Form ADV Part 2A
Brochure
(1) Cover Page:

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Brochure Date: March 31, 2023

This brochure provides information about the qualifications and business practices of Fred Alger Management, LLC (“FAM”). If you have any questions about the contents of this brochure, please contact us at (212) 806-8800. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about FAM is available on the SEC’s website at www.adviserinfo.sec.gov.

Please note that registration of FAM with the SEC does not imply any level of skill or training.
(2) Material Changes:

The last annual updating amendment to this brochure was dated March 30, 2022. Material changes to this brochure since the March 2022 annual update include amendments to the following items:

**Item 4 – Advisory Business:** Updated disclosure regarding strategies offered by FAM; removed disclosure regarding the limited availability of the Small Cap Focus strategy

**Item 5 – Fees and Compensation:** Added fees for the Life Sciences Innovation and Health Sciences strategies; updated standard fees for Mid Cap Focus, Spectra and SRI Capital Appreciation strategies; updated disclosure regarding brokerage through an affiliate, Fred Alger & Company, LLC

**Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss:** Added investment strategy and risk disclosure for new strategy offered; updated investment strategy and risk disclosure for all available strategies; revised and added disclosures regarding strategy, sector, industry and individual security limits for certain strategies; added disclosure regarding certain additional risks applicable to the strategies

**Item 12 – Brokerage Practices:** Updated disclosure regarding FAM’s authorization to place trades through an affiliate; added to list of services paid with soft dollars; added to disclosure regarding brokerage practices with respect to wrap programs

**Item 17 – Voting Client Securities:** Clarified disclosure regarding client requests for how FAM votes proxies
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¹ The SEC requires advisers to use a certain format and certain headings for this Brochure. To the extent that a particular item does not apply to FAM’s business, we will indicate that it is not applicable.
(4) Advisory Business:

Introduction

FAM is an independent and privately owned investment advisory firm that has been in operation since October 1964. FAM is wholly-owned by Alger Group Holdings, LLC (“AGH”), which is wholly-owned by Alger Associates, Inc. (“AAI”). FAM is under common ownership with Weatherbie Capital, LLC, a registered investment adviser (“WC”). Alexandra D. Alger, Hilary M. Alger and Nicole D. Alger together own (directly or through trusts they have created for the benefit of their families) approximately 35%, 35% and 29%, respectively, of AAI.

FAM provides both discretionary and non-discretionary investment advisory services to institutional investors through separate accounts, U.S. and foreign registered and privately offered pooled investment vehicles, as well as through third-party sponsored pooled investment vehicles and bank sponsored collective investment trusts; and to retail investors through wrap programs and U.S. and foreign registered pooled investment vehicles. FAM’s investments primarily include exchange-listed and over-the-counter equity securities of U.S. and foreign companies. To a lesser extent, FAM also provides investment advice with respect to other securities, including options contracts on various securities and securities indices, warrants, private placements, convertible securities, corporate debt securities, mutual fund shares, swaps, United States Government and Agency securities and currency contracts. FAM is also registered as an investment adviser in Australia, Ireland, and Canada.

FAM offers multiple investment strategies, including Spectra, Capital Appreciation, Socially Responsible (“SRI”) Capital Appreciation, Focus Equity, Large Cap Growth, Alger 35, Dynamic Opportunities, Dynamic Return, Growth & Income, Mid Cap Growth, Mid Cap Focus, Mid Cap 40, Small Cap Growth, Small Cap Focus, Global Focus, International Focus, Emerging Markets Focus, Health Sciences, Life Sciences Innovation, Responsible Investing, and Balanced. The Specialized Growth, Enduring Growth and Select 15 Strategies are managed by FAM’s affiliate WC. Please see WC’s Form ADV Part 2A for additional information on these strategies.

Clients and/or relevant laws, rules, or regulations may impose restrictions on investing in certain securities, certain types of securities, or the percentage of ownership in any single security, sector or industry. In addition, each of FAM’s strategies follows a specific investment discipline with their own portfolio construction parameters. Accordingly, FAM will not enter into an advisory relationship with any prospective client whose investment objectives are incompatible with FAM’s investment philosophy or strategies or who seeks to impose unduly restrictive guidelines.

Wrap Fee Programs

Clients may access certain of FAM’s investment strategies through programs sponsored by unaffiliated financial intermediaries, advisers or planners in which FAM serves as an investment adviser (“wrap programs”). The wrap programs for which FAM serves as an investment adviser are listed in Section 5.I.(2) of FAM’s Form ADV Part 1, a copy of which is available either 1) on request or 2) on the Securities and Exchange Commission’s website at the following link:

https://adviserinfo.sec.gov/firm/summary/106750
FAM offers advisory services through the following types of wrap programs:

**Single Contract Program**

In Single Contract Wrap Programs, clients generally pay the sponsor a single fee (the wrap fee), FAM receives a percentage of the wrap fee for its services from the sponsor, and the sponsor generally executes trades and administers the account without additional charges to FAM. Each client enters into an agreement with the sponsor of the wrap program, and each investment manager available in the program maintains a sub-advisory agreement with the sponsor of the wrap program, to provide discretionary advisory services to the clients.

**Dual Contract Program**

In Dual Contract Wrap Programs, sponsors offer clients a package of services including trade execution and account administration. FAM is directed by clients in these wrap programs to effect transactions for their accounts through the program sponsor or the sponsor’s broker-dealer affiliate. Fees and services are unbundled, and FAM enters into an investment advisory agreement with the client, who then enters into a separate contract with the sponsor, which covers custodian, brokerage and other service provider fees. Although fees and services are unbundled, clients do not pay FAM directly for its investment management services, but instead direct payments through the program sponsor or the sponsor’s broker-dealer affiliate. The sponsor then remits payment to FAM for its investment advisory services.

**Model Portfolio Program**

In a Model Portfolio Program, FAM enters into an agreement with the sponsor to provide an initial model portfolio to the sponsor, which the sponsor then seeks to replicate for its clients. FAM will then regularly provide updated model portfolios to sponsors as positions and position weightings change for a strategy. FAM does not place trades on behalf of accounts in these programs and therefore has no ability to ensure that accounts conform to the model portfolio provided. Trades for model portfolios may be placed by the sponsor after FAM has placed trades for wrap programs and other clients for which it serves as investment adviser. The sponsor remits payment to FAM for its investment advisory services.

**Management of Wrap Programs**

In managing accounts in a wrap program, FAM generally does not invest in limited partnerships and illiquid or foreign securities not traded on a U.S. exchange, and such accounts will not participate in allocations of initial public offerings. FAM also attempts to minimize the tax impact of portfolio transactions. FAM seeks to avoid purchasing securities taxed as partnerships for wrap clients due to the tax implications of such investments. In an effort to minimize the volume of trading for accounts in a wrap program, FAM generally has a minimum position size for a transaction. Such minimum position size may not exist for non-wrap accounts. Finally, certain wrap sponsors or clients may impose security restrictions as well as minimum cash limits on their accounts. As a result, FAM may choose to impose the most restrictive limit across wrap sponsors in the affected strategy(ies).
Additionally, because wrap clients generally pay the wrap sponsor to effect transactions for their accounts, FAM generally does not aggregate transactions on behalf of wrap program accounts with non-wrap accounts. Because of this and the portfolio limitations discussed above, the timing of trades for wrap accounts may differ from other accounts and will generally be made later in time than for other accounts managed by FAM (see Item 12: Brokerage Practices, for details about FAM’s trading practices for wrap accounts). Further, FAM maintains relationships with multiple sponsors, and transactions through different sponsors are also not aggregated. As a result, trades placed by FAM for wrap accounts are on a “rotational” basis among all sponsors. Trade allocation of the wrap programs is discussed in more detail in Item 12: Brokerage Practices.

The practices described above may cause a wrap program account’s performance to diverge from another account managed by FAM according to the same strategy.

With respect to wrap program accounts subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA” and such accounts “Plan Accounts”), FAM provides services both as a registered investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) and as a fiduciary as that term is defined in Section 3(21)(A) of ERISA with respect to the Plan Accounts. Under these arrangements, FAM is selected on behalf of the Plan Accounts by the wrap sponsor or by a plan fiduciary other than FAM or its affiliates to supervise and direct the investment of certain assets of the Plan Accounts, in accordance with the investment strategy selected for the Plan Accounts. FAM may also, from time to time, perform certain related services in respect of the supervision and direction of the investment of such assets of the Plan Accounts and in relation to the wrap program. These may include, for example, account reconciliation, data management, provisions of research or market-related information or other customary ancillary services. These additional services are provided at no cost to the wrap sponsor or any Plan Account.

Given the structure of the wrap program and the fact that payments to FAM are paid directly by the wrap sponsor, FAM does not believe it receives any direct compensation from clients who participate in the wrap programs (including Plan Accounts). The wrap sponsor is responsible for billing and collecting any fees owed by clients to the wrap sponsor pursuant to such accounts’ participation in the wrap program.

Each client’s ability to allocate, reallocate or redeem its investment in the strategy under the wrap program is governed by the terms of the client’s agreement with the wrap sponsor and as is disclosed by the wrap sponsor. Any termination-related provisions would be found in the agreement between the client and the wrap sponsor.

As discussed below under the heading “Custodial and Brokerage Fees” with respect to the wrap program, FAM does not direct client brokerage transactions, including those of the Plan Accounts, to any broker-dealer in exchange for products and services (e.g., research) or otherwise participate in “soft dollar” arrangements.

Client Assets Under Management

As of December 31, 2022, FAM managed $16,988,758,355 of client assets on a discretionary basis, and $670,032,660 of client assets on a non-discretionary basis.
(5) Fees and Compensation:

FAM is generally paid an advisory fee, calculated as a percentage of assets under management. FAM’s standard fee schedules are presented below. Fees are negotiable, and as a result, potential or existing clients may pay lower fees than those noted below and one client may pay a higher fee to FAM than a second client who is receiving substantially similar services. FAM generally applies an alternate schedule with lower fees to clients whose assets under management (“AUM”) are greater than $100 million. In addition, there are many other factors which could lead to a client paying a fee which deviates from the standard fee schedule or from a different client who is receiving substantially similar services. Such factors may include, but are not limited to, the level of investment management activity and supervision required, the size of the client’s account, the number of client accounts managed, the length of the relationship, the nature of the discretionary services provided, the types of investment guidelines and restrictions applicable to the account, the level of client service required, or FAM’s addition of a new strategy or attempt to increase assets in an existing strategy or in a new distribution channel. Also, as is more fully discussed below, some clients may pay FAM a performance-based fee for investment advisory services.

Clients are generally billed in arrears either on a monthly or quarterly basis with billing generally based on the account total market value at the end of the billing periods or the average net asset value over the billing period. With respect to clients that are billed in advance if the advisory contract is terminated before the end of the billing period, FAM will generally refund a pro rata portion of the advisory fee.

Employees and affiliates of FAM may hire FAM for investment advisory services and may be charged reduced or no advisory fees. Wrap account clients are generally billed by the wrap program sponsor, with a portion of such fee paid to FAM as discussed below.

Fee Schedule

<table>
<thead>
<tr>
<th>Large Cap Growth</th>
<th>Mid Cap Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.65%</td>
<td>First $25 million</td>
</tr>
<tr>
<td>0.55%</td>
<td>Next $25 million</td>
</tr>
<tr>
<td>0.45%</td>
<td>Next $50 million</td>
</tr>
<tr>
<td>0.35%</td>
<td>Over $100 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Small Cap Focus</th>
<th>Focus Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.75%</td>
<td>First $100 million</td>
</tr>
<tr>
<td>0.65%</td>
<td>Next $150 million</td>
</tr>
<tr>
<td>0.60%</td>
<td>Over $250 million</td>
</tr>
<tr>
<td><strong>Small Cap Growth</strong></td>
<td><strong>Responsible Investing</strong></td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>0.85%</td>
<td>0.65%</td>
</tr>
<tr>
<td>First $25 million</td>
<td>First $10 million</td>
</tr>
<tr>
<td>0.80%</td>
<td>0.55%</td>
</tr>
<tr>
<td>Next $25 million</td>
<td>Next $15 million</td>
</tr>
<tr>
<td>0.70%</td>
<td>0.50%</td>
</tr>
<tr>
<td>Next $50 million</td>
<td>Next $25 million</td>
</tr>
<tr>
<td>0.60%</td>
<td>0.45%</td>
</tr>
<tr>
<td>Next $150 million</td>
<td>Next $50 million</td>
</tr>
<tr>
<td>0.50%</td>
<td>0.40%</td>
</tr>
<tr>
<td>Over $250 million</td>
<td>Over $100 Million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Capital Appreciation</strong></th>
<th><strong>Spectra</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>0.65%</td>
<td>0.75%</td>
</tr>
<tr>
<td>First $50 million</td>
<td>First $50 million</td>
</tr>
<tr>
<td>0.55%</td>
<td>0.65%</td>
</tr>
<tr>
<td>Next $50 million</td>
<td>Next $50 million</td>
</tr>
<tr>
<td>0.45%</td>
<td>0.55%</td>
</tr>
<tr>
<td>Next $150 million</td>
<td>Next $150 million</td>
</tr>
<tr>
<td>0.35%</td>
<td>0.45%</td>
</tr>
<tr>
<td>Over $250 million</td>
<td>Over $250 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Growth &amp; Income</strong></th>
<th><strong>Emerging Markets Focus</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>0.50%</td>
<td>0.80%</td>
</tr>
<tr>
<td>First $25 million</td>
<td>First $25 million</td>
</tr>
<tr>
<td>0.40%</td>
<td>0.75%</td>
</tr>
<tr>
<td>Next $25 million</td>
<td>Next $25 million</td>
</tr>
<tr>
<td>0.35%</td>
<td>0.70%</td>
</tr>
<tr>
<td>Next $50 million</td>
<td>Next $50 million</td>
</tr>
<tr>
<td>0.30%</td>
<td>0.65%</td>
</tr>
<tr>
<td>Over $100 million</td>
<td>Next $150 million</td>
</tr>
<tr>
<td></td>
<td>0.60%</td>
</tr>
<tr>
<td></td>
<td>Over $250 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>International Focus</strong></th>
<th><strong>Global Focus</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>0.75%</td>
<td>0.75%</td>
</tr>
<tr>
<td>First $25 million</td>
<td>First $25 million</td>
</tr>
<tr>
<td>0.65%</td>
<td>0.65%</td>
</tr>
<tr>
<td>Next $75 million</td>
<td>Next $75 million</td>
</tr>
<tr>
<td>0.60%</td>
<td>0.60%</td>
</tr>
<tr>
<td>Over $100 million</td>
<td>Over $100 million</td>
</tr>
<tr>
<td>Health Sciences</td>
<td>SRI Capital Appreciation</td>
</tr>
<tr>
<td>----------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>0.55%</td>
<td>First $50 million</td>
</tr>
<tr>
<td>0.50%</td>
<td>Next $50 million</td>
</tr>
<tr>
<td>0.45%</td>
<td>Next $150 million</td>
</tr>
<tr>
<td>0.40%</td>
<td>Over $250 million</td>
</tr>
<tr>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Dynamic Return</th>
<th>Dynamic Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.00% of total assets</td>
<td>1.00% of total assets</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mid Cap Focus</th>
<th>Mid Cap 40</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.65%</td>
<td>First $25 million</td>
</tr>
<tr>
<td>0.55%</td>
<td>Next $75 million</td>
</tr>
<tr>
<td>0.50%</td>
<td>Over $100 million</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Alger 35</th>
<th>Life Sciences Innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.40%</td>
<td>First $50 million</td>
</tr>
<tr>
<td>0.35%</td>
<td>Next $50 million</td>
</tr>
<tr>
<td>0.30%</td>
<td>Over $100 million</td>
</tr>
</tbody>
</table>

**Wrap Program Fee Structures**

For its services in wrap programs, FAM generally receives fees ranging between 0.19% and 0.50% of an account’s market value annually.

**Custodial and Brokerage Fees**

Each client (other than wrap program clients described above) must select a custodian (generally a bank or broker-dealer) to provide custodial services in connection with the management of its account. The cost of these services is not included in FAM’s advisory fees. Clients will also be responsible for paying any additional costs charged by custodians. These additional costs may include, but are not limited to:

- Costs relating to exchanging foreign currencies
• Odd lot differentials
• Regulatory fees (e.g., fees charged by the SEC or exchanges)
• Transfer taxes, wire transfer fees, postage fees, auction fees, foreign clearing and settlement fees, and other fees or taxes required by law
• Registered pooled investment vehicle expenses

FAM’s advisory fees also generally do not include the costs, expenses or commissions that a broker or dealer may charge in connection with transactions executed on behalf of an account. Brokerage is discussed in more detail in Item 12: Brokerage Practices. These brokerage costs are generally borne directly by clients. FAM’s fees also do not cover mark-ups and mark-downs, or dealer spreads that broker-dealers may receive when acting as principal in certain transactions, or the amount of any annual retirement plan fees, or the fees and expenses a client may incur as a shareholder of a registered pooled investment vehicle.

For wrap program accounts, FAM generally does not negotiate brokerage commissions or other costs related to the execution of trades because those charges are generally included in the single fee paid by the client to the sponsor, and the client has generally contractually agreed to execute trades through the wrap sponsor. In the event that FAM selects a broker-dealer other than the sponsor, the client would typically pay a commission, concession, or dealer mark-up or mark-down, in addition to the wrap fee paid to the sponsor as well as other administrative fees to settle such a transaction.

Brokerage Through FAC
Fred Alger & Company, LLC (“FAC”), an affiliate of FAM, is a registered broker-dealer. FAC does not conduct public brokerage business and generally limits its execution services to trades placed on behalf of FAM’s or WC’s clients. Subject to the requirements of applicable law, it is at the client’s discretion whether FAC will be included among other non-affiliated broker-dealers selected by FAM for trade execution. Further, clients may instruct FAM to place trades with specific broker-dealers, which FAC will do on a best-efforts basis. FAM does not reduce its advisory fees to offset any commission fees FAC charges. On a regular basis, FAC evaluates whether the commissions, rates and fees charged by FAC are commercially reasonable. For some accounts, FAC charges only a fixed annual advisory fee and no commissions are charged. Information about FAM’s conflicts related to its affiliates, such as FAC, is described more fully below in Item 10: Other Financial Activities and Affiliations.

Investment Vehicle Fees
Investors may access FAM’s capabilities through U.S. and foreign registered and privately offered pooled investment vehicles advised or sub-advised by FAM. In such cases, FAM or its affiliates may receive, in addition to advisory fees, performance-based, shareholder servicing, administration, co-administration and/or distribution fees directly from the vehicles, from the investors in the vehicles, and/or from other investment advisers’ registered pooled investment vehicles for which FAM acts as an adviser or sub-adviser. The fees and other contractual
arrangements for each of these vehicles are described in the prospectus or other offering documents for each such vehicle and differ from the separate account fees described above.

Subject to requirements of applicable law and the consent of each client (if applicable), FAM may invest its client assets in pooled investment vehicles managed by FAM or WC, up to the limits permitted under the Investment Company Act of 1940, as amended (the “1940 Act”). In the event of investment of a client’s assets in such pooled vehicles, FAM will take steps in accordance with applicable law to avoid having the client pay duplicative fees; however, for accounts not governed by the requirements of the 1940 Act, there can be no assurance that duplicative fees will not be charged.

Compensation for the Sale of Securities and Other Investment Products

While FAM generally does not receive compensation for sales of FAM-advised investment products, FAC serves as the principal underwriter for certain registered pooled investment vehicles advised by FAM and generally receives an asset-based fee for distribution or shareholder servicing from the mutual funds advised by FAM. Additionally, FAC may also receive fees related to contingent deferred sales charges of certain share classes of mutual funds advised by FAM.

FAC sales personnel may receive as compensation a portion of the fees earned by FAM as well as a portion of the fees received by FAC. Such compensation may be higher for some products or services than others and thus the incentive to sell those products may be greater.

To the extent FAM offers its services through pooled investment vehicles such as mutual funds and exchange-traded funds (“ETFs”), clients may purchase these products through brokers or agents that are not affiliated with FAM. FAM may enter into revenue-sharing arrangements or other types of fee sharing arrangements, such as administrative and sub-transfer agency and accounting arrangements, with these brokers or agents and such arrangements differ depending on the broker-dealer or agent. A purchase or sale through a given broker or agent therefore may result in greater profit to FAM than a purchase or sale through another, depending on the particular revenue-sharing arrangement.

