fund borrows money, the Fund may be prevented by loan covenants from declaring and paying dividends in certain circumstances. Limits on the Fund's payment of dividends may prevent the Fund from meeting the Annual Distribution Requirement, and may, therefore, jeopardize the Fund's qualification for taxation as a RIC, or subject the Fund to the 4% excise tax.

The Fund is permitted under the 1940 Act (and is expected) to borrow funds and to sell assets in order to satisfy the Annual Distribution Requirement. However the Fund, under the 1940 Act, is not permitted to make distributions to shareholders while its debt obligations and senior securities are outstanding unless certain asset coverage tests are met. Moreover, the Fund's ability to dispose of assets to meet the distribution requirements may be limited by: (1) the illiquid nature of its portfolio; and (2) other requirements relating to the Fund's status as a RIC, including the Diversification Tests.

If the Fund disposes of assets to meet the Annual Distribution Requirement, the Diversification Tests, or the Excise Tax Avoidance Requirement, the Fund may make such dispositions at times that, from an investment standpoint, are not advantageous.

If the Fund fails to satisfy the Annual Distribution Requirement or otherwise fails to qualify as a RIC in any taxable year, the Fund will be subject to tax in that year on all of its taxable income, regardless of whether the Fund makes any distributions to shareholders. In that case, all of the Fund's income will be subject to corporate-level U.S. federal income tax, reducing the amount available to be distributed to shareholders. In contrast, assuming the Fund qualifies as a RIC, its corporate-level U.S. federal income tax should be substantially reduced or eliminated.

The remainder of this discussion assumes that the Fund qualifies as a RIC and has satisfied the Annual Distribution Requirement.

### **Taxation of U.S. Shareholders**

Distributions by the Fund generally are taxable to U.S. Shareholders as ordinary income or long-term capital gain. Distributions of the Fund's "investment company taxable income" (which is, generally, ordinary income plus realized net short-term capital gain in excess of realized net long-term capital loss, reduced by deductible expenses) will be taxable as ordinary income to U.S. Shareholders to the extent of the Fund's current and accumulated earnings and profits, whether paid in cash or reinvested in additional Institutional Shares. Distributions of the Fund's "investment company taxable income" attributable to its investments in PFICs will not be eligible for the dividends received deduction allowed to corporate shareholders and will not qualify for the reduced rates of tax for qualified dividend income allowed to individuals. Distributions of the Fund's net capital gain (which is generally the Fund's realized net long-term capital gain in excess of realized net short-term capital loss) properly designated by the Fund as "capital gain dividends" will be taxable to a U.S. Shareholder as long-term capital gains, currently subject to reduced rates of U.S. federal income tax in the case of non-corporate U.S. Shareholders, regardless of the U.S. Shareholder's holding period for its Institutional Shares and regardless of whether paid in cash or reinvested in additional Institutional Shares. The Fund may be able to make distributions of capital gains received from Portfolio Funds in which the Fund has made a QEF election. Such distributions will generally be taxable to U.S. Shareholders as long-term capital gain regardless of whether the U.S. shareholder receives such payments in cash or reinvests the distributions into the Fund. A U.S. Shareholder may be eligible for a reduced rate of taxation on long-term capital gain distributions received from the Fund, regardless of how long the U.S. Shareholder has held Institutional Shares. Distributions in excess of the Fund's earnings and profits first will reduce a U.S. Shareholder's adjusted tax basis in such shareholder's Institutional Shares and, after the adjusted basis is reduced to zero, will constitute capital gain from the sale of Institutional Shares to such U.S. Shareholder.

Income from the Fund may also be subject to a 3.8% "Medicare tax." The Medicare tax applies to individuals who have net investment income and adjusted gross income in excess of certain income thresholds set forth in the Code. The Medicare tax also applies to trusts and estates that have undistributed net investment income and adjusted gross income that would be subject to the maximum income tax rate for an estate or trust.