(6) Performance Based Fees and Side-by-Side Management:

FAM currently has clients from whom it receives performance-based fees, in addition to advisory fees. These clients include separate accounts and unregistered pooled investment vehicles. These accounts are managed by personnel of FAM who also have portfolio management responsibilities to accounts for which only asset-based advisory fees are received. As a result, in situations where FAM personnel have portfolio management responsibilities for both performance fee-based accounts and non-performance fee-based accounts, an inherent conflict of interest is present.

To attempt to mitigate these conflicts, FAM’s policies and procedures seek to ensure that investment personnel make decisions based on the best interests of clients, without consideration of FAM’s economic or pecuniary interests. Trades for performance fee-based accounts are reviewed periodically to ensure such accounts are not systematically favored.
(7) Types of Clients:

FAM offers investment advice to religious organizations, foundations/endowments, corporate pensions, public plans, Taft-Hartley clients, sub-advisory clients, and other types of institutional investors and platforms. FAM also offers investment advice to individual investors through separately managed accounts (including wrap fee programs).

FAM’s clients also include various taxable and tax-exempt institutions, and publicly and privately offered pooled investment vehicles, both domestic and foreign.

FAM typically requires a minimum asset size of $10 million for separate account advisory services (other than wrap program accounts). FAM may, in its discretion, waive the asset minimum for several reasons, including, but not limited to, clients or consultants having multiple relationships with FAM, specialty asset class assignments such as socially responsible mandates, or clients who are willing to pay the fee equivalent of the minimum asset size. FAM may also waive the asset minimum when it is adding a new strategy or trying to increase assets in an existing strategy or distribution channel.

FAM generally requires a minimum asset size ranging from $50,000 to $100,000 for wrap program accounts, depending on the investment strategy and sponsor arrangement. The minimum asset size may be waived in some cases (see Item 5: Fees and Compensation). Please confirm with the sponsor prior to investing.

Minimum investments for registered pooled investment vehicles and interests in privately offered pooled investment vehicles are listed in the offering material for each such fund or vehicle.

(8) Methods of Analysis, Investment Strategies and Risk of Loss:

FAM’s strategies, summarized in the “Investment Strategies” section below, generally follow the philosophy and investment process described in the “Investment Philosophy” and “Investment Process” sections below.

Investment Philosophy

Since FAM’s founding in 1964, we have focused on investing in companies undergoing Positive Dynamic Change, which we believe offer the best investment opportunities for our clients. Our competitive edge is identifying these companies and capitalizing on the change before it is recognized by the market. We embrace change found in “traditional” growth companies and in companies experiencing a “growth renaissance”.

We define Positive Dynamic Change as:

Companies experiencing High Unit Volume Growth: These “traditional” growth companies have growing revenues, growing unit volume, increasing market share, and an expanding business. High Unit Growth companies may be experiencing rapidly growing demand, have a strong business model, or have market dominance.
Companies undergoing **Positive Life Cycle Change**: A catalyst drives these companies to experience a “growth renaissance,” resulting in an improving earnings trajectory leading to P/E expansion. Companies experiencing Positive Life Cycle Change may be benefitting from new management, product innovation, mergers & acquisitions/restructuring, or new regulations.

**Investment Strategies**

The following is a brief description of each of FAM’s strategies. More detailed information about additional considerations for FAM’s strategies can be found at [www.alger.com](http://www.alger.com).

*Spectra*: the Alger Spectra strategy primarily invests in growth equity securities of U.S. companies identified through our fundamental research as demonstrating promising growth potential, and engages in short selling (up to approximately 10% of the market value of the portfolio).

*Capital Appreciation*: the Alger Capital Appreciation strategy primarily invests in growth equity securities of companies of any size identified through our fundamental research as demonstrating promising growth potential.

*SRI Capital Appreciation*: the Alger SRI Capital Appreciation strategy primarily invests in equity securities of companies of any size that, in the opinion of the portfolio’s management, conduct their business in a socially responsible manner. The strategy utilizes negative/exclusionary screening. FAM uses a third party service for pre-screening based on the following categories: Alcohol, Abortion/Contraceptives, Defense & Weapons, Gambling, Global Sanctions, Global Sanction - Sudan Specific, Nuclear Power, Pork, Tobacco, Global Weapons Production, Global Weapons - Cluster Bomb Specific, Adult Entertainment, Labor Relations and OFAC.

*Focus Equity*: the Alger Focus Equity strategy invests in a focused portfolio of approximately 50 holdings of companies of any capitalization identified through our fundamental research as demonstrating promising growth potential. The number of securities held in the strategy may occasionally exceed this range for a variety of reasons. The strategy may invest a significant portion of its assets in securities of companies conducting business within a single sector.

*Large Cap Growth*: the Alger Large Cap Growth strategy primarily invests in equity securities of U.S. large cap companies identified through our fundamental research as demonstrating promising growth potential.

*Alger 35*: the Alger 35 strategy invests in a focused portfolio of approximately 35 holdings of primarily U.S. companies of any capitalization identified through our fundamental research as demonstrating promising growth potential. The number of securities held in the strategy may occasionally exceed this range for a variety of reasons. The strategy may invest a significant portion of its assets in securities of companies conducting business within a single sector.

*Dynamic Opportunities*: the Alger Dynamic Opportunities strategy is a hedged equity strategy that seeks long-term capital appreciation with lower volatility than its benchmark by primarily investing in long and short positions in equity securities. Utilizing a multi-discipline approach, the managers primarily invest in U.S. equities across the market cap spectrum. Short positions (single name and index) are and have historically been implemented to both generate return, and hedge
portfolio exposures. The portfolio managers have expressed views on individual companies as well as indexes using derivatives in the past and may or may not do so going forward.

*Dynamic Return*: the Alger Dynamic Return strategy is a long/short hedged equity strategy that seeks long-term capital appreciation with lower volatility than its benchmark. Utilizing a multi-discipline approach, the managers primarily invest in U.S. equities across the market cap spectrum. Short positions (single name and index) are and have historically been implemented to both generate return, and hedge portfolio exposures. The portfolio managers have expressed views on individual companies as well as indexes using derivatives in the past and may or may not do so going forward.

*Growth & Income*: the Alger Growth & Income strategy primarily invests in growth equity securities of U.S. companies identified through our fundamental research as paying a high dividend yield, having a history of strong and consistent dividend growth, or having the potential for capital appreciation and the ability to return cash to investors. In considering such companies, FAM classifies them into three categories: (1) dividend leaders—companies that generate high dividend yields; (2) dividend growers—companies that have a history of strong and consistent dividend growth; and (3) kings of cash flow—companies that have strong potential for generating capital appreciation and the ability to return significant amounts of cash to investors as a result of their free cash flow.

*Mid Cap Growth*: the Alger Mid Cap Growth strategy primarily invests in growth equity securities of U.S. mid cap companies identified through our fundamental research as demonstrating promising growth potential.

*Mid Cap Focus*: the Alger Mid Cap Focus strategy invests in a focused portfolio of approximately 50 holdings of primarily mid cap companies identified through our fundamental research as demonstrating promising growth potential. The number of securities held in the strategy may occasionally exceed this range for a variety of reasons. The strategy may invest a significant portion of its assets in securities of companies conducting business within a single sector.

*Mid Cap 40*: the Alger Mid Cap 40 strategy invests in a focused portfolio of approximately 40 holdings of primarily mid cap companies identified through our fundamental research as demonstrating promising growth potential. The number of securities held in the strategy may occasionally exceed this range for a variety of reasons.

*Small Cap Growth*: the Alger Small Cap Growth strategy primarily invests in growth equity securities of U.S. small cap companies identified through our fundamental research as demonstrating promising growth potential.

*Small Cap Focus*: the Alger Small Cap Focus strategy invests in a focused portfolio of approximately 50 holdings of primarily small cap companies identified through our fundamental research as demonstrating promising growth potential. The number of securities held in the strategy may occasionally exceed this range for a variety of reasons. The strategy may invest a significant portion of its assets in securities of companies conducting business within a single sector.
**Global Focus:** the Alger Global Focus strategy primarily invests in a focused portfolio of approximately 50 growth equity securities of companies all over the world identified through our bottom-up, fundamentally driven approach within a macro country/sector/industry framework as demonstrating promising growth potential. The number of securities held in the strategy may occasionally exceed this range for a variety of reasons. The strategy is an all-cap, all-country, opportunistic focused strategy. The strategy may invest a significant portion of its assets in securities of companies conducting business within a single sector.

**International Focus:** the Alger International Focus strategy primarily invests in a focused portfolio that generally holds less than 50 non-U.S. growth equity securities of companies of all market caps that are identified through our bottom-up, fundamentally driven approach as demonstrating promising growth potential. The number of securities held in the strategy may occasionally exceed this range for a variety of reasons. The strategy is an opportunistic focused strategy. The strategy may invest a significant portion of its assets in securities of companies conducting business within a single sector.

**Emerging Markets Focus:** the Alger Emerging Markets strategy invests in a focused portfolio of generally fewer than 50 holdings, primarily growth equity securities, of companies of all market caps, domiciled in emerging market countries, and identified through our bottom-up, fundamentally driven approach within a macro country/sector/industry framework as demonstrating promising growth potential. The number of securities held in the strategy may occasionally exceed this range for a variety of reasons. The strategy may invest a significant portion of its assets in securities of companies conducting business within a single sector.

**Health Sciences:** the Alger Health Sciences strategy primarily invests in equity securities of companies in the health sciences sector identified through our fundamental research as demonstrating promising growth potential. The strategy may invest a substantial portion of its assets in a smaller number of securities. The number of securities held in the strategy may occasionally increase or decrease for a variety of reasons.

**Life Sciences Innovation:** the Alger Life Sciences Innovation strategy seeks to generate long-term capital appreciation by investing primarily in the common stock of U.S. and non-U.S. companies in the life sciences sector, with an emphasis on biotechnology companies. The identification of investment opportunities is science-driven, relying heavily on biological and clinical data. The strategy may invest a substantial portion of its assets in a smaller number of securities. The number of securities held in the strategy may occasionally increase or decrease for a variety of reasons.

**Responsible Investing:** the Alger Responsible Investing strategy primarily invests in growth equity securities of U.S. companies identified through our fundamental research as demonstrating promising growth potential and ratings that exhibit positive environmental, social, or governance (“ESG”) practices. The strategy seeks to generate competitive risk-adjusted returns by incorporating ESG factors to analyze securities. The portfolio manager applies ESG factors with a qualitative and quantitative approach to portfolio construction guidelines.

**Balanced:** the Alger Balanced strategy primarily invests in equity and fixed income securities of companies identified through our fundamental research as demonstrating promising growth.
potential. The equity portion is managed similarly to the Growth & Income strategy described above.

**Investment Process**

Research is the foundation of FAM’s investment process and robust idea generation is a key component of our long-term success. FAM’s focus on growth investing and belief that companies undergoing “Positive Dynamic Change” offer the best investment opportunities is the lens through which we view all potentially attractive investments.

The search for new investment ideas derives from multiple sources including, but not limited to meetings with company management, industry seminars, independent research and analysis, and frequent discussions with customers, suppliers, and competitors of companies already followed.

**Analysis**

At FAM, we believe we are experts in identifying and analyzing change occurring in sectors, industries, and companies. We concentrate on having a deeper understanding of the underlying drivers of change, including technological advances, evolving customer preferences, and new government regulations.

As our analysts seek to identify companies with the potential for significant change, there are two main ways their skills are used to develop a critical, differentiated view. The first is fundamental. This would be an opinion of business prospects typically arising from intensive research and fieldwork. Our analysts meet regularly with industry participants and do surveys routinely to gauge customer opinions. Our team forecasts winners and losers by investigating the customer demand for a new product or service or a company’s source of competitive advantage such as intellectual property, brand, platform, and management capability.

The second way we build a differentiated view is analytical and is driven by taking a different approach or perspective in analysis relative to other investors. An example would be to understand the drivers of a business better than other investors. This could come from more detailed modeling of the building blocks of demand rather than simply assuming revenue growth rates.

FAM analyst financial models specific to a company’s key drivers typically include:

- Detailed multi-scenario analysis statement, balance sheet, and cash flow models.
- Valuation analysis based on discounted cash flows (e.g., EV/FCF) and comparable industry multiples (e.g., EV/EBITDA, Price/Sales, and Price/Earnings)

**Scenario Forecasting**

FAM analysts generally base their investment thesis on a company’s five-year forward-looking fundamentals and translate that into a one-year forward-looking price target for the company’s stock. In addition to forecasting the most likely outcome, a base-case model and corresponding one-year forward price target, analysts generally also construct bull-(best) and bear-(worst) models and price targets.
FAM’s scenario forecasting is a framework for dialogue between the portfolio manager and analysts as they assess the relative expected return and risk of each current or potential holding in the portfolio. After initial purchase, it is also helpful in monitoring the investment thesis.

**Dialogue**

For new ideas, analysts generally provide the portfolio manager(s) an executive summary of their investment thesis in person, and through publication on FAM’s research database. Generally included is the rationale for purchase, key drivers and catalysts, financial models and risk measurements, and any other data that may be pertinent to the buy decision. The portfolio manager(s) and analyst generally discuss the merits of the investment thesis and go through the underlying assumptions in detail. To build conviction for a new idea, analysts often invite portfolio manager(s) to participate in meetings with company managements. FAM may also utilize general information with respect to regulatory developments and industry trends affecting specific companies provided by WC.

After this collaborative process, the portfolio manager(s) ultimately determine whether the investment is appropriate for the portfolio, and at what position size. FAM’s analysts seek to regularly communicate with portfolio managers on developments in their securities, industries or sectors.

When a strategy is co-managed, the responsibilities of such portfolio managers may be shared, divided or otherwise assigned based on various factors including, but not limited to, level of strategy assets to be managed, their experience, their sector expertise, and such other factors that FAM believes are most efficient and effective. In all cases, each portfolio manager collaborates with the other portfolio manager(s) and analysts to develop overall strategy, outlook, and themes, which impact industry, sector and security allocations in the strategy. Responsibilities amongst portfolio managers may be fully or partially allocated to one of the portfolio managers for the purposes of day-to-day portfolio management and stock selection, implementation of trades, strategic and performance oversight, risk management, or oversight of guidelines, whether externally driven or internally developed by FAM.

For certain strategies, a team of dedicated analysts who specialize in such strategies review and recommend investment opportunities to the portfolio managers responsible for such strategies.

**Environmental, Social, Governance (“ESG”)**

FAM believes that ESG analysis of certain owned issuers will lead to a more in-depth and comprehensive understanding of such companies, in addition to fostering communication with the issuer regarding ESG considerations. We believe that innovative companies embracing sustainable ESG practices may be able to improve the bottom line for both shareholders and broader society.

Currently, FAM uses third-party research to provide information and guidance on ESG considerations at an industry and security specific level on both a qualitative and quantitative basis.

FAM may change the sources for such information by adding or modifying the information it receives from third-party firms, selecting another third-party firm, using company provided information, or performing internal assessments. To assist with our efforts to incorporate ESG
considerations in the investment process, all investment professionals have access to reports and ratings of securities (where the information is available) across certain FAM offerings.

With respect to no less than 75% of the assets under management at FAM, analysts will review the ESG scores of those companies that have been assigned to them. FAM’s current AUM is biased towards larger cap companies, thus, much of the ESG work conducted is oriented to these companies. FAM believes these larger cap companies can have an even more meaningful impact on ESG issues than smaller cap companies. If the company’s ESG rating is medium or better and our research uncovers no other ESG issues, no further ESG analysis is required. If the company is ranked below medium by the third-party market application, FAM will:

1. Identify drivers of ESG score.
2. Interview the company’s management with key questions about ESG issues, progress and evaluate the prospect of positive change.
3. Based on the above research and inquiry, rate the company on two scales of 1 – 5 on the probability and magnitude of the potential for positive ESG change.
4. Publish a report to ensure that all portfolio managers have access to the report that summarizes the company’s ESG issues, the results of the meeting/interview with the company, an ESG rating of the company and any other views the analyst may have. To the extent that the ESG review changes an analyst’s overall view of the company or any aspect of the analyst’s view of the company (e.g., buy or sell, price target, etc.), this must be clearly expressed in the report.
5. Meet with portfolio managers as necessary to discuss the ESG report and the impact it may have on their overall view of the company.

A group of senior personnel at FAM oversee the ESG initiative.

Risk Controls

FAM endeavors to monitor portfolio risk by seeking to ensure that all of its portfolios are comprised of securities where its analysts have a high degree of conviction. FAM’s investment philosophy and proprietary research capabilities are designed to help FAM mitigate risk by thoroughly understanding the securities in its portfolios. Through careful securities selection, diversification of holdings (certain FAM strategies, however, may not be diversified or may be considered “concentrated”) and our investment process, FAM seeks to maintain the desired portfolio characteristics that our portfolio managers expect while managing overall risk.

FAM’s portfolio managers and analysts generally monitor securities held in client accounts. Portfolio managers generally monitor changes at the portfolio, industry and economic level and analysts focus on the specific companies. As FAM is a bottom-up securities selector, the portfolio weighting in a particular industry or economic sector is generally the result of individual security selection.

FAM manages multiple strategies and clients that, at times, can have exposure to a company through ownership of common stock, debt, warrants or other securities issued by the same company. When such situations exist, FAM will take steps to identify any potential conflicts, seek to mitigate any such conflicts and provide adequate disclosures and reporting to clients.
FAM additionally analyzes each strategy’s portfolio and considers a number of measures, including attribution analysis, to help the portfolio managers fully understand certain risk parameters of their portfolios. FAM also uses other tools to monitor the risk profile of portfolios versus their relevant benchmarks. FAM uses reports to actively manage a portfolio’s sector exposures and to seek to understand portfolio characteristics.

Under normal market conditions, for most strategies, FAM generally limits exposure to:

(A) any one economic sector to the greater of (i) 40% of a portfolio or (ii) the strategy’s benchmark weight plus 5%;

(B) any one industry to the greater of (i) 20% of a portfolio or (ii) the strategy’s benchmark weight plus 5%; and

(C) any single security to the greater of (i) 10% of the portfolio or (ii) benchmark weight.

These sector and industry limits are generally based on third party determinations (e.g., Global Industry Classification Standard (“GICS”)). FAM may deviate from these limits when, for example, it believes that a sector/industry/security is undergoing profound change; offers what it thinks is a compelling opportunity; represents a larger percentage of an applicable benchmark; or it is weighted highly on an applicable benchmark. Additionally, if a client has a limit that is more restrictive, FAM will apply such guidelines to the client’s account.

For certain pooled investment vehicles, FAM has no sector, industry, or individual security limits, but otherwise follows any limits imposed by the offering documents of such pooled investment vehicles and regulations governing such vehicles.

Notwithstanding the risk control measures FAM has in place, it is important for clients to consider the risk of loss associated with investing in securities, and the particular risks associated with their accounts. All clients should recognize that investing in securities involves the risk of loss.

**General Risks**

As with any account that invests in equity securities, an investment held in an account advised by FAM will fluctuate in value due to changes in the market prices of its investments. The loss of your investment is a risk of investing. In addition, the account’s investments may not grow as fast as the rate of inflation and equity securities tend to be more volatile than some other investments you could make.

Prices of growth stocks tend to be higher in relation to their companies’ earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile. An investment advised by FAM may be better suited to investors who can tolerate fluctuations in their investment’s value.
The following risks apply generally to strategies managed by FAM:

**Equity Securities Risk**

As with any strategy that invests in stocks, your investment will fluctuate in value, and the loss of your investment is a risk of investing. Because stock markets tend to move in cycles, stock prices overall may decline. A particular stock’s market value may decline as a result of general market conditions that are not related to the issuing company (e.g., adverse economic conditions or investor sentiment) or due to factors that affect the particular company (e.g., management performance or factors affecting the industry). Also, a strategy’s investments may not grow as fast as the rate of inflation and stocks tend to be more volatile than some other investments you could make, such as bonds.

**Growth Securities Risk**

Prices of growth stocks tend to be higher in relation to their companies’ earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile. An investment in a strategy may be better suited to investors who seek long-term capital growth and can tolerate fluctuations in their investment’s value. Expected growth may not be realized.

**Small Cap Securities Risk**

There may be greater risk investing in small capitalization companies rather than larger, more established companies owing to such factors as more limited product lines or financial resources or lack of management depth. They may be less financially secure than larger, more established companies. They may depend on a small number of key personnel. If a product fails or there are other adverse developments, or if management changes, an investment in a small cap company may lose substantial value. In addition, it is more difficult to get information on smaller companies, which tend to be less well known, have shorter operating histories, do not have significant ownership by large investors and are followed by relatively few securities analysts. The securities of small cap companies generally trade in lower volumes and are subject to greater and more unpredictable price changes than larger cap securities or the market as a whole. In addition, it may be difficult or impossible to liquidate a security position at a time and price acceptable to an account because of the potentially less frequent trading of stocks of smaller market capitalization. Small cap securities may be particularly sensitive to changes in interest rates, borrowing costs and earnings. Investing in small cap securities requires a longer-term view.

**Mid Cap Securities Risk**

There may be greater risk in investing in medium-capitalization companies rather than larger, more established companies due to such factors as inexperienced management and limited product lines or financial resources. It may also be difficult or impossible to liquidate a security position at a time and price acceptable to the strategy because of the potentially less frequent trading of stocks of medium market capitalization.
Cash Position Risk

An account may hold a significant portion of its net assets in cash (and cash equivalents), at any time, or for an extended period of time and when taking a temporary defensive position. FAM will determine the amount of a strategy’s assets to be held in cash (or cash equivalents) at its sole discretion, based on such factors as it may consider appropriate under the circumstances. To the extent a strategy holds assets in cash and is otherwise uninvested, the ability of the strategy to meet its objective may be limited. If a strategy holds a large cash position, it may underperform relative to equity securities.

Diversification

A client’s account may be exposed to market risk due to many factors, including the movements in interest rates, indexes, market volatility, and security values underlying these instruments. A client’s portfolio may at certain times hold a few security positions that are relatively large in relation to its capital, with the result that a loss in any such position could have a material adverse impact on a client’s portfolio.

Initial Public Offerings (“IPO”) or ("New Issues") Risk

The volume of IPOs and the levels at which the newly issued stocks trade in the secondary market are affected by the performance of the stock market overall. If IPOs are brought to the market, availability may be limited and an account may not be able to buy any shares at the offering price, or if it is able to buy shares, it may not be able to buy as many shares at the offering price as it would like. In addition, the prices of securities involved in IPOs are often subject to greater and more unpredictable price changes than more established stocks. IPOs have the potential to produce substantial gains. There is no assurance that an account will have access to profitable IPOs and therefore investors should not rely on any past gains from IPOs as an indication of future performance. The investment performance of a Strategy during periods when it is unable to invest significantly or at all in IPOs may be lower than during periods when it is able to do so. In addition, as a Strategy increases in size, the impact of IPOs on its performance will generally decrease. Securities issued in IPOs are subject to many of the same risks as investing in companies with smaller market capitalizations. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods.

Privately Placed Securities Risk

A private placement is an offering of a company’s securities that is not registered with the SEC and is not offered to the public. The issuers of privately placed securities are not typically subject to the same oversight and regulatory requirements, including disclosure and other investor protection requirements, to which public issuers are subject, and there may be very little public information available about the issuers and their performance. The sale or transfer of privately placed securities may be limited or prohibited by contract or law and such investments are generally considered to be illiquid. Privately placed securities are generally fair valued as they are not traded frequently. An account may be required to hold such positions for several years, if not longer, regardless of valuation, which may cause the account to be less liquid. The illiquidity of the market, as well as the lack of publicly available information regarding these securities, may
also adversely affect the ability to arrive at a fair value for certain privately placed securities at
certain times and could make it difficult for an account to sell these securities. As a result of the
foregoing, investments in private placements can result in substantial or complete losses.

**Sector Risk**

Accounts invested in certain strategies may have a significant portion of their assets allocated to
securities of companies conducting business within a single sector, as generally defined by third
party sources. Companies in the same sector may be similarly affected by economic, regulatory,
political or market events or conditions, which may make the strategy’s returns more vulnerable
to unfavorable developments in that sector than a strategy that has a more diversified portfolio.
Generally, the more broadly a strategy invests, the more it spreads risk and potentially reduces the
risks of loss and volatility.

**Consumer Discretionary Sector Risk**

The consumer discretionary sector may be affected by changes in domestic and international
economies, exchange and interest rates, competition, consumers’ disposable income, consumer
preferences, social trends and marketing campaigns

**Financials Sector Risk**

Certain accounts may have a significant portion of its assets invested in securities of financial
services companies, which means certain accounts may be more affected by the performance of
the financials sector than accounts that are more diversified. Financial services companies are
subject to extensive governmental regulation which may limit both the amounts and types of loans
and other financial commitments they can make, the interest rates and fees they can charge, the
scope of their activities, the prices they can charge and the amount of capital they must maintain.
Certain events in the financials sector may cause an unusually high degree of volatility in the
financial markets, both domestic and foreign, and cause certain financial services companies to
incur large losses.

**Industrials Sector Risk**

Certain accounts may have a significant portion of its assets invested in securities of companies in
the industrials sector. Industrial companies are affected by supply and demand both for their
specific product or service and for industrials sector products in general. Government regulation,
world events, exchange rates and economic conditions, technological developments and liabilities
for environmental damage and general civil liabilities will likewise affect the performance of these
companies. Aerospace and defense companies, a component of the industrials sector, can be
significantly affected by government spending policies because companies involved in this
industry rely, to a significant extent, on U.S. and foreign government demand for their products
and services.

**Information Technology Sector Risk**

Certain accounts may be more susceptible to risks that may affect companies in the technology
sector than if it were invested in a wider variety of companies in unrelated sectors. At times, the
performance of such companies will lag the performance of other industries or the broader market as a whole. Certain technology related companies may face special risks that their products or services may not prove to be commercially successful. Technology related companies are also strongly affected by worldwide scientific or technological developments. As a result, their products may rapidly become obsolete. Such companies are also often subject to governmental regulation and may, therefore, be adversely affected by governmental policies. These factors may lead to limited earnings and/or failing profit margins. As a result, the value of technology related companies’ securities may fall or fail to rise. Many technology related companies’ securities have historically been more volatile than other securities, especially over the short term.

Health Care Sector Risk

Certain accounts may be more susceptible to risks that may affect companies in the healthcare sector than if it were invested in a wider variety of companies in unrelated sectors. At times, the performance of such companies will lag the performance of other industries or the broader market as a whole, and the performance of such companies may be more volatile. The healthcare field is subject to substantial governmental regulation and may, therefore, be adversely affected by changes in governmental policies. These factors may lead to limited earnings and/or failing profit margins. As a result, the value of healthcare companies’ securities may fall or fail to rise. In addition, companies in the healthcare sector can be significantly affected by intense competition, aggressive pricing, technological innovations, product obsolescence, patent considerations, product compatibility and consumer preferences.

Risks of Foreign Investment

Investing in foreign securities involves risks related to the political, social and economic conditions of foreign countries, particularly emerging market countries. These risks may include political instability, exchange control regulations, expropriation, lack of comprehensive information, national policies restricting foreign investment, currency fluctuations, lack of liquidity, potential for market manipulation, less developed or less efficient trading markets, limited access to reliable capital, lack of comprehensive company information, political instability, differing auditing, regulatory and legal standards and lack of accounting and financial reporting standards, inflation and rapid fluctuations in inflation, withholding or other taxes, and operational risks. There may be less stringent government supervision and oversight of foreign markets than in the United States. There may be less corporate financial information publicly available, less stringent investor protection and disclosure standards, and differing auditing and legal standards.

Investment in foreign currencies is subject to the risk that those currencies will decline in value relative to the U.S. dollar, or, in the case of hedged positions, that the U.S. dollar will decline relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time. A decline in the value of foreign currencies relative to the U.S. dollar will reduce the value of securities held by an account and denominated in those currencies. Foreign currencies also are subject to risks caused by inflation, interest rates, budget deficits and low savings rates, political factors and government controls.
**Emerging Markets Risk**

Certain accounts’ performance will be influenced by political, social and economic factors affecting investments in emerging country issuers. The risks of foreign investments are usually much greater for emerging markets. Investments in emerging markets may be considered speculative. Emerging markets may include those in countries considered emerging or developing by the World Bank, the International Finance Corporation or the United Nations. Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. They are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging markets have far lower trading volumes and less liquidity than developed markets. Since these markets are often small, they may be more likely to suffer sharp and frequent price changes or long-term price depression because of adverse publicity, investor perceptions or the actions of a few large investors. In addition, traditional measures of investment value used in the United States, such as price to earnings ratios, may not apply to certain small markets. Also, there may be less publicly available information about issuers in emerging markets than would be available about issuers in more developed capital markets, and such issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which U.S. companies are subject.

Many emerging markets have histories of political instability and abrupt changes in policies. As a result, their governments are more likely to take actions that are hostile or detrimental to private enterprise or foreign investment than those of more developed countries, including expropriation of assets, confiscatory taxation, high rates of inflation or unfavorable diplomatic developments. In the past, governments of such nations have expropriated substantial amounts of private property, and most claims of the property owners have never been fully settled. There is no assurance that such expropriations will not reoccur. In such an event, it is possible that a strategy could lose the entire value of its investments in the affected market. Some countries have pervasive corruption and crime that may hinder investments. Certain emerging markets may also face other significant internal or external risks, including the risk of war, and ethnic, religious and racial conflicts. In addition, governments in many emerging market countries participate to a significant degree in their economies and securities markets, which may impair investment and economic growth. National policies that may limit investment opportunities include restrictions on investment in issuers or industries deemed sensitive to national interests.

Emerging markets may also have differing legal systems and the existence or possible imposition of exchange controls, custodial restrictions or other foreign or U.S. governmental laws or restrictions applicable to such investments. Sometimes, they may lack or be in the relatively early development of legal structures governing private and foreign investments and private property. Many emerging markets do not have income tax treaties with the United States, and as a result, investments by a Fund may be subject to higher withholding taxes in such countries. In addition, some countries with emerging markets may impose differential capital gains taxes on foreign investors.

Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because a Fund will need to use brokers and counterparties that are less well capitalized, and custody and registration of assets in some
countries may be unreliable. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognize that ownership exists in some emerging markets, and, along with other factors, could result in ownership registration being completely lost. A Fund would absorb any loss resulting from such registration problems and may have no successful claim for compensation. In addition, communications between the United States and emerging market countries may be unreliable, increasing the risk of delayed settlements or losses of security certificates.

**Unforeseen Market Events Risk**

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats, recessions, or other events may significantly affect the economy and the markets and issuers in which a Strategy invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others and exacerbate other preexisting political, social, and economic risks. Since early 2020, a novel strain of coronavirus (COVID-19) has resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

These types of events, such as the global pandemic caused by COVID-19, may also cause widespread fear and uncertainty and result in, among other things: quarantines, cancellations, and travel restrictions, including border closings; disruptions to business operations, supply chains and customer activity; exchange trading suspensions and closures, and overall reduced liquidity of securities, derivatives, and commodities trading markets; and reductions in consumer demand and economic output. A Strategy could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, the operations of a Strategy, FAM, and a Strategy’s service providers may be significantly impacted, or even temporarily halted, as a result of any impairment to their information technology and other operational systems, extensive employee illnesses or unavailability, government quarantine measures, and restrictions on travel or meetings and other factors related to public emergencies. Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could negatively impact overall investor sentiment and further increase volatility in securities markets. Other infectious illness outbreaks that may arise in the future could have similar or other unforeseen effects. The duration of this outbreak or others and their effects cannot be determined with certainty.

In addition, global climate change may have an adverse effect on the value of securities and other assets. Economists and others have expressed increasing concern about the potential effects of global climate change on property and security values. Certain issuers, industries and regions may be adversely affected by the impacts of climate change, including on the demand for and the development of goods and services and related production costs, and the impacts of legislation, regulation and international accords related to climate change, as well as any indirect consequences of regulation or business trends driven by climate change.
Financial Institution Risk and Distress Events

A client’s account is subject to the risk that one of the banks, brokers, custodians or other financial counterparties (each, a “Financial Institution”) of some or all of a client’s assets or investments fail to timely perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a “Distress Event”). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. If a Financial Institution experiences a Distress Event, FAM, an account, and/or one of its investments may not be able to access deposits, borrowing facilities or other services, either permanently or for an extended period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties during Distress Events, there can be no assurance that such intervention will occur in a future Distress Event or that any such intervention undertaken will be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of FAM to manage an account and its investments, and on the ability of FAM, an account and its underlying investments to maintain operations, which in each case could result in significant losses and in unconsummated investment acquisitions and dispositions. Such losses could include a loss of assets or the inability of an account to acquire or dispose of investments, or acquire or dispose of such investments at prices that the FAM believes reflect the fair value of such investments. If a Distress Event leads to a loss of access to a Financial Institution’s services, it is also possible that an account will incur additional expenses or delays in putting in place alternative arrangements or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). Although FAM expects to exercise contractual remedies under agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. An account and its investments are subject to similar risks if a Financial Institution utilized by investors in an account or by suppliers, vendors, service providers or other counterparties of an account becomes subject to a Distress Event, which could have a material adverse effect on a client’s account.

Risks of Investing in Derivative Instruments

Certain accounts can invest in derivative instruments. FAM currently expects that the primary uses of derivatives will involve: (1) purchasing put and call options and write (i.e., sell) put and call options, on individual securities, baskets of securities, securities indexes, or particular measurements of value or rates, such as an index of the price of treasury securities or an index representative of short-term interest rates to increase gain, to hedge against the risk of unfavorable price movements in the underlying securities, or to provide diversification of risk, (2) entering into foreign currency transactions to fix in U.S. dollars, between trade and settlement date, the value of a security a strategy has agreed to buy or sell; to hedge the U.S. dollar value of securities a strategy
already owns, or to gain or reduce exposure to the foreign currency for investment purposes, (3)
entering into futures contracts on stock indexes and purchasing and selling call and put options on
these futures contracts, and (4) entering into swap transactions, including currency swaps, index
swaps total return swaps, and options on swap agreements, sometimes called “swaptions” to
increase gain by obtaining short exposure to securities or securities indexes that FAM believes will
underperform on a relative or absolute basis.

A small investment in derivatives could have a potentially large impact on an account’s
performance. When purchasing options, the account bears the risk that if the market value of the
underlying security does not move to a level that would make exercise of the option profitable, the
option will expire unexercised. When a covered call option written by the account is exercised, the
account will not participate in any increase in the underlying security’s value above the exercise
price. When a put option written by the account is exercised, the account will be required to
purchase the underlying security at a price in excess of its market value. Use of options on
securities indexes is subject to the risk that trading in the options may be interrupted if trading in
certain securities included in the index is interrupted, the risk that price movements in the account’s
portfolio securities may not correlate precisely with movements in the level of an index, and the
risk that FAM may not correctly predict movements in the direction of a particular market or of
the stock market generally. Because certain options may require settlement in cash, the account
may be forced to liquidate portfolio securities to meet settlement obligations. Forward currency
contracts are subject to currency exchange rate risks. All derivatives are subject to the risk of non-
performance by the contract counterparty.

Risks of Selling Securities Short

Certain accounts may sell securities short, which is the sale of a security the account does not own.
The account arranges with a broker to borrow the security being sold short and replaces the security
by buying it at the current market price when it closes the short sale. If the price of the security
sold short has increased since the time of the short sale, the account will incur a loss in addition to
the costs associated with establishing, maintaining and closing out the short position. If the price
of the security sold short has decreased since the time of the short sale, the account will experience
a gain to the extent the difference in price is greater than these costs. A short sale creates the risk
of a theoretically unlimited loss, in that the price of the underlying security could increase without
limit. Furthermore, there can be no assurance that the security necessary to cover a short position
will be available for purchase. Purchasing securities to close out the short position can itself cause
the price of securities to rise further, thereby exacerbating the loss.

Use of Alternative Data Risk

FAM may obtain and use alternative data as one of many data points in its investment process.
Alternative data may consist of datasets that have been culled from a variety of sources, such as
internet usage, payment records, financial transactions, weather and other physical phenomena
sensors, applications and devices (such as smartphones) that generate location and mobility data,
data gathered by satellites, and government and other public records databases (this data is
sometimes referred to as “big data” or “alternative data”). FAM may use alternative data in a
variety of ways, including by incorporating it into fundamental research of companies, to better
anticipate micro- and macro-economic trends, and otherwise to develop or improve trading or
investment themes. The analysis and interpretation of alternative data involves a high degree of uncertainty. No assurance can be given that FAM will be successful in utilizing alternative data in its investment process. FAM has implemented policies and procedures that seek to mitigate the risk of receipt and use of material nonpublic information (“MNPI”) through its alternative data subscriptions. Notwithstanding the implementation of such policies and procedures, FAM cannot ensure that the alternative data it has subscribed to does not contain MNPI. Moreover, there has been increased scrutiny from a variety of regulators regarding the use of alternative data in this manner, and its use or misuse under current or future laws and regulations could create liability for FAM and its clients in numerous jurisdictions. FAM cannot predict what, if any, regulatory or other actions may be asserted with regard to alternative data, but any adverse inquiries or formal actions could cause reputational, financial, or other harm to FAM or its clients. Conversely, any future limitations on the use of alternative data could have a material adverse impact on the performance of the accounts that FAM manages.

**Portfolio Turnover (Active Trading) Risk**

Because FAM may engage in active trading of securities held in a client account, such client accounts may incur increased transaction costs and brokerage commissions, both of which can lower the actual return on an investment. Active trading may also increase short-term gains and losses, which may affect the taxes a client has to pay.

**Cyber Security Risk**

With the increasing use of the internet and technology in connection with business operations, the Strategies and related service providers are susceptible to greater operational and information security risks through breaches of cyber security. Cyber security breaches include stealing or corrupting data maintained online or digitally, “denial of service” attacks on websites, the unauthorized monitoring, misuse, loss, destruction or corruption of confidential information, unauthorized access to systems, compromises to networks or devices that the Strategies and their service providers use to service operations, and operational disruption or failures in the physical infrastructure or operating systems that support the Strategies and their service providers. Cyber security breaches affecting a Strategy or a Strategy’s service providers may adversely impact the Strategy and its shareholders, potentially resulting in financial losses or the inability of the Strategy to transact business. For instance, cyber security breaches may interfere with the processing of shareholder transactions, impact a Strategy’s ability to calculate NAVs, cause the release of private shareholder information or confidential business information, impede trading, subject the Strategies to regulatory fines or financial losses and/or cause reputational damage. The Strategies may also incur additional costs for cyber security risk management programs designed to mitigate or prevent the risk of cyber security breaches. Such costs may be ongoing because threats of cyber-attacks are constantly evolving. Issuers of securities in which the Strategies invest are also subject to similar cyber security risks, which could result in material adverse consequences for such issuers and may cause the Strategy’s investment in such companies to lose value. There can be no assurance that the Strategies or their service providers, or the issuers of the securities in which the Strategies invest, will not suffer losses relating to cyber security breaches in the future. In addition, FAM has no control over the cybersecurity protections established by its service providers or third-party vendors. Despite reasonable precautions, the risk remains that such incidents could occur, and that such incidents could cause
damage to individual investors due to the risk of exposing confidential personal data about investors to unintended parties. In addition, FAM has no control over the cybersecurity protections established by their service providers or third-party vendors. Despite reasonable precautions, the risk remains that such incidents could occur, and that such incidents could cause damage to individual investors due to the risk of exposing confidential personal data about investors to unintended parties.

Risk of Investing in Cryptocurrencies

Cryptocurrencies (also referred to as “virtual currencies” and “digital currencies”) are financial instruments which exist in a digital form and may act as a store of wealth, a medium of exchange or an investment asset. Cryptocurrency is an emerging asset class. There are thousands of cryptocurrencies. A strategy will generally not invest directly in cryptocurrencies.

Some issuers have begun to accept cryptocurrency for payment of services, use cryptocurrencies as reserve assets or invest in cryptocurrencies and, to the extent consistent with its fundamental investment restrictions, a strategy may invest in (i) securities of such issuers, (ii) securities of issuers which provide cryptocurrency-related services, (iii) futures contracts based on cryptocurrencies, (iv) investment vehicles that invest directly in cryptocurrencies, or (v) investment vehicles, such as ETFs, that have indirect exposure to cryptocurrencies by investing in the foregoing.

Cryptocurrencies are not backed by any government, corporation, or other identified body. Rather, the value of a cryptocurrency is determined by other factors, such as the perceived future prospects or the supply and demand for such cryptocurrency in the global market for the trading of cryptocurrency. Such trading markets are generally unregulated and may be more exposed to operational or technical issues as well as fraud or manipulation in comparison to established, regulated exchanges for securities, derivatives and traditional currencies. The value of a cryptocurrency may decline precipitously (including to zero) for a variety of reasons, including, but not limited to, regulatory changes, a loss of confidence in its network or a change in user preference to other cryptocurrencies. An issuer that owns cryptocurrencies may experience custody issues, and may lose its cryptocurrency holdings through theft, hacking, and technical glitches in the applicable blockchain. A strategy may experience losses as a result of the decline in value of its securities of issuers that own cryptocurrencies or which provide cryptocurrency-related services. If an issuer that owns cryptocurrencies intends to pay a dividend using such holdings or to otherwise make a distribution of such holdings to its stockholders, such dividends or distributions may face regulatory, operational and technical issues.