For purposes of determining whether the Annual Distribution Requirement is satisfied for any year and the amount of capital gain dividends paid for that year, the Fund may, under certain circumstances, elect to treat a dividend that is paid during the following taxable year as if it had been paid during the taxable year in question. If the Fund makes such an election, the U.S. Shareholder will still be treated as receiving the dividend in the taxable year in which the distribution is made. However, any dividend declared by the Fund in October, November or December of any calendar year, payable to shareholders of record on a specified date in such a month and actually paid during January of the following year, will be treated as if it had been received by the Fund's U.S. Shareholders on December 31 of the year in which the dividend was declared. Shareholders who receive distributions in the form of Institutional Shares will be subject to the same U.S. federal, state and local tax consequences as if they received cash distributions. Dividends and other taxable distributions are taxable to shareholders even though they are reinvested in additional Institutional Shares.

Pursuant to the Fund's dividend reinvestment program, when the Fund declares a dividend, each shareholder that has not made an election to receive distributions in cash will automatically have their dividends reinvested in additional Institutional Shares. To the extent shareholders make an election to receive distributions in cash, the Fund may pay any or all such distributions in a combination of cash and Institutional Shares. Depending on the circumstances of the shareholder, the tax on the distribution may exceed the amount of the distribution received in cash, if any, in which case such shareholder would have to pay the tax using cash from other sources. A shareholder that receives Institutional Shares pursuant to a distribution generally has a tax basis in such Institutional Shares equal to the amount of cash that would have been received instead of Institutional Shares as described above, and a holding period in such Institutional Shares that begins on the Business Day following the payment date for the distribution.

A U.S. Shareholder generally will recognize taxable gain or loss if the U.S. Shareholder sells or otherwise disposes of its Institutional Shares. Such shareholder's gain or loss is generally calculated by subtracting from the gross proceeds the cost basis of its Institutional Shares sold or otherwise disposed of. Upon such disposition of such Institutional Shares, the Fund will report the gross proceeds and cost basis to such shareholder and the IRS. For each disposition, the cost basis will be calculated using the Fund's default method of first-in, first-out, unless such shareholder instructs the Fund in writing to use a different calculation method permitted by the IRS, including average cost or specific Share lot identification. The cost basis method elected by the shareholder (or the cost basis method applied by default) for each disposition of Institutional Shares may not be changed after the settlement date of each such disposition of Institutional Shares. If a shareholder holds its Institutional Shares through a broker (or other nominee), such shareholder should contact the broker (nominee) with regard to the reporting of cost basis and available elections for the shareholder's account. Shareholders should consult with their tax advisers to determine the best IRS-accepted cost basis method for their tax situation and to obtain more information about how the new cost basis reporting law applies to them.

Any gain arising from a sale or disposition generally will be treated as long-term capital gain or loss if the shareholder has held its Institutional Shares for more than one year. Otherwise, it will be classified as short-term capital gain or loss. However, any capital loss arising from the sale or disposition of Institutional Shares held for six (6) months or less will be treated as long-term capital loss to the extent of the amount of capital gain dividends received, or undistributed capital gain deemed received, with respect to such Institutional Shares. In addition, all or a portion of any loss recognized upon a disposition of Institutional Shares may be disallowed if other Institutional Shares are purchased (whether through reinvestment of distributions or otherwise) within 30 calendar days before or after the disposition.

In general, non-corporate U.S. Shareholders currently are subject to reduced rates of U.S. federal income tax on their net capital gain (generally, the excess of realized net long-term capital gain over realized net short-term capital loss for a taxable year, including a long-term capital gain derived from an investment in Institutional Shares). Such rate currently is lower than the maximum rate on ordinary income currently payable by individuals. Corporate U.S. Shareholders currently are subject to U.S. federal income tax on net capital gain at the same rates that apply to ordinary income; provided, however, that the maximum rate applicable to capital gains is 21%. Non-corporate U.S. Shareholders with net capital losses for a year (i.e., capital loss in excess of capital gain) generally may deduct up to \$3,000 of such losses against their ordinary income each year. Any net capital losses of a non-corporate U.S. Shareholder in excess of \$3,000 generally may be carried forward and used in subsequent years as provided in the Code. Corporate U.S. Shareholders generally may not deduct any net capital losses for a year, but may carry back such losses for three years or carry forward such losses for five years.

The Fund will send to each U.S. Shareholder, as promptly as possible after the end of each calendar year, but in no event later than the Fund's distribution of Form 1099, a notice detailing, on a per Share and per distribution basis, the amounts includible in such U.S. Shareholder's taxable income for such year as ordinary income and as long-term capital gain. In addition, the U.S. federal tax status of each year's distributions generally will be reported to the IRS. Distributions may also be subject to additional state, local and foreign taxes depending on a U.S. Shareholder's particular situation.