Factors affecting the further development of cryptocurrency include, but are not limited to: continued worldwide growth of, or possible cessation of or reversal in, the adoption and use of cryptocurrencies and other digital assets; the developing regulatory environment relating to cryptocurrencies, including the characterization of cryptocurrencies as currencies, commodities, or securities, the tax treatment of cryptocurrencies, and government and quasi-government regulation or restrictions on, or regulation of access to and operation of, cryptocurrency networks and the exchanges on which cryptocurrencies trade, including anti-money laundering regulations and requirements; perceptions regarding the environmental impact of a cryptocurrency; changes in consumer demographics and public preferences; general economic conditions; maintenance and
development of open-source software protocols; the availability and popularity of other forms or methods of buying and selling goods and services; the use of the networks supporting digital assets, such as those for developing smart contracts and distributed applications; and general risks tied to the use of information technologies, including cyber risks. A hack or failure of one cryptocurrency may lead to a loss in confidence in, and thus decreased usage and/or value of, other cryptocurrencies.

Standardized, cash-settled bitcoin futures contracts traded on commodity exchanges registered with the Commodity Futures Trading Commission. Currently, the only such contracts are traded on, or subject to the rules of, the Chicago Mercantile Exchange.

**Additional Risks Associated with Certain FAM Strategies**

Some of the specific types of strategies FAM employs can create additional risks beyond those already discussed. Listed below are these strategies and a description of these additional risks.

The following risks apply to the Spectra, Life Sciences Innovation, Dynamic Opportunities, and Dynamic Return strategies:

*Risks of Levered Accounts*

The cost of borrowing money to leverage may exceed the returns for the securities purchased, or securities purchased may actually go down in value; thus, an account’s value can decrease more quickly than if the account had not borrowed.

*Focus Strategies*

This risk applies to any FAM strategy with a small number of holdings.

These strategies invest a substantial portion of their assets in a small number of issuers, and so may be more vulnerable to changes in the market value of a single issuer and more susceptible to risks associated with a single economic, political, or regulatory occurrence than a strategy that has a higher number of holdings. At times, the performance of shares of particular companies will lag the performance of other sectors or the market as a whole. This risk is magnified when a strategy has a small number of holdings. Generally, the more broadly a strategy invests, the more it spreads its risks and potentially reduces the risk of loss and volatility.

*Socially Responsible Strategy*

This risk applies to the Responsible Investing strategy.

Accounts invested primarily utilizing socially responsible investment criteria may limit the number of available investment opportunities, and as a result, at times the accounts’ returns may be less than those of accounts that are not subject to such special investment considerations. Moreover, companies that promote socially responsible programs may not perform as well as companies that do not pursue such goals.
Health Sciences and Life Sciences Innovation Strategies

This risk applies to the Health Sciences and Life Sciences Innovation strategies.

The value of accounts that invest a significant portion of their assets in the health sciences sector may be more volatile than that of accounts that do not similarly concentrate their investments. Accounts following such a strategy will be substantially more susceptible to the risks which affect companies in the health sciences sector.

Investments in pharmaceutical and other health care related companies involve a high degree of business, financial, technological and regulatory risk which can result in substantial losses. At times, the performance of pharmaceutical and other health care related companies will lag the performance of other industries or the broader market as a whole, and the performance of such companies may be more volatile. Healthcare companies may also be significantly affected by limited operating histories, intense competition, aggressive pricing, government regulation, technological innovations, product obsolescence, patent considerations, product compatibility and consumer preferences.

Growth & Income Strategy

This risk applies to the Growth & Income strategy.

Companies may cut or fail to declare dividends for a variety of reasons. Additionally, returns from income producing securities may trail returns from the overall stock market. Specific types of securities tend to go through cycles of doing better—or worse—than the stock market in general. These periods have, in the past, lasted for as long as several years.

(9) Disciplinary Information:

As of December 31, 2022, there are no legal or disciplinary actions involving FAM or any of its affiliates.

(10) Other Financial Industry Activities and Affiliations:

FAM is affiliated with FAC, a registered broker-dealer. FAC serves as the principal underwriter for the registered pooled investment vehicles advised by FAM and as a broker-dealer for securities trades placed on behalf of FAM clients. FAC does not conduct public brokerage business and substantially all of its transactions are for those FAM clients who authorize FAM to use FAC as a broker, provided that relevant regulations that govern their accounts allow it. Additionally, FAM is under common ownership with WC, an investment adviser based in Boston, Massachusetts.

From time to time, FAC, WC, FAM, AGH, or AAI, or other affiliated persons may hold controlling positions in certain pooled investment vehicles, such that they are considered affiliates.

FAM is the investment adviser to The Alger Funds, The Alger Funds II, The Alger Portfolios, The Alger Institutional Funds, Alger Global Focus Fund, and The Alger ETF Trust, each of which is a registered investment company. FAM is the investment manager for Alger Dynamic Return Fund and Alger Life Sciences Innovation Fund, each of which is a privately offered pooled investment
vehicle. FAM serves as the sub-portfolio manager for Alger SICAV, a publicly offered pooled investment vehicle registered in Luxembourg, other jurisdictions in the European Union, Switzerland, the United Kingdom, Japan, Korea, and Singapore. Not all sub-funds of the Alger SICAV are registered in these jurisdictions. FAM also serves as a sub-adviser to third-party registered investment companies or pooled investment vehicles, as well as bank collective investment trusts. From time to time, FAM, its affiliates or a related person (“Alger Affiliates”) may own significant stakes in one or more of the above entities.

FAM may recommend to clients that they purchase interests in investment partnerships or funds for which FAM serves as investment adviser or sub-adviser and in which FAM and related persons have a financial interest. FAM and such related persons will fully disclose such financial interests to all clients to which such recommendations are given in accordance with applicable regulations.

Conflicts as a Result of FAM’s Affiliates

Selection of Administrative and Other Service Providers

FAM may choose to (and currently does) have Alger Affiliates provide administrative services, shareholder services, brokerage and other account services to certain of its clients. While any such engagement should be on market terms, it will nevertheless result in greater benefit to FAM than hiring a similarly qualified unaffiliated service provider.

In connection with these services and subject to applicable law, Alger Affiliates, including FAM, may from time to time, and without notice to investors or clients, in-source or outsource certain processes or functions that it provides in its administrative or other capacities. Such in-sourcing or outsourcing may give rise to additional conflicts of interest, including which processes or functions to in-source or outsource, which entity to outsource to, and the fees charged by Alger Affiliates or the third party. FAM maintains policies designed to mitigate the conflicts described in these paragraphs; however, such policies may not fully address situations described above.

Information FAM May Receive

FAM and its affiliates may have or be deemed to have access to the current status of certain markets, investments, and funds because of Alger Affiliates’ activities. Alger Affiliates may therefore possess information which, if known to FAM, might cause FAM to seek to dispose of, retain, or increase interests in investments held by accounts, or acquire certain positions for the accounts. Moreover, FAM and its affiliates may come into possession of material, non-public information that would prohibit or otherwise limit its ability to trade on behalf of client accounts. A client not advised by FAM would not be subject to these restrictions. FAM maintains policies designed to mitigate the conflicts described in this paragraph; however, such policies may not fully address situations described above.

(11) Code of Ethics, Participation in Client Transactions and Personal Trading:

FAM maintains a Code of Ethics that establishes standards and procedures for detecting and preventing the abuse of fiduciary duties by persons with knowledge of recommended investments and investment restrictions of FAM’s clients. In general, the fiduciary principles that govern personal investment activities reflect, at the minimum, the following:
• The duty at all times to place the interests of clients first,
• The requirement that all personal securities trades be conducted consistent with the Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest or any abuse of a position of trust and responsibility, and
• The fundamental standard that one should not take advantage of their position.

With respect to personal securities transactions, employees are generally required to pre-clear transactions and are required to submit duplicate confirmations and account statements to FAM’s Compliance Department. Further, a FAM employee may not:

• Engage in a personal securities transaction within seven days of a trade made on behalf of an advisory client in the same security, subject to a de minimis limit
• Engage in a personal securities transaction in the same security that is recommended for transaction in client accounts within the next seven days, subject to a de minimis limit
• Engage in a personal securities transaction in their primary industry or industries of investment coverage (applies to Portfolio Managers, Traders and Analysts)
• Engage in excessive trading, including successive transactions in the same security
• Purchase and sell or sell and purchase a security within sixty days unless done so at a loss
• Purchase securities in an initial public offering
• Engage in short sales in an individual security
• Invest in futures and options on an individual security
• Make an investment in a private placement (without prior approval)
• Serve on the board of directors of a publicly traded or private company without prior approval

The Code of Ethics will be provided to any client or prospective client upon request.

Interest in Client Transactions

A conflict of interest will exist to the extent that FAM recommends that its clients invest in securities in which one or more Alger Affiliates has a financial interest or position. Additionally, FAM has conflicts related to its management of client accounts alongside accounts (including FAM advised registered pooled investment vehicles) in which Alger Affiliates and their personnel have interests (collectively, the “Alger Affiliates Accounts”). For example, FAM and Alger Affiliates hold investments in certain investment companies or other publicly or privately offered pooled investment vehicles for which FAM acts as an investment adviser and from which FAM receives advisory, administration and/or distribution fees. FAM might recommend that its advisory clients purchase shares of such investment companies or other pooled vehicles.

Additionally, to the extent FAM or Alger Affiliates own a significant percentage of the outstanding shares of an investment company or the interests in a pooled investment vehicle, FAM may be deemed to control that entity, and may have enough shares to determine the outcome of any matters submitted for a shareholder vote. The investment company or pooled investment vehicle may be precluded or limited in its ability to make certain investments or participate in certain transactions because of the ownership interest of FAM or Alger Affiliates. Clients should be aware that FAM may be incented to make decisions for its own benefit or the benefit of an Alger Affiliate with
respect to mutual funds and other investment products in which it or said Alger Affiliate owns significant stakes.

FAM considers these conflicts of interest when allocating investment opportunities and portfolio securities, selecting service providers or brokers, and establishing investment products, guidelines for the selection of share classes, sales incentives, and compensation practices. FAM has adopted numerous procedures in an attempt to limit or manage these conflicts of interest.

FAM or Alger Affiliates may invest in equity or fixed-income securities that it recommends to its clients. The results achieved by Alger Affiliates proprietary accounts may differ from those achieved for client accounts. FAM may give advice, and take action, with respect to any current or future account or investment that may compete or conflict with the advice FAM may give to other accounts (or for its own account) including with respect to the return of the investment, the timing or nature of action relating to the investment or method of exiting the investment.

**Recommending, Purchasing, or Selling Securities for Clients that an Alger Affiliate May Purchase or Sell for its Own Account**

Alger Affiliates may provide seed capital to, or own significant shares of, any of the registered investment companies, or other publicly or privately offered pooled investment vehicles that FAM advises or that its affiliates offer. These investments may be for the purposes of establishing a track record for a new vehicle or for hedging purposes. Such funding may also occur in a separate account maintained in the name of Alger Affiliates. As such, it is possible for securities held or traded in client accounts to be similarly held in Alger Affiliates’ separate account(s) and an Alger Affiliate may purchase or sell for its own account securities at or about the same time that it recommends those securities to its clients.

Alger Affiliates consider these conflicts of interest when making investments. FAM has adopted numerous procedures in an attempt to limit or manage these conflicts of interest. These policies are discussed in more detail in Item 12: Brokerage Practices “Trade Allocation.”

FAM may be deemed to be affiliated with certain pooled investment vehicles managed by WC, and Alger Affiliates may have a financial interest in separate accounts or pooled investment vehicles managed by WC. These relationships could create conflicts of interest with clients with regard to simultaneous trading of securities, allocation of investment opportunities, or recommending securities in which an Alger Affiliate has a material financial interest; however, FAM’s accounts generally follow different strategies than those accounts and are implemented independently by different investment personnel.

**(12) Brokerage Practices:**

**Execution**

Most clients for whom FAM serves as adviser give FAM discretion as to the selection of brokers or dealers to effect securities transactions.

For U.S. and non-U.S. equity securities, FAM generally executes its trades through a broker-dealer. FAM maintains relationships with various execution-only and full-service broker-dealers.
FAM may also make use of electronic or program, direct market access and algorithmic trading methods. FAM also executes, when appropriate, “baskets” of multiple equity trades using program trading facilities. FAM may also use appropriate algorithmic trading strategies, including within dark pools, provided by select broker-dealers to execute an equity order. Algorithmic trading strategies use advanced mathematical models with rules to determine the ideal time to place a transaction without affecting the security’s price. FAM also maintains relationships with key counterparties to execute over-the-counter (“OTC”) fixed income trades, when necessary.

When FAM trades in listed derivatives, such as exchange-traded options, the trades are executed via an agency member firm. OTC derivatives are executed with counterparties with whom FAM has established a contractual relationship.

When placing trades for its clients, FAM seeks the best overall execution under the prevailing circumstances. When evaluating whether a trade execution is in the best interests of the clients, FAM considers the following factors, among others, when selecting the broker dealer:

- Liquidity of the market for the security and the broker-dealer’s access to markets;
- Sophistication of broker-dealer’s trading facilities, trading style and strategy, including order routing arrangements;
- Speed of trade execution;
- Ability to handle difficult trades;
- Technology offerings;
- The broker-dealer’s financial solvency;
- Quality of settlement process;
- The broker-dealer’s commission rate;
- Reliability and quality of executions;
- Trading expertise, including specialized expertise;
- Back office efficiency, including quality of confirmations and account statements, and ability to settle trades in a timely fashion;
- Broker-dealer’s reputation and integrity; and
- Confidentiality.

FAM may prioritize these factors differently depending upon the specific circumstances surrounding a trade, which may include the nature and objectives of the client and asset class. FAM believes that the absolute lowest possible commission price is not the only determining factor in deciding what constitutes a trade executed in the best interest of the client.

To the extent permitted by applicable law and as authorized in FAM’s investment management agreements with clients, FAM may direct client trades in securities listed on a U.S. exchange to FAC, a registered broker dealer and affiliate of FAM and WC. Trading with FAC may create potential conflicts of interest. For example, FAC may earn commissions for executing transactions, which may incentivize FAM to trade more frequently or to execute transactions at less favorable prices. As such, FAM maintains policies and procedures to ensure that the commissions, brokerage fees, other fees, compensation or profits, rates, terms and conditions charged by FAC are commercially reasonable. FAC does not act as principal in any client trade nor does it underwrite the offering of securities.
Soft Dollars

FAM relies primarily on its own internal research to provide primary research in connection with buy and sell recommendations. However, FAM does acquire research services provided by third-party vendors, which it pays for with brokerage fees and commissions, sometimes referred to as “soft dollars.” The services that FAM may receive include:

- Management meetings
- Conferences
- Research on specific industries
- Research on specific companies
- Macroeconomic analyses
- Analyses of national and international events and trends
- Access to experts on a particular sector, industry or security
- Evaluations of thinly traded securities
- Computerized trading screening techniques and securities ranking services
- General research services (i.e., Bloomberg, FactSet)
- Alternative data subscriptions

FAM may pay higher commissions for receipt of brokerage and research services in connection with securities trades that are consistent with the “safe harbor” provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended. This benefits FAM because it does not have to pay for the research, products, or services. Such benefit gives FAM an incentive to select a broker-dealer based on its interest in receiving the research, products, or services rather than on its clients’ interest in receiving the most favorable execution.

Research or other services obtained in this manner may be used in servicing any or all of the accounts. This includes accounts other than those that pay commissions to the broker providing soft dollar benefits. Therefore, such products and services may disproportionately benefit certain accounts to the extent that the commissions from such accounts are not used to purchase such services.

Neither the research services nor the amount of brokerage given to a particular broker-dealer are made through an arrangement or commitment that obligates FAM to pay selected broker-dealers for the services provided.

FAM has entered into certain commission sharing arrangements. A commission sharing arrangement allows FAM to aggregate commissions at a particular broker-dealer, and to direct that particular broker-dealer to pay various other broker-dealers from this pool of aggregate commissions for research and research services the broker-dealers have provided to FAM. These arrangements allow FAM to limit the broker-dealers it trades with, while maintaining valuable research relationships.

Additionally, FAM receives a credit for routing orders through a fixed connection with a national securities exchange, which is applied to the costs of research services.
In certain cases, a research service may serve additional functions that are not related to the making of investment decisions (such as accounting, record keeping or other administrative matters). Where a product obtained with commissions has such a mixed use, FAM will make a good faith allocation of the cost of the product according to its use. FAM will not use soft dollars to pay for services that provide only administrative or other non-research assistance.

**Directed Brokerage**

FAM does not consider client referrals when it selects a broker-dealer for executing trades on behalf of the accounts it advises. Further, FAM’s procedures provide that no U.S. registered pooled investment vehicle advised by FAM may direct brokerage or any other payment to any broker in consideration of sales of shares of such pooled investment vehicles.

Separate account clients may direct brokerage to a specific firm or firms of their choosing. A client that designates use of a particular broker-dealer should understand that such an instruction might prevent FAM from freely negotiating commission rates or selecting brokers based on the most favorable price and execution for the transaction.

Clients also may prohibit FAM from placing transactions for their accounts with certain broker dealers. A client that prohibits FAM from selecting certain broker-dealers for the placement of transactions for its account should understand that such a prohibition prevents FAM from selecting a restricted broker-dealer even though such broker-dealer may offer a more favorable price and execution for the transaction.

A client may lose the possible advantage that non-designating and unrestricted clients derive from aggregating orders into single larger transactions, utilizing alternative trading venues, or alternative trading techniques for the purchase or sale of a particular security. FAM will generally place orders for clients that have given FAM full brokerage discretion first, then for clients that have requested a specific broker or limited the use of one or more brokers. This may negatively impact the price at which trades are completed for such clients.

FAM periodically monitors execution and commission rates for accounts that direct brokerage to a specific broker dealer and may report to a client when execution and commission rates seem unreasonable versus comparable trades with a non-directed broker dealer.

Overall, any client instruction to use a certain broker-dealer or restrict trading with a particular broker-dealer may cause a client to pay higher commissions, receive less favorable net prices or investment results, or incur additional custodial or other external administrative charges than would be the case if FAM were authorized to choose the broker-dealers through which to execute transactions for the client’s account.

**Trade Aggregation**

If FAM believes that the purchase or sale of a security is in the best interest of more than one account, it may (but is not obligated to) aggregate the orders to be sold or purchased to seek favorable execution or lower brokerage commissions. As a general practice, FAM may delay an order for one account to allow portfolio managers of other strategies to participate in the same
trade being recommended by a portfolio manager who also serves as an analyst to a specific sector or industry.

Aggregation of trades under this circumstance may, on average, decrease the costs of execution. In the event FAM aggregates a trade for participating accounts, the method of allocation will generally be determined prior to the trade execution. Although no specific method of allocation of trades is expected to be used, allocations are generally pro rata and if not, will be designed so as not to systematically and consciously favor or disfavor any account in the allocation of investment opportunities. The accounts aggregated may include registered and unregistered investment companies, Alger Affiliates Accounts, and separate accounts. Transaction costs will be shared by participants on a pro rata basis according to their allocations.

When trades are aggregated, prevailing trading activity frequently may make impossible the receipt of the same price or execution on the entire volume of securities purchased or sold. When this occurs, the various prices may be averaged, and a participating account will be charged or credited with the average price. Thus, the effect of the aggregation may operate on some occasions to the disadvantage of an individual account.

When orders are aggregated for execution, it is possible that Alger Affiliates will benefit from such trades, even in limited capacity situations. FAM maintains policies and procedures that it believes are reasonably designed to deal equitably with conflicts of interest that may arise when purchase or sale orders for an account are aggregated for execution with orders for Alger Affiliates Accounts. For example, FAM may aggregate trades for its clients and Alger Affiliates in private placements pursuant to internally developed procedures. In such cases, FAM will negotiate the terms of such offerings, including the price of such investments, and will prepare a written allocation statement reflecting the allocation of the private securities.

Orders to purchase or sell the same security need not be aggregated if there is a reasonable distinction between or among the orders. For example, orders that are not price specific need not be aggregated with orders that are to be executed at a specific price. Also, certain short sale trades may not be aggregated due to settlement issues and may not trade sequentially in order to maintain the average trade price.