The Fund may be required to withhold U.S. federal income tax, or "backup withholding," currently at the rate set forth in Section 3406 of the Code, from all taxable distributions to any non-corporate U.S. Shareholder: (1) who fails to furnish the Fund with a correct taxpayer identification number or a certificate that the shareholder is exempt from backup withholding; or (2) with respect to whom the IRS notifies the Fund that such shareholder has failed to properly report certain interest and dividend income to the IRS and to respond to notices to that effect. An individual's taxpayer identification number is his or her social security number. Any amount withheld under backup withholding is allowed as a credit against the U.S. Shareholder's U.S. federal income tax liability and may entitle such shareholder to a refund; provided that proper information is timely provided to the IRS.

#### **Taxation of U.S. Tax-Exempt Shareholders (Acquisition Indebtedness)**

U.S. tax-exempt entities, including, but not limited to, ERISA Plans and IRAs, are generally subject to federal income tax on unrelated business taxable income or UBTI. UBTI includes "unrelated debt-financed income," which generally consists of (i) income derived by an exempt organization (directly or indirectly through an interest in another entity) from income-producing property with respect to which there is "acquisition indebtedness" (as defined in the Code) at any time during the taxable year, and (ii) gains derived by an exempt organization (directly or indirectly through an interest in another entity) from the disposition of property with respect to which there is "acquisition indebtedness" at any time during the twelve-month period ending with the date of such disposition.

Generally, distributions by the Fund, like distributions by a corporation, will not be taxable to U.S. tax exempt shareholders even if such dividends are attributable to UBTI.

A portion of the dividends and capital gains distributed by the Fund to a U.S. tax-exempt shareholder and attributable to UBTI would, however, be subject to federal income tax if the tax-exempt shareholder borrowed money to acquire its investment in the Fund. Moreover, a U.S. tax-exempt shareholder will recognize UBTI from the sale of some or all of its interest in the Fund if the shareholder has outstanding "acquisition indebtedness" at any time during the twelve month period ending with the date of the sale.

#### **Failure to Qualify as a RIC**

If the Fund were unable to qualify for treatment as a RIC, the Fund would be subject to U.S. federal income tax on all of its net taxable income at regular corporate rates. The Fund would not be able to deduct distributions to shareholders, nor would they be required to be made. Distributions would generally be taxable to non-corporate shareholders as ordinary dividend income eligible for the reduced rates of U.S. federal income tax to the extent of the Fund's current and accumulated earnings and profits. Subject to certain limitations under the Code, corporate U.S. Shareholders would be eligible for the dividends received deduction. Distributions in excess of the Fund's current and accumulated earnings and profits would be treated first as a return of capital to the extent of the shareholder's tax basis, and any remaining distributions would be treated as a capital gain. If the Fund were to fail to meet the RIC requirements in its first taxable year or, with respect to later years, for more than two consecutive years, and then to seek to requalify as a RIC, the Fund would be required to recognize gain to the extent of any unrealized appreciation in its assets unless the Fund made a special election to pay corporate-level tax on any such unrealized appreciation recognized during the succeeding ten year period.



## CERTAIN ERISA CONSIDERATIONS

Persons who are fiduciaries with respect to assets of a Plan, should consider, among other things, the matters described below in determining whether to cause the Plan to invest in the Fund.

ERISA imposes general and specific responsibilities on persons who are “fiduciaries” for purposes of ERISA with respect to a Plan, including the duty of prudence, the duty to administer the plan for the exclusive purpose of providing benefits to plan participants and their beneficiaries (and for defraying reasonable expenses), the requirement to allocate and diversify Plan assets within and across different asset classes, the avoidance of prohibited transactions and other standards. In determining whether a particular investment is appropriate for a Plan, a fiduciary of a Plan must comply with rules adopted by the DOL, which administers the fiduciary provisions of ERISA. Under those rules, the fiduciary of a Plan must: (1) give appropriate consideration to, among other things, the role that the investment plays in the Plan’s portfolio, taking into account whether the investment is designed reasonably to further the Plan’s purposes; (2) examine the risk and return factors associated with the investment; (3) assess the portfolio’s composition to determine whether the Plan’s assets are suitably allocated within and across different asset classes, as well as the liquidity and current return of the total portfolio relative to the anticipated cash flow needs of the Plan; (4) evaluate income tax consequences of the investment and the projected return of the total portfolio relative to the Plan’s funding objectives; (5) consider limitations imposed by ERISA on the fiduciary’s ability to delegate fiduciary responsibilities to other parties; and (6) consider the impact of share class and fee structure on the Plan portfolio’s performance.

Before investing the assets of a Plan in the Fund, a fiduciary should determine whether such an investment is consistent with his, her or its fiduciary responsibilities as set out in the DOL’s regulations. The fiduciary should, for example, consider whether an investment in the Fund may be too illiquid or too speculative for its Plan, and whether the assets of the Plan would be suitably allocated within and across different asset classes if the investment is made. If a fiduciary of a Plan breaches his, her or its responsibilities with regard to selecting an investment or an investment course of action for the Plan, the fiduciary may be held personally liable for losses incurred by the Plan as a result of the breach.

Regulations promulgated by the DOL provide that, because the Fund is registered as an investment company under the 1940 Act, the underlying assets of the Fund will not be considered to be “plan assets” of Plans investing in the Fund for purposes of ERISA’s fiduciary responsibility and prohibited transaction rules. As a result, the mere fact of a Plan’s investment in the Fund (1) will not create a fiduciary relationship (with the meaning of ERISA) between such Plan and either the Investment Managers or the Adviser: ; and (2) will not cause transactions involving the assets and investments of the Fund to be subject to the provisions of ERISA or Section 4975 of the Code, which might otherwise constrain the management of these entities.

The Fund will require any Plan proposing to invest in the Fund to represent that it, and any fiduciaries responsible for its investments, are aware of and understand the Fund's investment objective, policies and strategies and that the decision to invest Plan assets in the Fund was made with appropriate consideration of relevant investment factors with regard to the Plan and is consistent with the duties and responsibilities imposed upon fiduciaries with regard to their investment decisions under ERISA.

Certain prospective Plan investors may currently maintain relationships with the Adviser or with other entities that are affiliated with the Adviser. Each of the Adviser and their affiliates may be deemed to be a party in interest or disqualified person (as defined in ERISA and the Code, respectively) to and/or a fiduciary of any Plan to which it provides investment management, investment advisory or other services. Subject to certain exemptions, ERISA and the Code prohibit Plan assets to be used for the benefit of a party in interest and also prohibit a Plan fiduciary from using its position to cause the Plan to make an investment from which it or certain third parties in which the fiduciary has an interest would receive a fee or other consideration. Plan investors should consult with counsel to determine if participation in the Fund is a transaction that is prohibited by ERISA or the Code and whether an exemption may apply. Prior to a Plan's investment in the Fund, each fiduciary of the Plan that is responsible for the Plan's investments (each a "Fiduciary") will be required to execute a subscription agreement on behalf of the Plan and to personally represent that:

- each Fiduciary is a "fiduciary" of such Plan within the meaning of Section 4975(e)(3) of the Internal Revenue Code or other comparable non-ERISA laws and such person is authorized to execute the subscription agreement on behalf of the Plan;
- the decision to invest in the Fund was made by each Fiduciary independent of the Adviser and the Adviser's affiliates, and each Fiduciary has not relied on any individualized advice or recommendation of the Adviser, or the Adviser's affiliates, as a primary basis for the decision to invest in the Fund;
- the investment of Plan assets in the Fund is consistent with the provisions of the Plan, the Plan's investment guidelines, if any, and all other documents that govern the Plan's investments;
- each Fiduciary responsible for the Plan's investments has executed the subscription agreement;
- each Fiduciary is: (1) responsible for the decision to invest in the Fund; and (2) qualified to make such investment decision;
- the decision to invest the Plan's assets in the Fund was made with appropriate consideration of relevant investment factors with regard to the Plan and is consistent with the duties and responsibilities imposed upon fiduciaries with regard to their investment decisions under ERISA and other applicable laws;
- the purchase of the Institutional Shares by the Plan will not result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code; and
- unless otherwise indicated in writing to the Fund, the Plan is not a participant-directed defined contribution plan.