**Trade Allocation**

As FAM manages multiple client accounts, including Alger Affiliates Accounts, conflicts may arise as a result of how FAM allocates investment opportunities. In an effort to treat all clients reasonably in light of all factors relevant to managing an account, aggregated trades will generally be allocated pro rata among the accounts whenever possible. There are exceptions to this practice, however. Some of these exceptions are described below:

**Unusual Market Conditions**

During periods of unusual market conditions, FAM may deviate from its normal trade allocation practices. During such periods, FAM will seek to exercise a disciplined process for determining its actions to appropriately balance the interests of all accounts.
Availability of Investments

The availability of certain investments such as IPOs or private placements may be limited. In such cases, all accounts may not receive an allocation. As a result, the amount, timing, structuring or terms of an investment by one account may differ from, and performance of such account may be higher or lower than, other accounts.

FAM, as a general practice, allocates IPOs and other limited availability investments pro rata among eligible accounts in accordance with portfolio manager instructions and applicable policies and procedures. An account or accounts may not receive an allocation because it lacks available cash, is restricted from making certain investments, the account pays a performance fee, the account is so large that the allocation is determined to be insignificant, or due to co-investment by Alger Affiliates. When a pro rata allocation of limited availability investments is not possible or is not appropriate, FAM considers numerous other factors to determine an appropriate allocation. These factors include:

- FAM’s good faith assessment of the best use of such limited opportunities relative to the investment objectives, investment limitations and requirements of the accounts
- Suitability requirements and the nature of the investment opportunity, including relative attractiveness of a security to different accounts
- Relative sizes of applicable accounts
- Impact on overall performance an allocation of such securities may have on an account
- Cash and liquidity considerations, including without limitation, availability of cash for investment
- Minimum denomination, minimum increments, de minimis threshold and round lot consideration
- Account investment horizons and guidelines
- Client-specific investment guidelines and restrictions
- An account’s risk tolerance and/or risk parameters
- Tax sensitivity of accounts
- Concentration of positions in an account
- Appropriateness of a security for the account given the benchmark and benchmark sensitivity of an account
- Use of the opportunity as a replacement for another security FAM believes to be attractive for an account or the availability of other appropriate investment opportunities
- Considerations related to giving a subset of accounts exposure to an industry
- Account turnover guidelines

In some circumstances, it is possible that the application of these factors may result in certain accounts receiving an allocation when other accounts do not. Moreover, Alger Affiliates Accounts may receive an allocation or an opportunity not allocated to other accounts.

Portfolio managers who manage multiple strategies exercise investment discretion over each strategy on an individualized basis and therefore may allocate investments (including IPOs and secondary offerings) in a different manner for each strategy, including not allocating to a strategy. Considerations for such different allocations, include, but are not limited to, when an
allocation to a strategy results in an insignificant investment, different investment policies and objectives of one strategy versus another, as well as the implementation of strategy objectives such as sector or industry weightings. As a result of such allocations, there will be instances when client accounts within a strategy managed by the same portfolio manager do not participate in an investment that is allocated among clients invested in another strategy managed by the same portfolio manager. For example, it is generally the case that investment strategies with larger AUM do not participate in allocations of IPOs and secondary offerings as the allocation of limited shares will result in the strategy receiving insignificant amounts of shares to allocate across strategies. Such investment decisions may result in a loss of investment opportunity for clients that may otherwise have been suited to invest in such offerings.

Please visit www.alger.com for a current list of portfolio managers by strategy as well as strategy AUM.

**Differing Guidelines, Objectives and Time Horizons**

Because accounts are managed according to different strategies and individual client guidelines, certain accounts may not be able to participate in a transaction considered by FAM.

Actions taken by one account could affect others. For example, in the event that withdrawals of capital result in one account selling securities, this could result in securities of the same issuer falling in value, which could have a material adverse effect on the performance of other accounts that do not sell such positions.

Alger Affiliates may also develop and implement new strategies, which may not be employed in all accounts or pro rata among the accounts where they are employed, even if the strategy is consistent with the objectives of all accounts. Alger Affiliates may make decisions based on such factors as strategic fit and other portfolio management considerations, including:

- An account’s capacity for such strategy
- The liquidity of the strategy and its underlying instruments
- The account’s liquidity
- The business risk of the strategy relative to the account’s overall portfolio make-up
- The effectiveness of, or return expectations from, the strategy for the account
- Any other factors Alger Affiliates deem relevant in their sole discretion

For example, such a determination may, but will not necessarily, include consideration of the fact that a particular strategy will not have a meaningful impact on an account given the overall size of the account, the limited availability of opportunities in the strategy and the availability of other strategies for the account.

For ease of management, FAM may group accounts with similar guidelines together for portfolio management purposes. As a result, an account may not invest in certain securities that its
guidelines would allow because other similar accounts restrict such holdings. This could affect the performance of the account.

FAM currently manages or advises numerous accounts and these accounts may have or will have investment objectives that are identical or substantially similar to other accounts; however, accounts having identical or substantially similar investment objectives may not have identical or substantially similar investment portfolios. Differing investment portfolios can be expected to result from several factors, including, without limitation, the following: different investment decisions made by the different portfolio managers assigned to the accounts; regulatory constraints that apply to certain accounts but not to others; investment constraints imposed by the client; and the amount of cash available for investment at certain times. As a result of such factors, accounts may have a different investment portfolio (and, as a result, different performance results) from other accounts even though the accounts have identical or substantially similar investment objectives. Therefore, it is expected that the accounts will have different investment portfolios resulting from different investment decisions made by their respective portfolio managers.

Conflicts Related to Timing of Transactions

When FAM implements a portfolio decision or strategy for an account ahead of, or contemporaneously with, similar portfolio decisions or strategies for another account, market impact, liquidity constraints, or other factors could result in the second account receiving less favorable trading results. The costs of implementing such portfolio decisions or strategies could be increased or the other account could otherwise be disadvantaged. FAM may, in certain cases, implement internal policies and procedures designed to limit such consequences to the accounts, which may cause an account to be unable to engage in certain activities, including purchasing or disposing of securities, when it might otherwise be desirable for it to do so.

Moreover, each account is managed independently of other accounts. Given the independence in the implementation of advice to these accounts, there can be no warranty that such investment advice will be implemented simultaneously. FAM will use reasonable efforts to procure timely execution. It is possible that prior execution for or on behalf of an account could adversely affect the prices and availability of the securities and instruments in which other accounts invest. In other words, an account, by trading first, may increase the price or decrease the availability of a security to a second account.

In some instances, internal policies designed to facilitate trade aggregation may result in delays in placing trades, which may adversely affect trade execution. For example, a purchase for a particular account may be held while other portfolio managers are considering whether to make the same transaction for other accounts.

Cross Transactions

From time to time and for a variety of reasons, certain FAM accounts may buy or sell positions in a particular security while another account is undertaking the opposite strategy, which could disadvantage some of the accounts. In an effort to reduce any negative impact, and when permitted by applicable law and otherwise practical to do so, the accounts may enter into “cross transactions.” A cross transaction, or cross trade, occurs when FAM causes an account to buy
securities from, or sell a security to, another client of FAM. FAM will ensure that any such cross transactions are affected on commercially reasonable market terms and in accordance with applicable law, including but not limited to FAM’s fiduciary duties to all accounts.

**Certain Non-Discretionary Accounts**

Some non-discretionary accounts generally receive trade instructions or model account allocations later than other accounts as a result of bespoke arrangements with particular clients.

**Wrap Programs**

Wrap accounts generally follow a distinct trading process from other accounts. Portfolio manager(s) of FAM’s strategies continuously evaluate investment opportunities and make buy and sell recommendations. Such recommendations are provided simultaneously to FAM’s accounts and wrap accounts but are reviewed and handled separately for the purposes of implementing buy and sell recommendations for wrap accounts given the considerations and constraints that exist in such wrap accounts. These considerations include, security type constraints (foreign securities, private placements, IPOs), trade and position size, cash flows, holding periods, and the ability of a sponsor to implement a trade. In order to limit the frequency of smaller sized trades for the wrap program accounts, when compared with other accounts, FAM has implemented trade size requirements on wrap program trades. These limitations will vary depending on the FAM strategy and wrap program type. Once determined, wrap trades are reviewed to ensure they are compliant with the specific wrap strategy and/or account guidelines. The trades are then submitted once per day to the various wrap sponsors according to a randomly selected rotation. As a result of this trading process, FAM typically takes more time to review and implement recommended transactions for wrap accounts; and therefore, wrap accounts generally trade after separate and pooled vehicle accounts.

For wrap programs that are fully managed by a sponsor, such as Model Portfolio Programs, FAM does not place trades on behalf of client accounts and therefore has no ability to ensure that accounts conform to the model portfolio provided. Moreover, a sponsor may place trades in fractional shares of securities, possibly resulting in trades at different prices than trades in whole securities and thus unfavorable trading outcomes. A Model Portfolio Program sponsor may also lower a model portfolio’s investment minimum at its own discretion and without the knowledge of FAM in order to increase access for clients. Lower investment minimums may increase competition for limited investment opportunities and prevent the inclusion of certain investment opportunities in the portfolio, potentially affecting investment performance.

(13) Review of Accounts:

FAM’s portfolio managers, Compliance and Institutional Sales and Service teams review each client’s portfolio guidelines when the account is opened, and if changes are made. Portfolio managers work closely with FAM’s traders to seek to adhere to client guidelines when making security selection decisions.

FAM’s Compliance team regularly reviews accounts for compliance with each client’s investment objectives, policies and restrictions using an automated compliance monitoring system. Prior to execution, portfolio trades pass through real-time compliance checks that test the trade against
account guidelines. Post-trade and end of day reports are also monitored daily. Certain guidelines which cannot be automated are reviewed manually; the frequency of these checks depends on the perceived risk of violation and client guideline.

All accounts are also reviewed by Client and Portfolio Administration team for the purpose of reconciling FAM’s records with those of the account’s custodian. Cash and portfolio holdings are reconciled by Client and Portfolio Administration on a daily basis and Client and Portfolio Administration prepares month-end separate account reconciliations (including cash, security positions, local market values, prices and accruals, where applicable) to a client’s custodian bank account statement.

On a quarterly basis, each client generally receives a written report containing a portfolio listing showing cost and market value of all securities in the account, a detailed listing of all trades in the account for the period, a listing of all realized gains and losses, a listing of dividends and interest received by the account, a listing of all security purchases and security sales, and account and benchmark performance. Certain clients also receive historical performance reports on a monthly or other periodic basis. Clients may also receive specialized reporting at their request.

(14) Client Referrals and Other Compensation:

Other Compensation

FAM does not receive any compensation from third parties relating to advisory services provided to its clients.

Compensation of Third Parties for Client Referrals

Referral Fees

FAM pays fees to financial intermediaries, advisers, and financial planners, among other individuals and entities, in return for referring potential clients. Alger Affiliates may also pay intermediaries who recommend FAM to their clients for separate account or wrap fee program services. Individual payment agreements vary, and some intermediaries may have a greater incentive to recommend FAM’s services because the intermediary receives a higher fee as a result. These payments are made from FAM’s advisory fees.

FAM may also pay a fee to pension and corporate consultants for certain services the consultants provide to FAM. These consultants may recommend FAM to these potential clients and may also advise current FAM clients. FAM may also pay Alger Affiliates for referring potential clients.

FAM currently has relationships with third-party firms to assist in sourcing business in Europe and Israel and qualified investors for the Alger Dynamic Return Fund and Alger Life Sciences Innovation Fund.

Marketing Payments

Subject to applicable law, FAC may pay dealers and other financial intermediaries for, among other things, marketing the mutual funds, ETFs, Alger Affiliates Accounts and other products
managed by FAM. Such payments may relate to or result in the funds’ and other investment products’ inclusion on preferred or recommended investment lists or certain sales programs sponsored by the intermediaries. FAC may also participate in or partially sponsor industry and consultant sponsored conferences and may pay for access to intermediaries’ registered representatives or salespersons. FAC may also pay to assist in the training and education of intermediaries’ salespersons.

**Intangibles**

Alger Affiliates may have board, advisory, brokerage, or other relationships with issuers, distributors, consultants and others. These persons or entities may have investments in the mutual funds, ETFs or other investment products and may recommend or distribute the mutual funds, ETFs or other products. Alger Affiliates may make charitable contributions to institutions, including those that have relationships with clients, personnel of clients, dealers and other financial intermediaries and/or their registered representatives, and pension consultants.

As a result of the relationships and arrangements described in the preceding paragraphs, consultants, distributors, and other parties may have conflicts associated with their promotion of the mutual funds, ETFs or other investment products or other dealings that create incentives for them to promote the mutual funds or other products or certain portfolio transactions.

(15) Custody:

Although FAM generally does not hold client assets, FAM may be “deemed,” for purposes of the Advisers Act, to have custody of certain of its discretionary client’s assets because it has related persons that serve as general partners of pooled investment vehicles, and because it has the authority to collect its fees from certain client accounts. In these cases, clients will receive account statements from both FAM and their custodians. Clients should review these statements carefully and compare them to each other.

(16) Investment Discretion:

FAM generally has the authority to make investment determinations on behalf of its clients. Such authority is generally set forth in the investment advisory agreement between FAM and its clients. As noted in Item 4: Advisory Business above, certain clients limit FAM’s discretionary authority over their account.

Some clients or wrap program sponsors retain FAM to provide model portfolios, which they replicate for their clients’ accounts. In these cases, FAM is not exercising investment discretion with respect to the account.

(17) Voting Client Securities:

Clients may grant authority to or withhold authority from FAM to vote proxies.

If a client withholds authority from FAM to vote its proxies, the client should make arrangements directly with its custodian to receive proxy statements. While a client who withholds authority
may seek FAM’s guidance in this regard, proxy issues are often time sensitive and it may not be practical to request FAM’s input.

If a client grants FAM authority to vote its proxies, FAM exercises its proxy voting authority generally by evaluating the recommendations of Institutional Shareholder Services Inc. (“ISS”). Unless otherwise requested by a client, FAM has determined that ISS should apply its Socially Responsible Investment Proxy Voting Guidelines to proxy vote proposals. For certain clients, upon their requests, FAM has instructed ISS to apply its Taft-Hartley U.S. Voting Guidelines. Through ISS’ proprietary research and voting platform, FAM has the ability to evaluate ISS’ prepopulated vote recommendations based on the applicable ISS proxy voting guidelines. FAM reviews a sample proxy and corresponding ISS prepopulated vote recommendation prior to the proxy being automatically voted by ISS. FAM may override such recommendations when it feels that doing so is in the best interests of clients. When issuing vote recommendations and casting proxy votes in accordance with its pre-determined proxy voting guidelines, ISS discloses any conflicts of interest it has with the issuer of such securities that are the subject of its recommendation. To the extent ISS has a material conflict of interest with the company whose proxies are at issue, it may recuse itself from voting proxies. In such cases, FAM instructs ISS how to vote. When ISS discloses a conflict, FAM reviews ISS’ disclosure regarding such conflict to ensure adherence to its guidelines and to confirm the vote recommendations are consistent with its clients’ best interests. Moreover, FAM regularly considers the robustness of ISS’ policies and procedures regarding its ability to (i) ensure that its proxy voting recommendations are based on current and accurate information and (ii) identify and address any conflicts of interest.

Notwithstanding such proxy voting policies and procedures, proxy voting decisions may favor the interests of certain clients or Alger Affiliates over other clients.

FAM maintains proxy statements received, records of its proxy voting policies and procedures (which are available upon client request and on FAM’s website at https://www.alger.com/Pages/Archive.aspx?listType=Notices), records of votes cast on behalf of each account, records of requests for proxy voting information, and any documents prepared that were material to making a voting decision.  

Class Actions

In addition to voting rights with respect to securities held in our client portfolios, there may be other rights associated with those securities, including the right or opportunity to participate in class action, bankruptcy, or other litigation with respect to those securities. As a general matter, FAM participates in class action, bankruptcy settlement claims, or other litigation with respect to the issuers of securities held in the accounts of its separate account clients, unless otherwise mandated in an account’s investment management agreement or otherwise agreed to. In addition, FAM will, at a client’s request, assist clients and their agent(s) in determining their eligibility to participate in any given class action. With respect to corporate actions (such as an issuer’s merger, tender offer, dividend distribution, etc.), FAM participates on behalf of clients who authorize the firm to do so, taking such action as the firm deems to be in the best interest of the portfolio. FAM uses ISS Securities Class Action Services for class action administration and processing.
(18) Financial Information:
Not applicable.

(19) Requirements for State-Registered Advisers:
Not applicable. FAM is not a State-Registered Adviser.
**FACTS**

**WHAT DOES ALGER DO WITH YOUR PERSONAL INFORMATION?**

<table>
<thead>
<tr>
<th>Why?</th>
<th>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.</th>
</tr>
</thead>
</table>
| 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 and  
- Account balances and  
- Transaction history and  
- Purchase history and  
- Assets  
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 personal information to run their everyday business. In the section below, we list the reasons financial companies can share their personal information; the reasons Alger chooses to share; and whether you can limit this sharing. |

<table>
<thead>
<tr>
<th>Reasons we can share your personal information</th>
<th>Does Alger share?</th>
<th>Can you limit this sharing?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>For our everyday business purposes</strong>—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>For our marketing purposes</strong>—to offer our products and services to you</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>For joint marketing with other financial companies</strong></td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td><strong>For our affiliates’ everyday business purposes</strong>—information about your transactions and experiences</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>For our affiliates’ everyday business purposes</strong>—information about your creditworthiness</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td><strong>For nonaffiliates to market to you</strong></td>
<td>No</td>
<td>We don’t share</td>
</tr>
</tbody>
</table>

**Questions?** Call 1-800-223-3810
<table>
<thead>
<tr>
<th><strong>Who we are</strong></th>
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<tbody>
<tr>
<td><strong>Who is providing this notice?</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>What we do</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How does Alger protect my personal information?</strong></td>
</tr>
</tbody>
</table>
| **How does Alger collect my personal information?** | We collect your personal information, for example, when you  
  - Open an account or  
  - Make deposits or withdrawals from your account or  
  - Give us your contact information or  
  - Provide account information or  
  - Pay us by check. |
| **Why can’t I limit all sharing?** | Federal law gives you the right to limit only  
  - sharing for affiliates’ everyday business purposes—information about your creditworthiness  
  - affiliates from using your information to market to you  
  - sharing for nonaffiliates to market to you  
  
  State laws and individual companies may give you additional rights to limit sharing. |

<table>
<thead>
<tr>
<th><strong>Definitions</strong></th>
</tr>
</thead>
</table>
| **Affiliates** | Companies related by common ownership or control. They can be financial and nonfinancial companies.  
| **Nonaffiliates** | Companies not related by common ownership or control. They can be financial and nonfinancial companies. |
| **Joint marketing** | A formal agreement between nonaffiliated financial companies that together market financial products or services to you. |
This brochure supplement provides information about the qualifications and business practices of the following people:

- Daniel C. Chung, CFA
- Gregory S. Adams, CFA
- Dr. Ankur Crawford
- Brandon Geisler
- Gregory M. Jones, CFA
- Patrick Kelly, CFA
- Pragna Shere, CFA
- Sanjiv Talwar, M.D., Ph.D.
- Amy Y. Zhang, CFA

that supplements Fred Alger Management, LLC’s (“FAM”) brochure (Part 2A), which you should have received. Please contact us at (212) 806-8800 if you did not receive FAM’s brochure (Part 2A) or if you have any questions about the contents of the brochure (Part 2A) or this supplement (Part 2B). Additional information about FAM and these people is available on the SEC’s website at www.adviserinfo.sec.gov.
Educational Background and Business Experience

Daniel C. Chung, CFA
Chief Executive Officer, Chief Investment Officer, Portfolio Manager
Date of Birth: 8/18/62

Daniel C. Chung is Chief Executive Officer, Chief Investment Officer and Portfolio Manager of several Alger strategies. Dan joined Alger in 1994 and has 28 years of investment experience. He was named Chief Investment Officer in September 2001, President in 2003, and CEO in 2006. Dan is also a member of The Alger Partners Plan. Throughout his tenure at Alger, he has made numerous TV appearances on Bloomberg, CNBC, and Fox Business. Dan has also been featured and quoted frequently in Barron’s, Citywire, Forbes, Investment News, Pensions & Investments, and USA Today. Prior to joining Alger, Dan was an associate at Simpson Thacher & Bartlett LLP in New York City in 1989 while he earned an LL.M. from New York University. He earned his J.D. magna cum laude from Harvard Law School in 1987, where he was an editor of the Harvard Law Review. After graduating, he served as law clerk for the Honorable Justice Anthony M. Kennedy, United States Supreme Court. Dan graduated from Stanford University with B.A. and B.S. degrees, with Distinction and Phi Beta Kappa, in 1984. Dan is also a CFA charterholder and a member of the CFA Institute. Dan currently serves as a board trustee and was the former chairman of The Nature Conservancy in the State of New York and is a Global Campaign Committee Member of The Nature Conservancy. He is also actively involved with the Stanford in New York Internship Program, and frequently contributes to and supports various charitable organizations including the Harlem Education Activities Fund (HEAF) and Target Margin Theater.