The provisions of ERISA and Section 4975 of the Code are subject to extensive and continuing administrative and judicial interpretation and review. The discussion contained in this prospectus, is, of necessity, general and may be affected by future publication of DOL regulations and rulings. Potential Plan investors should consult with their legal advisers regarding the consequences under ERISA and the Code of the acquisition and ownership of Institutional Shares.

## DESCRIPTION OF SHARES

### **The Fund**

The Fund is a Delaware statutory trust and is governed by Delaware Statutory Trust Act, 12 Del. Code §§ 3801 *et seq.*, as from time to time amended (the “Delaware Act”). The Certificate of Trust to establish the Fund under the Delaware Act was filed with the Secretary of State of the State of Delaware on August 19, 2016. The Delaware Act provides a statutory framework for the powers, duties, rights and obligations of the Board and the shareholders.

### **Shares of Beneficial Interest**

The Declaration of Trust authorized the issuance of an unlimited number of shares of beneficial interest, par value \$.001 per share. This Prospectus offers the Fund’s Institutional Shares. Currently, the Fund does not offer any other classes of shares. All distributions will be made ratably among the shareholders according to the number of Institutional Shares held of record.

Institutional Shares will, when issued, be fully paid and non-assessable, and will not have preemptive rights or rights to elect Trustees based on cumulative voting.

The Trustees will have full power and authority, in their sole discretion, and without obtaining any prior authorization or vote of the shareholders of any class, to establish and designate and to change in any manner any initial or additional classes and to fix such preferences, voting powers, rights and privileges of class, to divide or combine any classes into a greater or lesser number, to classify or reclassify any issued Shares or any classes into one or more classes of Shares, and to take such other action with respect to the shares as the Trustees may deem desirable.

No shareholder may be called upon for the payment of any sum of money or assessment whatsoever other than such as the shareholder may at any time personally agree to pay.

### **Shareholder Voting**

Shareholders will have the power to vote only: (1) for the election of one or more Trustees in order to comply with the provisions of the 1940 Act; (2) with respect to a services agreement to the extent required under the 1940 Act; (3) with respect to the termination of the Fund or a class thereof to the extent required by applicable law; and (4) with respect to such additional matters relating to the Fund as may be required by the Declaration of Trust, the By-Laws or any registration of the Fund as an investment company under the 1940 Act or as the Trustees may consider necessary from time to time.

On any matters submitted to a vote of the shareholders, all Shares of the Fund then entitled to vote will be voted in aggregate, except: (1) when required by applicable law, Shares will be voted by class; and (2) when the matter involves any action that the Trustees have determined will affect only the interests of one or more classes, then only the shareholders of such class or classes will be entitled to vote thereon. A shareholder will be entitled to one vote for each Share on any matter on which such shareholder is entitled to vote. A shareholder of a class will be entitled to a proportionate fractional vote for each fractional Share of such class thereof on any matter on which such shareholder is entitled to vote.

Unless a larger percentage is required by law, the Declaration of Trust or the Trustees, one-third (1/3) of the Institutional Shares entitled to vote in person or by proxy on a particular matter will be a quorum for the transaction of business at a shareholders' meeting with respect to that matter. Except when a larger vote is required by law, the Declaration of Trust or the Trustees, a majority of the Institutional Shares voted in person or by proxy on a particular matter at a meeting at which a quorum is present will decide any questions with respect to that matter and a plurality will elect a Trustee.

#### **Election and Removal of Trustees**

The Declaration of Trust provides that the Board may designate the number of Trustees and that Board vacancies may be filled by the remaining Trustees unless otherwise required under the 1940 Act. A Trustee may be removed, with or without cause, at any time by written instrument, signed by a majority of the Trustees prior to such removal or at any meeting of the Fund's shareholders by vote of the shareholders owning at least two-thirds (2/3) of the outstanding Institutional Shares of the Fund.

#### **Amendments to the Declaration of Trust and the By-Laws**

Generally, the Trustees may, without shareholder vote, amend the Declaration of Trust. Shareholders however, will have the right to vote: (1) on any amendment which would affect their right to vote granted in the Declaration of Trust (Section 6.1 of the Declaration of Trust); (2) on any amendment to that section of the Declaration of Trust governing the initiation of amendments to the Declaration of Trust (Section 10.6 of the Declaration of Trust); (3) on any amendment for which such vote is required by law; and (4) on any amendment submitted to them by the Trustees.