Gregory S. Adams, CFA
Senior Vice President, Portfolio Manager, Director of Quantitative & Risk Management
Date of Birth: 10/29/65

Gregory S. Adams is Senior Vice President, Portfolio Manager of the Alger Dynamic Opportunities Strategy, the Alger Responsible Investing Strategy, the Alger Growth & Income Strategy and Director of Quantitative & Risk Management. Greg joined Alger in 2006 and has 35 years of experience. Previously, he was Director of Quantitative Research at Lord Abbett & Co., and was responsible for portfolio construction simulation and quantitative stock selection. Over the course of his career, Greg was a Managing Director and Portfolio Manager at Deutsche Asset Management and The Chase Manhattan Bank. At Deutsche, where he managed over $10 billion in assets, he was the lead Portfolio Manager for the U.S. Large Cap Core Funds, including Scudder’s flagship Growth & Income Fund. Greg began his tenure at Chase in 1987 as an equity analyst and was promoted to Co-Manager of the Chase Vista Balanced Fund and the Chase Vista Growth & Income Fund, managing over $2 billion during his tenure. In 1994, Greg was named Manager of the Chase Vista Large Cap Equity Fund. Greg earned a B.A. in American History from the University of Pennsylvania’s School of Arts & Sciences and a B.S. in Economics and Finance from The Wharton School. Greg is a CFA charterholder and a member of the CFA Institute.
Dr. Ankur Crawford  
**Executive Vice President, Portfolio Manager**  
**Date of Birth: 7/21/75**

Dr. Ankur Crawford is Executive Vice President and Portfolio Manager of the Alger Capital Appreciation, Alger Focus Equity, and Alger Spectra strategies. She joined Alger in September 2004 and has 18 years of investment experience. Ankur began her career at Alger as a Research Associate and successfully completed Alger’s in-house analyst training program. Over the next several years, Ankur was promoted to Associate Analyst, Analyst, and, ultimately, Senior Analyst. She was named Portfolio Manager of the Alger Mid Cap Growth strategies in 2010 and promoted to Head of the Technology sector team in January 2013 (until April 2016). In 2015, Ankur was added as a Portfolio Manager of the Alger Capital Appreciation, Alger Focus Equity and Alger Spectra strategies. Ankur is a member of The Alger Partners Plan. During her tenure at Alger, she has been featured and quoted in InvestmentNews, Investor’s Business Daily and Fortune. In 2022, Ankur was named a “See It, Be It Role Model” by InvestmentNews as part of their Excellence in Diversity, Equity & Inclusion Awards. In 2020, Ankur was recognized as a “Top Women in Asset Management” honoree by Money Management Executive. Ankur was elected to the board of The Knowledge House, a Bronx-based charity with the mission of teaching underprivileged communities a skill set in technology that enables them to enter the “gig” economy. Ankur earned a B.S. in both Mechanical Engineering and Materials Science and Engineering from the University of California, Berkeley and also received an M.S. and a Ph.D. in Materials Science and Engineering from Stanford University. Ankur was awarded a fellowship from the prestigious Intel PhD Fellowship Program and worked as an engineer with Intel. She was also awarded a fellowship from the National Academy of Sciences, Engineering and Medicine. In addition, Ankur holds several U.S. patents.

Brandon Geisler  
**Senior Vice President, Portfolio Manager**  
**Date of Birth: 5/11/76**

Brandon Geisler is Senior Vice President and Portfolio Manager of the Mid Cap Growth Strategy. He joined Alger in 2022 and has 21 years of investment experience. Before joining Alger, Brandon was a Partner, Managing Director of Research, Portfolio Manager and Senior Securities Analyst for Marsico Capital Management, where he managed several billion dollars in large and mid cap U.S., global and focused growth portfolios for mutual fund, institutional and high net worth clients. During his tenure at Marsico, his insights into market trends and company fundamentals were highlighted and quoted in a number of publications such as Barron’s, The Wall Street Journal, Citywire and Bloomberg. His managed strategies have also been named to “Barron’s Top-Performing Sustainable Funds” in both 2021 and 2022. He began his career at Goldman Sachs, where he was a Vice President of Equity Research with experience in the consumer, technology and energy industries. Brandon earned an honors B.S. and an MBA from McMaster University.
Gregory M. Jones, CFA  
Senior Vice President, Portfolio Manager  
Date of Birth: 11/13/58

Gregory M. Jones is Senior Vice President and Portfolio Manager of the Alger Global Focus, Alger International Focus and Alger Emerging Markets Strategies. He joined Alger in March 2018 and has 37 years of experience. Prior to joining Alger, Gregory worked at Redwood Investments where he was a portfolio manager responsible for non-U.S. equity strategies. Previously, he was Co-CIO and Portfolio Manager at Ashfield Capital Partners. In addition, Gregory founded Jadeite Capital in 2007, formed to manage APAC, emerging markets, and global long-short equity funds. Prior to Jadeite Capital, Gregory was Managing Director and Senior Portfolio Manager at Clay Finlay, Inc. Gregory earned his B.A. from Duke University, and M.B.A. from The University of Chicago Graduate School of Business. In addition, Gregory is a CFA charterholder and a member of the CFA Institute. Greg also served on the board and management committees of Clay Finlay, Inc. and Ashfield Capital Partners.

Patrick Kelly, CFA  
Executive Vice President, Portfolio Manager, Head of Alger Capital Appreciation and Spectra Strategies  
Date of Birth: 3/17/75

Patrick Kelly is Executive Vice President, Portfolio Manager and Head of Alger Capital Appreciation and Spectra Strategies, which include Alger Focus Equity. He joined Alger in 1999 and has 25 years of investment experience. He began his career at Alger as a Research Associate and completed Alger’s in-house analyst training program. In early 2001, Patrick was promoted to Associate Analyst and Assistant Vice President, and then ultimately Senior Analyst, responsible for the Technology sector. Patrick was named Portfolio Manager of the Alger Capital Appreciation and Alger Spectra Strategies in 2004, and was named Head of Alger Capital Appreciation and Alger Spectra Strategies in 2015. Additionally, Patrick is a member of The Alger Partners Plan. During his tenure at Alger, he has been featured and quoted in a number of publications such as: Barron’s, Investor’s Business Daily, Citywire, Bloomberg, and Fortune. Prior to joining Alger, Patrick was an investment banking analyst with SG Cowen. He earned his B.S from Georgetown University where he graduated with honors. Patrick is a CFA charterholder and a member of the CFA Institute.

Pragna Shere, CFA  
Senior Vice President, Portfolio Manager  
Date of Birth: 10/13/66

Pragna Shere is Senior Vice President and Portfolio Manager of the Alger Global Focus, Alger International Focus and Alger Emerging Markets Strategies. She joined Alger in March 2018 and has 32 years of experience. Prior to joining Alger, Pragna worked at Redwood Investments where she was a portfolio manager responsible for non-U.S. equity strategies. Prior to Redwood Investments, Pragna also held senior investment positions at Ashfield Capital Partners, United Nations Joint Staff Pensions Fund, and Clay Finlay, Inc. Pragna earned her B.A. from State University of New York at Stony Brook, New York. In addition, Pragna is a CFA charterholder and a member of the CFA Institute.
Sanjiv Talwar, M.D, Ph.D.  
Senior Vice President, Senior Analyst, Portfolio Manager and Head of Healthcare  
Date of Birth: 8/04/62

Sanjiv Talwar, M.D., Ph.D. is Senior Vice President, Senior Analyst, Portfolio Manager of the Alger Health Sciences, Alger Large Cap Growth and Alger Life Sciences Innovation strategies and the Head of Healthcare. He joined Alger in 2021 with 16 years of investment experience and more than 12 years of experience in scientific and medical research. Before joining Alger, Sanjiv was a portfolio manager for a life sciences fund at Invesco, where he also served as a Senior Healthcare Analyst on a global fund. Prior to that, Sanjiv was an Associate Principal at McKinsey & Company, where he led consulting teams focused on healthcare, serving industry and private equity globally. Sanjiv’s research experience includes roles as a Research Assistant Professor in the Department of Pharmacology and Physiology at the State University of New York and a Postdoctoral Fellow in the Department of Neuroscience at the University of Pennsylvania, where he helped develop the science of brain-machine interfaces. Sanjiv was also a resident surgeon in Mumbai, India and a professional squash player in the U.S. Sanjiv earned an M.D. from the University of Bombay and both a Ph.D. and an M.B.A. from the University of Pennsylvania.

Amy Y. Zhang, CFA  
Executive Vice President, Portfolio Manager  
Date of Birth: 10/9/70

Amy Y. Zhang is Executive Vice President and Portfolio Manager of the Alger Small Cap Focus, Alger Mid Cap Focus, Alger Mid Cap 40 and Alger Small Cap Growth Strategies. She joined Alger in 2015 and has 27 years of investment experience. Additionally, Amy is a member of The Alger Partners Plan. During her tenure at Alger, she has been featured and quoted in a number of publications such as: The Wall Street Journal, Barron’s, The Financial Times, The New York Times, Citywire, Investor’s Business Daily, Bloomberg, Business Insider, InvestmentNews, MarketWatch, China Business Network, Xinhua, Forbes, CNBC and CNN.

Amy was named one of the “Best Female PMs to Invest with Now” by Morningstar in 2022 and one of the “Top 20 Female Portfolio Managers” by Citywire* in 2021, 2019 and 2018. In 2021, she also won the Women in Asset Management “Active US Equity Manager of the Year” award and was named as one of the 2021 Eurostars by Citywire Selector - Europe’s Top Fund Managers. In 2019, she was a “Women to Watch” honoree by InvestmentNews and in 2018, she was named a “Top Women in Asset Management” by Money Management Executive and one of The Wall Street Journal’s “Best Stock-Fund Managers”.

As a leader dedicated to opportunities for Asian women in professional fields, she was the recipient of Mulan Club’s “Inspiring Master Commandership Leadership Award” in 2021, Mulan Club’s “Charismatic Impactful Leadership Award” in 2020, and “The Mulan Award” in 2018. In addition, she received the “50 Outstanding Asian Americans in Business Award” in 2019. Amy has served as a judge for the Rising Star Award and as a panelist for SupChina Women’s Gala & Conference over the years. She was also part of the judge panel for the 2022 Women in Asset Management Awards.
Prior to joining Alger, Amy worked at Brown Capital Management as a Partner, Managing Director, and Senior Portfolio Manager of its Brown Capital Small Company Strategy, including the Brown Capital Small Company Fund. Her previous experience includes working as a Portfolio Manager/Analyst at Epsilon Investment Management, Research Analyst at Templeton Worldwide, and Associate at Citicorp Securities. She is a former President of the CFA Society Baltimore and is currently chair of their Advisory Board. She served as a member on the Board of Directors, as well as Vice President and Programs Chair for the CFA Society of Stamford. Amy is a board member of Mulan Club. Amy is also a member of the Board of Trustees of Manhattanville College, where she founded the AYZ STEM scholarship. She earned her B.A. from Manhattanville College, where she graduated summa cum laude. She earned her M.B.A. from Columbia Business School, where she was inducted into the Beta Gamma Sigma honor society and named to the Dean’s List. Amy is a CFA charterholder and a member of the CFA Institute.

*Citywire’s methodology ranks the female portfolio managers within its database based on three-year risk-adjusted returns.

(3) Disciplinary Information

Not applicable.

(4) Other Business Activities

None of the investment personnel included in this brochure is actively engaged in another investment or non-investment related business.

None of these individuals is paid commissions or other compensation based on the sale of securities or other investment products.

(5) Additional Compensation

FAM’s supervised persons are not paid additional compensation by FAM to reflect sales. FAM’s Gifts and Entertainment Policy prohibits receipt of gifts with a value greater than $100 annually from any person or entity that does business with FAM or its affiliates.

(6) Supervision

FAM generally manages its client portfolios as a team. As FAM’s Chief Executive Officer and President, Daniel C. Chung, CFA, maintains ultimate responsibility for the company’s management. Mr. Chung also serves as Chief Investment Officer and maintains supervisory responsibilities over the strategies. Mr. Chung’s telephone number is (212) 806-8800.

Each portfolio manager has management discretion over a portion of client assets allocated by strategy.

Investment research reports and recommendations are distributed among the investment team via e-mail and IRN, and the team meets regularly to review investment recommendations for client accounts. All members of the research and investment staff are involved in this process.
Additionally, Greg Adams, CFA serves as FAM’s Director of Quantitative & Risk Management. Mr. Adams regularly analyzes the portfolios and considers a number of measures including both factor and attribution analysis, to help the portfolio managers understand the risk or exposures in their portfolio(s).

FAM monitors portfolio risk and seeks to ensure that all portfolios are comprised of securities where its analysts have a high degree of conviction. FAM’s investment philosophy and proprietary research capabilities allow FAM to try to mitigate risk by thoroughly understanding the securities in its portfolios. Through careful security selection, diversification of holdings (certain FAM strategies may not be diversified) and the investment process, FAM seeks to maintain the desired portfolio characteristics that the portfolio managers expect while managing overall risk.

FAM’s portfolio managers and analysts monitor securities held in client accounts. Generally, each portfolio manager monitors changes at the portfolio, industry, and economic level and analysts focus on specific companies. However, FAM employs a bottom-up securities selection process, and therefore the portfolio weighting in a particular industry or an economic sector is generally the result of individual security selection.

FAM manages multiple strategies for multiple client types which at times can have exposure to a company through ownership of common stock, debt, warrants or other securities issued by the same company. When this situation exists, FAM will identify any potential conflicts, seek to mitigate the conflicts and provide adequate disclosures and reporting to clients.

FAM additionally analyzes each portfolio and considers a number of measures, including attribution analysis, factor analysis, sector and industry exposure, and concentration of holdings to help the portfolio managers understand certain risk parameters of their portfolios. FAM also uses other modeling tools to monitor the risk profile of portfolios versus their relevant benchmarks. FAM uses such reports to seek to understand portfolio characteristics and to highlight any unintentional exposure.

Notwithstanding the risk control measures FAM has in place, it is important for clients to consider the risk of loss associated with investing in securities and, in particular, growth equity securities, and the specific risks associated with their accounts. All clients should recognize that investing in securities involves the risk of loss. For a more extensive discussion of such risks, please refer to Item 8: Methods of Analysis, Investment Strategies and Risk of Loss in FAM’s brochure.

Portfolio Monitoring

- Portfolio managers monitor all FAM’s client portfolios.
- Transactions in each client portfolio are monitored to ensure that they are appropriate to the goals of the client.
- Portfolio managers and analysts monitor holdings and their trading patterns.
- Account performance is reviewed regularly by the portfolio managers and reported to clients by FAM’s Institutional Sales & Service team, FAM’s administrative team, or other parties that perform such functions on behalf of FAM.
Optimization

For certain FAM strategies, portfolio managers may continually optimize the portfolios in an effort to have the weighting of the investments reflect the best ideas of FAM’s research team while maintaining the highest appreciation potential to the internally generated price target. The portfolio managers are constantly challenging the conviction of the analysts’ ideas with the intent of ensuring that their best ideas in the optimal weightings are included in the portfolios.

Liquidity

FAM generally seeks to hold no more than 10 days of trading volume in a company for all of its clients’ portfolios. There may be instances where FAM holds more than this level of a security across all of its client’s portfolios. With respect to the open-end management investment companies that FAM advises, FAM complies with the liquidity requirements of the Investment Company Act of 1940, as amended, and with such funds’ liquidity risk management program.

Monitoring Compliance with Client and Regulatory Guidelines

FAM’s portfolio management system, Charles River, serves as its pre- and post-trade compliance and trading platforms.

Guidelines and limitations are generally coded in the compliance monitoring system to provide alerts should limits be exceeded and warning thresholds to monitor portfolio concentrations that are approaching regulatory or client limitations. The pre-trade aspect of the system operates based on the previous business day’s closing price with the post-trade portion operating based on the end of the current day closing prices.

If a client or regulatory guideline cannot be coded into the Charles River system, Compliance works with various other parts of the firm to develop reporting to monitor such guideline.

Additional portfolio monitoring tools such as FactSet and Bloomberg may be used to monitor news and prices of current positions and stocks that may affect current or future holdings.
This brochure provides information about the qualifications and business practices of Weatherbie Capital, LLC (“Weatherbie”). If you have any questions about the contents of this brochure, please contact us at (617) 951-2550. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Weatherbie is available on the SEC’s website at www.adviserinfo.sec.gov.

Please note that registration of Weatherbie with the SEC does not imply any level of skill or training.
(2) Material Changes:

The last annual updating amendment to this brochure was dated March 30, 2022. Material changes to this brochure since the March 2022 annual update include amendments to the following items:

**Item 4 – Advisory Business:** Updated disclosure regarding the type of advisory services offered

**Item 5 – Fees and Compensation:** Added disclosure regarding brokerage through an affiliate, Fred Alger & Company, LLC

**Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss:** Updated investment strategy and risk disclosure for all available strategies; revised disclosure regarding investment processes applicable to specific strategies; added disclosure regarding certain additional risks applicable to the strategies

**Item 10 – Other Financial Industry Activities and Affiliates:** Added disclosure regarding Weatherbie’s affiliation with Fred Alger & Company, LLC

**Item 12 – Brokerage Practices:** Added disclosure regarding Weatherbie’s authorization to place trades through an affiliate; added to list of services paid with soft dollars; added to disclosure regarding brokerage practices with respect to wrap programs

**Item 17 – Voting Client Securities:** Clarified disclosure regarding client requests for how Weatherbie votes proxies
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1 The SEC requires advisers to use a certain format and certain headings for this Brochure. To the extent that a particular item does not apply to Weatherbie’s business, we will indicate that it is not applicable.
(4) Advisory Business:

Introduction

Weatherbie is an independent and privately owned investment advisory firm that was founded in 1995. Weatherbie is wholly-owned by Alger-Weatherbie Holdings, LLC, which, in turn, is wholly-owned by Alger Group Holdings, LLC (“AGH”), which, in turn, is wholly-owned by Alger Associates, Inc. (“AAI”). Weatherbie is under common ownership with Fred Alger Management, LLC, a registered investment adviser (“FAM”). Alexandra D. Alger, Hilary M. Alger and Nicole D. Alger together own (directly or through trusts they have created for the benefit of their families) approximately 35%, 35% and 29%, respectively, of AAI.

Weatherbie provides both discretionary and non-discretionary investment advisory services to institutional investors through separate accounts, U.S. and foreign registered and privately offered pooled investment vehicles, as well as through a third-party sponsored pooled investment vehicle and a bank sponsored collective investment trust; and to retail investors through wrap programs and U.S. and foreign registered pooled investment vehicles.

Weatherbie specializes in the research and portfolio management of small- and mid-cap growth equity stock portfolios, principally stocks traded on U.S. exchanges. The portfolios may also hold American Depositary Receipts. To a lesser extent, Weatherbie also provides investment advice with respect to other securities, including options contracts on various securities and securities indices, warrants, private placements, mutual fund shares, swaps, and United States Government and Agency securities.

Weatherbie offers multiple investment strategies, including Growth, Specialized Growth, Enduring Growth, Long/Short, and Select 15. Weatherbie also sub-advises a portion of the Dynamic Opportunities Strategy, which is managed by Weatherbie’s affiliate, FAM. Please see FAM’s Form ADV Part 2A for additional information on this strategy.

Clients and/or relevant laws, rules, or regulations may impose restrictions on investing in certain securities, certain types of securities, or the percentage of ownership in any single security, sector or industry. In addition, each of Weatherbie’s strategies follows a specific investment discipline with their own portfolio construction parameters. Accordingly, Weatherbie will not enter into an advisory relationship with any prospective client whose investment objectives are incompatible with Weatherbie’s investment philosophy or strategies or who seeks to impose unduly restrictive guidelines.

Wrap Fee Programs

Clients may access certain of Weatherbie’s investment strategies through programs sponsored by unaffiliated financial intermediaries, advisers or planners in which Weatherbie serves as an investment sub-adviser (“wrap programs”). The wrap programs for which Weatherbie serves as an investment sub-adviser are listed in Section 5.I.(2) of Weatherbie’s Form ADV Part 1, a copy of which is available either 1) on request or 2) on the Securities and Exchange Commission’s website at the following link:

https://www.adviserinfo.sec.gov/Firm/105991
Weatherbie offers advisory services through the following types of wrap programs:

**Single Contract Program**

In Single Contract Wrap Programs, clients generally pay the sponsor a single fee (the wrap fee), FAM receives a percentage of the wrap fee for its services from the sponsor, Weatherbie receives a percentage of the wrap fee for its services from FAM, and the sponsor generally executes trades and administers the account without additional charges to FAM or Weatherbie. Each client enters into an agreement with the sponsor of the wrap program, and each investment manager available in the program maintains a sub-advisory agreement with the sponsor of the wrap program, to provide discretionary advisory services to the clients.