**Please refer to the Declaration of Trust and By-Laws for a more complete discussion of the provisions summarized above.**

### **OTHER INFORMATION**

#### **Fiscal/Tax Year End**

The Fund's fiscal year end will be the twelve (12) month period ending April 30. The Fund's tax year end will be the twelve (12) month period ending October 31.

#### **Independent Registered Public Accounting Firm**

Cohen & Company, Ltd., 1350 Euclid Avenue., Suite 800, Cleveland, OH 44115 serves as the Fund's independent registered public accounting firm.

#### **Legal Counsel**

Bernstein Shur, 100 Middle Street, P.O. Box 9729, Portland, Maine 04101-5029, serves as legal counsel to the Fund as well as legal counsel to the Trustees who are not "interested persons" (as that term is defined under the 1940 Act) of the Fund.

#### **Control Persons**

A control person is a shareholder who owns beneficially or through controlled companies more than 25% of the voting securities of the Fund or acknowledges the existence of control. Shareholders owning voting securities in excess of 25% may determine the outcome of any matter affecting and voted on by shareholders of the Fund. As of July 31, 2019, no shareholder owned more than 25% of the voting securities of the Fund.

## Outstanding Securities

<b>Title of Class</b>	<b>Amount Authorized</b>	<b>Amount Held by Registrant for its Account</b>	<b>Amount Outstanding as of July 1, 2019</b>
Institutional Shares	Unlimited	N/A	1,981,317.299

## Inquiries

Inquiries regarding the Fund and its Institutional Shares (including the procedures for purchasing Institutional Shares) should be directed to:

Peachtree Alternative Strategies Fund  
C/O Ultimus Fund Solutions, LLC  
P.O. Box 46707  
Cincinnati, OH 45246-0707  
(800) 657-3812

# Privacy Notice

## FACTS

### WHAT DOES PEACHTREE ALTERNATIVE STRATEGIES FUND DO WITH YOUR PERSONAL INFORMATION?

**Why?** Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**What?** The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number
- Assets
- Retirement Assets
- Transaction History
- Checking Account Information
- Purchase History
- Account Balances
- Account Transactions
- Wire Transfer Instructions

When you are *no longer* our customer, we continue to share your information as described in this notice.

**How?** All financial companies need to share your personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Peachtree Alternative Strategies Fund chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Peachtree Alternative Strategies Fund share?	Can you limit this sharing?
<b>For our everyday business purposes –</b> Such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes –</b> to offer our products and services to you	No	We don't share
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes –</b> information about your transactions and experiences	No	We don't share
<b>For our affiliates' everyday business purposes –</b> information about your creditworthiness	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share

**Questions?** Call (800) 657-3812

<b>Who we are</b>	
<b>Who is providing this notice?</b>	Peachtree Alternative Strategies Fund Ultimus Fund Distributors, LLC (Distributor) Ultimus Fund Solutions, LLC (Administrator and Transfer Agent)
<b>What we do</b>	
<b>How does Peachtree Alternative Strategies Fund protect my personal information?</b>	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.</p>
<b>How does Peachtree Alternative Strategies Fund collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>▪ Open an account</li> <li>▪ Provide account information</li> <li>▪ Give us your contact information</li> <li>▪ Make deposits or withdrawals from your account</li> <li>▪ Make a wire transfer</li> <li>▪ Tell us where to send the money</li> <li>▪ Tell us who receives the money</li> <li>▪ Show your government-issued ID</li> <li>▪ Show your driver's license</li> </ul> <p>We also collect your personal information from other companies.</p>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>▪ Sharing for affiliates' everyday business purposes – information about your creditworthiness</li> <li>▪ Affiliates from using your information to market to you</li> <li>▪ Sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>

<b>Definitions</b>	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>Homrich &amp; Berg, Inc., the investment adviser to Peachtree Alternative Strategies Fund, could be deemed to be an affiliate.</i></li> </ul>
<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies</p> <ul style="list-style-type: none"> <li>▪ <i>Peachtree Alternative Strategies Fund does not share with nonaffiliates so they can market to you.</i></li> </ul>
<b>Joint marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>▪ <i>Peachtree Alternative Strategies Fund does not jointly market.</i></li> </ul>

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