**Dual Contract Program**

In Dual Contract Wrap Programs, sponsors offer clients a package of services including trade execution and account administration. Weatherbie and its affiliates are directed by clients in these wrap programs to effect transactions for their accounts through the program sponsor or the sponsor’s broker-dealer affiliate. Fees and services are unbundled and Weatherbie and its affiliates enter into an investment advisory agreement with the client, who then enters into a separate contract with the sponsor, which covers custodian, brokerage and other service provider fees. Although fees and services are unbundled, clients do not pay Weatherbie and its affiliates directly for its investment management services, but instead direct payments through the program sponsor or the sponsor’s broker-dealer affiliate. The sponsor then remits payment to Weatherbie or its affiliates for its investment advisory services.

**Model Portfolio Program**

In a Model Portfolio Program, Weatherbie enters into an agreement with the sponsor to provide an initial model portfolio to the sponsor, which the sponsor then seeks to replicate for its clients. Weatherbie will then regularly provide updated model portfolios to sponsors as positions and position weightings change for a strategy. Weatherbie does not place trades on behalf of accounts in these programs and therefore has no ability to ensure that accounts conform to the model portfolio provided. Trades for model portfolios may be placed by the sponsor after Weatherbie has placed trades for wrap programs and other clients for which it serves as investment adviser. The sponsor remits payment to FAM for its investment advisory services.

**Management of Wrap Programs**

In managing accounts in a wrap program, Weatherbie generally does not invest in limited partnerships, and illiquid or foreign securities not traded on a U.S. exchange, and such accounts will not participate in allocations of initial public offerings. Weatherbie also attempts to minimize the tax impact of portfolio transactions. Weatherbie seeks to avoid purchasing securities taxed as partnerships for wrap clients due to the tax implications of such investments. In an effort to minimize the volume of trading for accounts in a wrap program, Weatherbie generally has a minimum position size for a transaction. Such minimum position size may not exist for non-wrap accounts. Finally, certain wrap sponsors or clients may impose security restrictions as well as minimum cash limits on their accounts. As a result, Weatherbie may choose to impose the most restrictive limit across wrap sponsors in the affected strategy(ies).
Additionally, because wrap clients generally pay the wrap sponsor to effect transactions for their accounts, Weatherbie generally does not aggregate transactions on behalf of wrap program accounts with non-wrap accounts. Because of this and the portfolio limitations discussed above, the timing of trades for wrap accounts may differ from other accounts and will generally be made later in time than for other accounts managed by Weatherbie (see Item 12: Brokerage Practices, for details about Weatherbie’s trading practices for wrap accounts). Further, Weatherbie maintains relationships with multiple sponsors, and transactions through different sponsors are also not aggregated. As a result, trades placed by Weatherbie for wrap accounts are on a “rotational” basis among all sponsors. Trade allocation of the wrap programs is discussed in more detail in Item 12: Brokerage Practices.

The practices described above may cause a wrap program account’s performance to diverge from another account managed by Weatherbie according to the same strategy.

With respect to wrap program accounts subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA” and such accounts “Plan Accounts”), Weatherbie provides services both as a registered investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) and as a fiduciary as that term is defined in Section 3(21)(A) of ERISA with respect to the Plan Accounts. Under these arrangements, Weatherbie and/or its affiliates are selected on behalf of the Plan Accounts by the wrap sponsor or by a plan fiduciary other than Weatherbie or its affiliates to supervise and direct the investment of certain assets of the Plan Accounts, in accordance with the investment strategy selected for the Plan Accounts. Weatherbie may also, from time to time, perform certain related services in respect of the supervision and direction of the investment of such assets of the Plan Accounts and in relation to the wrap program. These may include, for example, account reconciliation, data management, provisions of research or market-related information or other customary ancillary services. These additional services are provided at no cost to the wrap sponsor or any Plan Account.

Given the structure of the wrap program and the fact that payments to Weatherbie are paid by FAM, who receives payments directly from the wrap sponsor, Weatherbie does not believe it receives any direct compensation from clients who participate in the wrap programs (including Plan Accounts). The wrap sponsor is responsible for billing and collecting any fees owed by clients to the wrap sponsor pursuant to such accounts’ participation in the wrap program.

Each client’s ability to allocate, reallocate or redeem its investment in the strategy under the wrap program is governed by the terms of the client’s agreement with the wrap sponsor and as is disclosed by the wrap sponsor. Any termination-related provisions would be found in the agreement between the client and the wrap sponsor.

As discussed below under the heading “Custodial and Brokerage Fees” with respect to the wrap program, Weatherbie does not direct client brokerage transactions, including those of the Plan Accounts, to any broker-dealer in exchange for products and services (e.g., research) or otherwise participate in “soft dollar” arrangements.

Client Assets Under Management

As of December 31, 2022, Weatherbie had $2,308,087,878 in discretionary assets under management for clients.
(5) Fees and Compensation:

Weatherbie is generally paid an advisory fee, calculated as a percentage of assets under management. Weatherbie’s standard fee schedules are presented below. Fees are negotiable, and as a result, potential or existing clients may pay lower fees than those noted below and one client may pay a higher fee to Weatherbie than a second client who is receiving substantially similar services. Weatherbie generally applies an alternate schedule with lower fees to clients whose assets under management ("AUM") are greater than $100 million. In addition, there are many other factors which could lead to a client paying a fee which deviates from the standard fee schedule or from a different client who is receiving substantially similar services. Such factors may include, but are not limited to, the level of investment management activity and supervision required, the size of the client's account, the number of client accounts managed, the length of the relationship, the nature of the discretionary services provided, the types of investment guidelines and restrictions applicable to the account, the level of client service required, or Weatherbie’s addition of a new strategy or attempt to increase assets in an existing strategy or in a new distribution channel. Also, as is more fully discussed below, some clients may pay Weatherbie a performance-based fee for investment advisory services.

Clients are generally billed in arrears either on a monthly or quarterly basis with billing generally based on the account total market value at the end of the billing periods or the average net asset value over the billing period. With respect to clients that are billed in advance if the advisory contract is terminated before the end of the billing period, Weatherbie will generally refund a pro rata portion of the advisory fee.

Employees and affiliates of Weatherbie may hire Weatherbie for investment advisory services and may be charged reduced or no advisory fees. Wrap account clients are generally billed by the wrap program sponsor, with a portion of such fee paid to Weatherbie as discussed below.

Fee Schedule

<table>
<thead>
<tr>
<th>Select 15</th>
<th>Specialized Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.95% First $25 million</td>
<td>0.85% First $60 million</td>
</tr>
<tr>
<td>0.90% Next $25 million</td>
<td>0.75% Next $40 million</td>
</tr>
<tr>
<td>0.85% Next $50 million</td>
<td>0.60% Next $150 million</td>
</tr>
<tr>
<td>0.80% Over $100 million</td>
<td>0.50% Over $250 million</td>
</tr>
</tbody>
</table>
### Long/Short

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Fee Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.75%</td>
<td>Management Fee</td>
</tr>
<tr>
<td>15%</td>
<td>Performance Fee</td>
</tr>
</tbody>
</table>

### Enduring Growth

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Fee Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.75%</td>
<td>First $25 million</td>
</tr>
<tr>
<td>0.70%</td>
<td>Next $25 million</td>
</tr>
<tr>
<td>0.65%</td>
<td>Next $50 million</td>
</tr>
<tr>
<td>0.60%</td>
<td>Over $100 million</td>
</tr>
</tbody>
</table>

#### Wrap Program Fee Structures

For its services in wrap programs, Weatherbie generally receives fees ranging between 0.30% and 0.50% of an account’s market value annually.

#### Custodial and Brokerage Fees

Each client (other than wrap program clients described above) must select a custodian (generally a bank or broker-dealer) to provide custodial services in connection with the management of its account. The cost of these services is not included in Weatherbie’s advisory fees. Clients will also be responsible for paying any additional costs charged by custodians. These additional costs may include, but are not limited to:

- Costs relating to exchanging foreign currencies
- Odd lot differentials
- Regulatory fees (e.g., fees charged by the SEC or exchanges)
- Transfer taxes, wire transfer fees, postage fees, auction fees, foreign clearing and settlement fees, and other fees or taxes required by law.
- Registered pooled investment vehicle expenses

Weatherbie’s advisory fees also generally do not include the costs, expenses or commissions that a broker or dealer may charge in connection with transactions executed on behalf of an account. Brokerage is discussed in more detail in Item 12: Brokerage Practices. These brokerage costs are generally borne directly by clients. Weatherbie’s fees also do not cover mark-ups and mark-downs or dealer spreads that broker-dealers may receive when acting as principal in certain transactions, or the amount of any annual retirement plan fees, or the fees and expenses a client may incur as a shareholder of a registered pooled investment vehicle.

For wrap program accounts, Weatherbie generally does not negotiate brokerage commissions or other costs related to the execution of trades because those charges are generally included in the single fee paid by the client to the sponsor, and the client has generally contractually agreed to execute trades through the wrap sponsor. In the event that Weatherbie selects a broker-dealer other than the sponsor, the client would typically pay a commission, concession, or dealer mark-up or mark-down in addition to the wrap fee paid to the sponsor as well as other administrative fees to settle such a transaction.
Brokerage Through FAC

Fred Alger & Company, LLC (“FAC”), an affiliate of Weatherbie, is a registered broker-dealer. FAC does not conduct public brokerage business and generally limits its execution services to trades placed on behalf of Weatherbie’s or FAM’s clients. Subject to the requirements of applicable law, it is at the client’s discretion whether FAC will be included among other non-affiliated broker-dealers selected by Weatherbie for trade execution. Further, clients may instruct Weatherbie to place trades with specific broker-dealers, which Weatherbie will do on a best-efforts basis. Weatherbie does not reduce its advisory fees to offset any commission fees FAC charges. On a regular basis, Weatherbie evaluates whether the commissions, rates and fees charged by FAC are commercially reasonable. For some accounts, Weatherbie charges only a fixed annual advisory fee and no commissions are charged. Information about Weatherbie’s conflicts related to its affiliates, such as FAC, is described more fully below in Item 10: Other Financial Activities and Affiliations.

Investment Vehicle Fees

Investors may access Weatherbie’s capabilities through U.S. and foreign registered and privately offered pooled investment vehicles advised or sub-advised by Weatherbie. In such cases, Weatherbie or its affiliates may receive, in addition to advisory fees, performance-based, shareholder servicing, administration, co-administration and/or distribution fees directly from the vehicles, from the investors in the vehicles, and/or from other investment advisers’ registered pooled investment vehicles for which Weatherbie acts as an adviser or sub-adviser. The fees and other contractual arrangements for each of these vehicles are described in the prospectus or other offering documents for each such vehicle and differ from the separate account fees described above.

Subject to requirements of applicable law and the consent of each client (if applicable), Weatherbie may invest its client assets in pooled investment vehicles managed by Weatherbie or FAM, up to the limits permitted under the Investment Company Act of 1940, as amended (the “1940 Act”). In the event of investment of a client’s assets in such pooled vehicles, Weatherbie will take steps in accordance with applicable law to avoid having the client pay duplicative fees; however, for accounts not governed by the requirements of the 1940 Act, there can be no assurance that duplicative fees will not be charged.

Compensation for the Sale of Securities and Other Investment Products

While Weatherbie generally does not receive compensation for sales of Weatherbie advised or sub-advised investment products, FAC serves as the principal underwriter for certain registered pooled investment vehicles sub-advised by Weatherbie and generally receives an asset-based fee for distribution or shareholder servicing from the mutual funds advised by Weatherbie. Additionally, FAC may also receive fees related to contingent deferred sales charges of certain share classes of mutual funds advised or sub-advised by Weatherbie.

FAC sales personnel may receive as compensation a portion of the fees earned by Weatherbie as well as a portion of the fees received by FAC. Such compensation may be higher for some products or services than others and thus the incentive to sell those products may be greater.
To the extent Weatherbie offers its services through pooled investment vehicles such as mutual funds and exchange-traded funds (“ETFs”), clients may purchase these products through brokers or agents that are not affiliated with Weatherbie. Weatherbie, or its affiliates, may enter into revenue-sharing arrangements or other types of fee sharing arrangements, such as administrative and sub-transfer agency and accounting arrangements, with these brokers or agents and such arrangements differ depending on the broker-dealer or agent. A purchase or sale through a given broker or agent therefore may result in greater profit to Weatherbie or its affiliates than a purchase or sale through another, depending on the particular revenue-sharing arrangement.

(6) Performance Based Fees and Side-by-Side Management:

Weatherbie currently has clients from whom it receives performance-based fees, in addition to advisory fees. These clients include separate accounts and unregistered pooled investment vehicles. These accounts are managed by personnel of Weatherbie who also have portfolio management responsibilities to accounts for which only asset-based advisory fees are received. As a result, in situations where Weatherbie personnel have portfolio management responsibilities for both performance fee-based accounts and non-performance fee-based accounts, an inherent conflict of interest is present.

To attempt to mitigate these conflicts, Weatherbie’s policies and procedures seek to ensure that investment personnel make decisions based on the best interests of clients, without consideration of Weatherbie’s economic or pecuniary interests. Trades for performance fee-based accounts are reviewed periodically to ensure such accounts are not systematically favored.

(7) Types of Clients:

Weatherbie offers investment advice to religious organizations, foundations/endowments, corporate pensions, public plans, Taft-Hartley clients, sub-advisory clients, and other types of institutional investors and platforms. Weatherbie also offers investment advice to individual investors through separately managed accounts (including wrap fee programs).

Weatherbie’s clients also include various taxable and tax-exempt institutions, and publicly and privately offered pooled investment vehicles, both domestic and foreign.

Weatherbie typically requires a minimum asset size of $5 million for separate account advisory services (other than wrap program accounts). Weatherbie may, in its discretion, waive the asset minimum for a number of reasons, including, but not limited to, clients or consultants having multiple relationships with Weatherbie, specialty asset class assignments such as environmental, social and governance (“ESG”) mandates, or clients who are willing to pay the fee equivalent of the minimum asset size. Weatherbie may also waive the asset minimum when it is adding a new strategy or trying to increase assets in an existing strategy or distribution channel.

Weatherbie generally requires a minimum asset size ranging from $50,000 to $100,000 for wrap program accounts, depending on the investment strategy and sponsor arrangement. The minimum asset size may be waived in some cases (see Item 5: Fees and Compensation). Please confirm with the sponsor prior to investing.
Minimum investments for registered pooled investment vehicles and interests in privately offered pooled investment vehicles are listed in the offering material for each such fund or vehicle.

(8) Methods of Analysis, Investment Strategies and Risk of Loss:

Weatherbie’s strategies, summarized in the “Investment Strategies” section below, generally follow the philosophy and investment process described in the “Investment Philosophy” and “Investment Process” sections below.

Investment Philosophy

At Weatherbie, we are quality growth stock investors. We utilize a disciplined approach to stock valuation that seeks to ensure companies owned have strong earnings growth and also are sound stock market values. We have developed a substantial base of knowledge on these companies, have known and met with the management of many of them and have an extensive network of business contacts throughout the country. Some successful small- and mid-sized companies grow too large and become fully discovered, established growth stocks. Some suffer fundamental deterioration to the point where they no longer qualify for our consideration. Some companies are merged into or acquire others, requiring their removal from consideration, and all relevant new companies coming public for the first time must be assessed for their suitability for eventual inclusion.

On the long side, we look for companies which we believe have enduring competitive advantages and realizing rapid growth, with proven track records by experienced management teams, and the potential for high sales and earnings growth, known as “Foundation Growth Stocks”, as they are expected to consistently meet or exceed our forecasts. We also believe that we should be positioned to take advantage of what we believe are pricing distortions that arise when growth companies temporarily disappoint investors by investing in what we call “Opportunity Growth Stocks”, i.e., younger companies with promising growth potential, and high-growth companies with temporarily depressed earnings and experiencing change that we believe will accelerate earnings growth.

On the short side, we look for what we believe are deteriorating fundamentals such as intensifying competition, slowing revenue growth, pressured margins, shrinking cash flow and worsening balance sheets. We believe changes in fundamentals lead companies to fall short of consensus expectations, triggering price declines.

Investment Strategies

Select 15: the Select 15 strategy invests in approximately 15 holdings of primarily smaller capitalization growth equity securities identified through our fundamental research as having attractive growth and quality characteristics.

Specialized Growth: the Specialized Growth strategy invests in a focused portfolio of approximately 50 holdings of primarily small- and mid-cap companies identified through our fundamental research as demonstrating promising growth potential.
Enduring Growth: the Enduring Growth strategy invests in a focused portfolio of no more than 30 holdings of primarily mid-cap growth companies with an ESG rating of medium or better, as determined by a third-party ESG rating agency, at the time of purchase.

Long/Short: the Long/Short strategy seeks long-term capital appreciation by primarily investing in long and short positions of small- and mid-capitalization U.S. growth equity securities.

Growth: the Growth strategy seeks to earn capital appreciation primarily by investing in equity securities of smaller and medium capitalization growth companies, American Depositary Receipts, and convertible fixed income securities. The strategy may hedge its long positions by taking short positions in ETFs and by selling individual securities short “against the box.”

Investment Process

The investment team is responsible for idea generation and managing current positions across the strategies. In general, the investment team follows the long-held beliefs of its founder, Matthew A. Weatherbie, CFA, for what makes for a successful investment. All portfolio managers/analysts are generalists, with coverage across several sectors. Each portfolio manager/analyst has primary responsibility over two to three major growth sectors from which to research companies of potential investment interest. Each portfolio manager of the investment team is responsible for buy and sell decisions.

Our decision-making process is bottom-up. We generally conduct extensive fundamental research, meeting with senior and operating management, conducting site visits, checking with suppliers/competitors/end users, which culminates in the development of our long-term proprietary financial projections and models. Various valuation methodologies are then applied to gauge the absolute and relative attractiveness of the position, which impacts relative position sizing in the account. We invest only when we believe the risk/reward ratio appears to be highly favorable.

We believe the great majority of these growth companies will be found in six growth sectors of the economy, which we refer to as “Dynamic Growth” areas, and are as follows: Consumer, Media & Communications, Healthcare, Diversified Business, Information Services, and Technology.

Our proprietary research on portfolio candidates may include the following:

- The scrutiny of relevant publicly filed financial documents including 10-K’s, 10-Q’s, annual reports, and other SEC filings.
- Scrutiny of relevant trade journals, industry publications, newsletters, and relevant Wall Street research reports.
- Attendance at investment conferences to hear public presentations by management of portfolio candidates.
- Interviews with management of companies being considered for investment at their headquarters.
- Cross-checks of information gleaned from competitors, customers, suppliers, a network of contacts cultivated over the years, and industry expert networks.
- The development of proprietary stock valuation analyses to attempt to ensure companies are only purchased when they represent good stock market values.
• Careful and continuous monitoring of stocks in the portfolio and the replacement of those that do not meet our expectations with others that do.

From our research and investment experience focusing on growth companies, we have developed a detailed and thorough knowledge of approximately 400 companies that meet our quality and growth criteria. We seek to identify high-quality growth companies with these characteristics:

• EPS Growth potential that is greater than 15% throughout the next three to five years
• ROIC that is generally above the cost of capital
• Strong balance sheets and free cash flow
• Seasoned management teams with vested interest in building shareholder value
• Quality business models with sustainable competitive advantage(s)

Typically, only 400 companies meet our initial quality and growth requirements. The candidate companies are discussed by the investment team to determine which candidates should be further researched and to set priorities. If a company meets our stringent quality and growth criteria, and is attractively valued, more intense research is done. The research process typically culminates with a meeting with management to develop insight into their company’s growth prospects and inherent attraction. From this research, we develop our detailed model, which includes proprietary earnings estimates, cash flow, and growth estimates, which drive our valuations to determine if the company represents good value.

Weatherbie may also provide general information with respect to regulatory developments and industry trends affecting or potentially affecting small- and mid-cap equities, and/or research on specific companies to FAM.

When a strategy is co-managed, the responsibilities of such portfolio managers may be shared, divided or otherwise assigned based on various factors including, but not limited to, level of strategy assets to be managed, their experience, their sector expertise, and such other factors as Weatherbie believes is most efficient and effective. In all cases, each portfolio manager collaborates with the other portfolio manager(s) and analysts to develop overall strategy, outlook, and themes, which impact industry, sector and security allocations in the strategy. Responsibilities amongst portfolio managers may be fully or partially allocated to one of the portfolio managers for the purposes of day-to-day portfolio management and stock selection, implementation of trades, strategic and performance oversight, risk management, or oversight of guidelines, whether externally driven or internally developed by Weatherbie.

**Sell Discipline**

A company is generally sold if it no longer meets our quality and growth criteria, if it becomes excessively valued, or if a more attractive opportunity exists for the portfolio. Additionally, it is not uncommon in small cap investing to have a portfolio position acquired by a larger firm. As it relates to the Specialized Growth strategy, we will reduce exposure to a position due to valuation considerations and also trim a position should it grow to 6% of the portfolio. With respect to the Specialized Growth and Select 15 strategies, we typically begin to sell out of a position within 90 days of the position reaching a sustained market cap of $15 billion or more.
Specific to Specialized Growth Strategy

New ideas generally undergo the comprehensive research process described above, and, if attractive, lead to the development of an extensive, proprietary research report. This report is then shared with all members of the investment team for review. After initial review, and if the new investment idea shows promise, the sponsoring analyst requests a research meeting to discuss the new investment. Weatherbie investment team members discuss the idea with three outcomes:

1. The new investment idea is thought to have potential, but there are enough questions raised that the sponsoring analyst is asked to conduct additional research.
2. The new investment idea shows promise but is not considered strong enough to replace one of the current “Weatherbie 50” best ideas.
3. After extensive discussion by the team, the new investment idea is approved for inclusion as a “Weatherbie 50” stock.

Once included as a “Weatherbie 50” stock, each of the Weatherbie Specialized Growth portfolio managers may choose to add the name to his independently managed sleeve. Each portfolio manager constructs a discrete, conviction-weighted sub-portfolio from the “Weatherbie 50.”

Specific to Long/Short Investment Strategy

The Long/Short strategy is managed by multiple portfolio managers/analysts employed by Weatherbie and uses a research driven approach to identify both long and short investment opportunities. The strategy generally expects to hold approximately 40 to 60 long positions and approximately 20 to 60 short positions.

Long Investments

Long investments will generally be made only after thorough fundamental research on portfolio candidates. We seek to invest in companies with certain characteristics, including:

- High and sustainable earnings growth
- Strong balance sheets and high free cash flow
- Seasoned management teams with a vested interest in building shareholder value

Short Investments

For those clients who allow us, we seek to short companies with certain characteristics, including:

- Deteriorating fundamentals
- Intensifying competition
- Slowing revenue growth
- Pressured margins
- Shrinking cash flow
- Low quality balance sheets
- Accounting irregularities
**Specific to Enduring Growth Strategy**

In effecting the Enduring Growth investment strategy, Weatherbie initially employs its fundamental analysis to identify innovative and dynamic companies that demonstrate promising growth potential such as strong earnings growth and sound stock market values. Weatherbie then uses a third-party ESG rating agency’s ESG ratings to determine whether an identified company is an appropriate investment for the Enduring Growth strategy, including determining the impact that the investment would have on the ESG rating of the strategy’s portfolio on a weighted average basis.

**Environmental, Social, Governance**

Weatherbie believes that ESG analysis of certain owned issuers will lead to a more in-depth and comprehensive understanding of such companies, in addition to fostering communication with the issuer regarding ESG considerations. We believe that innovative companies embracing sustainable ESG practices may be able to improve the bottom line for both shareholders and broader society.

Currently, Weatherbie uses third-party research to provide information and guidance on ESG considerations at an industry and security specific level on both a qualitative and quantitative basis.

Weatherbie may change the sources for such information by adding or modifying the information it receives from third-party firms, selecting another third-party firm, using company provided information, or performing internal assessments. To assist with our efforts to incorporate ESG considerations in the investment process, all investment professionals have access to reports and ratings of securities (where the information is available) across certain Weatherbie offerings.

With respect to no less than 75% of the assets under management at Weatherbie, analysts will review the ESG scores of those companies that have been assigned to them. If the company’s ESG rating is medium or better and our research uncovers no other ESG issues, no further ESG analysis is required. If the company is ranked below medium by the third-party market application, Weatherbie will:

1. Identify drivers of ESG score.
2. Interview the company’s management with key questions about ESG issues, progress and evaluate the prospect of positive change.
3. Based on the above research and inquiry, rate the company on two scales of 1 – 5 on the probability and magnitude of the potential for positive ESG change.
4. Publish a report to ensure that all portfolio managers have access to the report that summarizes the company’s ESG issues, the results of the meeting/interview with the company, an ESG rating of the company and any other views the analyst may have. To the extent that the ESG review changes an analyst’s overall view of the company or any aspect of the analyst’s view of the company (e.g., buy or sell, price target, etc.), this must be clearly expressed in the report.
5. Meet with portfolio managers as necessary to discuss the ESG report and the impact it may have on their overall view of the company.

A group of senior personnel at Weatherbie and FAM oversee the ESG initiative.
**Risk Controls**

Weatherbie endeavors to monitor portfolio risk by seeking to ensure that all of its portfolios are comprised of securities where its analysts have a high degree of conviction. Weatherbie’s investment philosophy and proprietary research capabilities are designed to help Weatherbie mitigate risk by thoroughly understanding the securities in its portfolios. Through careful securities selection, diversification of holdings (certain Weatherbie strategies, however, may not be diversified or may be considered “concentrated”) and our investment process, Weatherbie seeks to maintain the desired portfolio characteristics that our portfolio managers expect while managing overall risk.

Weatherbie manages multiple strategies and clients that, at times, can have exposure to a company through ownership of common stock, debt, warrants or other securities issued by the same company. When such situations exist, Weatherbie will take steps to identify any potential conflicts, seek to mitigate any such conflicts and provide adequate disclosures and reporting to clients.

Weatherbie additionally analyzes each strategy’s portfolio and considers a number of measures, including attribution analysis, to help the portfolio managers fully understand certain risk parameters of their portfolios. Weatherbie also uses other tools to monitor the risk profile of portfolios versus their relevant benchmarks. Weatherbie uses reports to actively manage a portfolio’s sector exposures and to seek to understand portfolio characteristics.

Notwithstanding the risk control measures Weatherbie has in place, it is important for clients to consider the risk of loss associated with investing in securities, and the particular risks associated with their accounts. All clients should recognize that investing in securities involves the risk of loss.

**General Risks**

As with any account that invests in equity securities, an investment held in an account advised by Weatherbie will fluctuate in value due to changes in the market prices of its investments. The loss of your investment is a risk of investing. In addition, the account’s investments may not grow as fast as the rate of inflation and equity securities tend to be more volatile than some other investments you could make.

Prices of growth stocks tend to be higher in relation to their companies’ earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile. An investment advised by Weatherbie may be better suited to investors who can tolerate fluctuations in their investment’s value.

The following risks apply generally to strategies managed by Weatherbie:

**Equity Securities Risk**

As with any strategy that invests in stocks, your investment will fluctuate in value, and the loss of your investment is a risk of investing. Because stock markets tend to move in cycles, stock prices overall may decline. A particular stock’s market value may decline as a result of general market conditions that are not related to the issuing company (e.g., adverse economic conditions or
investor sentiment) or due to factors that affect the particular company (e.g., management performance or factors affecting the industry). Also, a strategy’s investments may not grow as fast as the rate of inflation and stocks tend to be more volatile than some other investments you could make, such as bonds.

**Growth Securities Risk**

Prices of growth stocks tend to be higher in relation to their companies’ earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile. An investment in a strategy may be better suited to investors who seek long-term capital growth and can tolerate fluctuations in their investment’s value. Expected growth may not be realized.

**Small Cap Securities Risk**

There may be greater risk investing in small capitalization companies rather than larger, more established companies owing to such factors as more limited product lines or financial resources or lack of management depth. They may be less financially secure than larger, more established companies. They may depend on a small number of key personnel. If a product fails or there are other adverse developments, or if management changes, an investment in a small cap company may lose substantial value. In addition, it is more difficult to get information on smaller companies, which tend to be less well known, have shorter operating histories, do not have significant ownership by large investors and are followed by relatively few securities analysts. The securities of small cap companies generally trade in lower volumes and are subject to greater and more unpredictable price changes than larger cap securities or the market as a whole. In addition, it may be difficult or impossible to liquidate a security position at a time and price acceptable to an account because of the potentially less frequent trading of stocks of smaller market capitalization. Small cap securities may be particularly sensitive to changes in interest rates, borrowing costs and earnings. Investing in small cap securities requires a longer-term view.

**Mid Cap Securities Risk**

There may be greater risk in investing in medium-capitalization companies rather than larger, more established companies due to such factors as inexperienced management and limited product lines or financial resources. It may also be difficult or impossible to liquidate a security position at a time and price acceptable to the strategy because of the potentially less frequent trading of stocks of medium market capitalization.

**Cash Position Risk**

An account may hold a significant portion of its net assets in cash (and cash equivalents), at any time, or for an extended period of time and when taking a temporary defensive position. Weatherbie will determine the amount of a strategy’s assets to be held in cash (or cash equivalents) at its sole discretion, based on such factors as it may consider appropriate under the circumstances. To the extent a strategy holds assets in cash and is otherwise uninvested, the ability of the strategy to meet its objective may be limited. If a strategy holds a large cash position, it may underperform relative to equity securities.
**Diversification**

A client’s account may be exposed to market risk due to many factors, including the movements in interest rates, indexes, market volatility, and security values underlying these instruments. A client’s portfolio may at certain times hold a few security positions that are relatively large in relation to its capital, with the result that a loss in any such position could have a material adverse impact on a client’s portfolio.

**Initial Public Offerings (“IPO”) or (“New Issues”) Risk**

The volume of IPOs and the levels at which the newly issued stocks trade in the secondary market are affected by the performance of the stock market overall. If IPOs are brought to the market, availability may be limited and an account may not be able to buy any shares at the offering price, or if it is able to buy shares, it may not be able to buy as many shares at the offering price as it would like. In addition, the prices of securities involved in IPOs are often subject to greater and more unpredictable price changes than more established stocks. IPOs have the potential to produce substantial gains. There is no assurance that an account will have access to profitable IPOs and therefore investors should not rely on any past gains from IPOs as an indication of future performance. The investment performance of a Strategy during periods when it is unable to invest significantly or at all in IPOs may be lower than during periods when it is able to do so. In addition, as a Strategy increases in size, the impact of IPOs on its performance will generally decrease. Securities issued in IPOs are subject to many of the same risks as investing in companies with smaller market capitalizations. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods.

**Privately Placed Securities Risk**

A private placement is an offering of a company’s securities that is not registered with the SEC and is not offered to the public. The issuers of privately placed securities are not typically subject to the same oversight and regulatory requirements, including disclosure and other investor protection requirements, to which public issuers are subject, and there may be very little public information available about the issuers and their performance. The sale or transfer of privately placed securities may be limited or prohibited by contract or law and such investments are generally considered to be illiquid. Privately placed securities are generally fair valued as they are not traded frequently. An account may be required to hold such positions for several years, if not longer, regardless of valuation, which may cause the account to be less liquid. The illiquidity of the market, as well as the lack of publicly available information regarding these securities, may also adversely affect the ability to arrive at a fair value for certain privately placed securities at certain times and could make it difficult for an account to sell these securities. As a result of the foregoing, investments in private placements can result in substantial or complete losses.

**Sector Risk**

Accounts invested in certain strategies may have a significant portion of their assets allocated to securities of companies conducting business within a single sector, as generally defined by third party sources. Companies in the same sector may be similarly affected by economic, regulatory, political or market events or conditions, which may make the strategy’s returns more vulnerable to unfavorable developments in that sector than a strategy that has a more diversified portfolio.
Generally, the more broadly a strategy invests, the more it spreads risk and potentially reduces the risks of loss and volatility.

*Consumer Discretionary Sector Risk*

The consumer discretionary sector may be affected by changes in domestic and international economies, exchange and interest rates, competition, consumers’ disposable income, consumer preferences, social trends and marketing campaigns.

*Information Technology Sector Risk*

Certain accounts may be more susceptible to risks that may affect companies in the technology sector than if it were invested in a wider variety of companies in unrelated sectors. At times, the performance of such companies will lag the performance of other industries or the broader market as a whole. Certain technology related companies may face special risks that their products or services may not prove to be commercially successful. Technology related companies are also strongly affected by worldwide scientific or technological developments. As a result, their products may rapidly become obsolete. Such companies are also often subject to governmental regulation and may, therefore, be adversely affected by governmental policies. These factors may lead to limited earnings and/or failing profit margins. As a result, the value of technology related companies’ securities may fall or fail to rise. Many technology related companies’ securities have historically been more volatile than other securities, especially over the short term.

*Health Care Sector Risk*

Certain accounts may be more susceptible to risks that may affect companies in the healthcare sector than if it were invested in a wider variety of companies in unrelated sectors. At times, the performance of such companies will lag the performance of other industries or the broader market as a whole, and the performance of such companies may be more volatile. The healthcare field is subject to substantial governmental regulation and may, therefore, be adversely affected by changes in governmental policies. These factors may lead to limited earnings and/or failing profit margins. As a result, the value of healthcare companies’ securities may fall or fail to rise. In addition, companies in the healthcare sector can be significantly affected by intense competition, aggressive pricing, technological innovations, product obsolescence, patent considerations, product compatibility and consumer preferences.

*Number of Holdings (Concentration) Risk*

Weatherbie strategies will generally invest in a small number of issuers, and so may be more vulnerable to changes in the market value of a single issuer and more susceptible to risks associated with a single economic, political, or regulatory occurrence than strategies that have a higher number of holdings. At times, the performance of shares of particular companies will lag the performance of other sectors or the market as a whole. This risk is magnified when a strategy has a small number of holdings. Generally, the more broadly a strategy invests, the more it spreads its risks and potentially reduces the risk of loss and volatility.
Risks of Foreign Investment

Investing in foreign securities involves risks related to the political, social and economic conditions of foreign countries, particularly emerging market countries. These risks may include political instability, exchange control regulations, expropriation, lack of comprehensive information, national policies restricting foreign investment, currency fluctuations, lack of liquidity, potential for market manipulation, less developed or less efficient trading markets, limited access to reliable capital, lack of comprehensive company information, political instability, differing auditing, regulatory and legal standards and lack of accounting and financial reporting standards, inflation and rapid fluctuations in inflation, withholding or other taxes, and operational risks. There may be less stringent government supervision and oversight of foreign markets than in the United States. There may be less corporate financial information publicly available, less stringent investor protection and disclosure standards, and differing auditing and legal standards.

Investment in foreign currencies is subject to the risk that those currencies will decline in value relative to the U.S. dollar, or, in the case of hedged positions, that the U.S. dollar will decline relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time. A decline in the value of foreign currencies relative to the U.S. dollar will reduce the value of securities held by an account and denominated in those currencies. Foreign currencies also are subject to risks caused by inflation, interest rates, budget deficits and low savings rates, political factors and government controls.

Emerging Markets Risk

Certain accounts’ performance will be influenced by political, social and economic factors affecting investments in emerging country issuers. The risks of foreign investments are usually much greater for emerging markets. Investments in emerging markets may be considered speculative. Emerging markets may include those in countries considered emerging or developing by the World Bank, the International Finance Corporation or the United Nations. Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. They are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging markets have far lower trading volumes and less liquidity than developed markets. Since these markets are often small, they may be more likely to suffer sharp and frequent price changes or long-term price depression because of adverse publicity, investor perceptions or the actions of a few large investors. In addition, traditional measures of investment value used in the United States, such as price to earnings ratios, may not apply to certain small markets. Also, there may be less publicly available information about issuers in emerging markets than would be available about issuers in more developed capital markets, and such issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which U.S. companies are subject.

Many emerging markets have histories of political instability and abrupt changes in policies. As a result, their governments are more likely to take actions that are hostile or detrimental to private enterprise or foreign investment than those of more developed countries, including expropriation of assets, confiscatory taxation, high rates of inflation or unfavorable diplomatic developments. In the past, governments of such nations have expropriated substantial amounts of private property, and most claims of the property owners have never been fully settled. There is no assurance that
such expropriations will not reoccur. In such an event, it is possible that a strategy could lose the entire value of its investments in the affected market. Some countries have pervasive corruption and crime that may hinder investments. Certain emerging markets may also face other significant internal or external risks, including the risk of war, and ethnic, religious and racial conflicts. In addition, governments in many emerging market countries participate to a significant degree in their economies and securities markets, which may impair investment and economic growth. National policies that may limit investment opportunities include restrictions on investment in issuers or industries deemed sensitive to national interests.

Emerging markets may also have differing legal systems and the existence or possible imposition of exchange controls, custodial restrictions or other foreign or U.S. governmental laws or restrictions applicable to such investments. Sometimes, they may lack or be in the relatively early development of legal structures governing private and foreign investments and private property. Many emerging markets do not have income tax treaties with the United States, and as a result, investments by a Fund may be subject to higher withholding taxes in such countries. In addition, some countries with emerging markets may impose differential capital gains taxes on foreign investors.

Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because a Fund will need to use brokers and counterparties that are less well capitalized, and custody and registration of assets in some countries may be unreliable. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognize that ownership exists in some emerging markets, and, along with other factors, could result in ownership registration being completely lost. A Fund would absorb any loss resulting from such registration problems and may have no successful claim for compensation. In addition, communications between the United States and emerging market countries may be unreliable, increasing the risk of delayed settlements or losses of security certificates.

Unforeseen Market Events Risk

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats, recessions, or other events may significantly affect the economy and the markets and issuers in which a Strategy invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others and exacerbate other preexisting political, social, and economic risks. Since early 2020, a novel strain of coronavirus (COVID-19) has resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

These types of events, such as the global pandemic caused by COVID-19, may also cause widespread fear and uncertainty and result in, among other things: quarantines, cancellations, and travel restrictions, including border closings; disruptions to business operations, supply chains and customer activity; exchange trading suspensions and closures, and overall reduced liquidity of securities, derivatives, and commodities trading markets; and reductions in consumer demand and economic output. A Strategy could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, the operations of a
Strategy, FAM, and a Strategy’s service providers may be significantly impacted, or even temporarily halted, as a result of any impairment to their information technology and other operational systems, extensive employee illnesses or unavailability, government quarantine measures, and restrictions on travel or meetings and other factors related to public emergencies. Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could negatively impact overall investor sentiment and further increase volatility in securities markets. Other infectious illness outbreaks that may arise in the future could have similar or other unforeseen effects. The duration of this outbreak or others and their effects cannot be determined with certainty.

In addition, global climate change may have an adverse effect on the value of securities and other assets. Economists and others have expressed increasing concern about the potential effects of global climate change on property and security values. Certain issuers, industries and regions may be adversely affected by the impacts of climate change, including on the demand for and the development of goods and services and related production costs, and the impacts of legislation, regulation and international accords related to climate change, as well as any indirect consequences of regulation or business trends driven by climate change.

*Financial Institution Risk and Distress Events*

A client’s account is subject to the risk that one of the banks, brokers, custodians or other financial counterparties (each, a “Financial Institution”) of some or all of a client’s assets or investments fail to timely perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a “Distress Event”). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. If a Financial Institution experiences a Distress Event, Weatherbie, an account, and/or one of its investments may not be able to access deposits, borrowing facilities or other services, either permanently or for an extended period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties during Distress Events, there can be no assurance that such intervention will occur in a future Distress Event or that any such intervention undertaken will be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of Weatherbie to manage an account and its investments, and on the ability of Weatherbie, an account and its underlying investments to maintain operations, which in each case could result in significant losses and in unconsummated investment acquisitions and dispositions. Such losses could include a loss of assets or the inability of an account to acquire or dispose of investments, or acquire or dispose of such investments at prices that the Weatherbie believes reflect the fair value of such investments.
If a Distress Event leads to a loss of access to a Financial Institution’s services, it is also possible that an account will incur additional expenses or delays in putting in place alternative arrangements or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). Although Weatherbie expects to exercise contractual remedies under agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. An account and its investments are subject to similar risks if a Financial Institution utilized by investors in an account or by suppliers, vendors, service providers or other counterparties of an account becomes subject to a Distress Event, which could have a material adverse effect on a client’s account.

Risks of Investing in Derivative Instruments

Certain accounts can invest in derivative instruments. Weatherbie currently expects that the primary uses of derivatives will involve: (1) purchasing put and call options and writing (i.e., selling) covered put and call options, on securities and securities indexes, to increase gain, to hedge against the risk of unfavorable price movements in the underlying securities, or to provide diversification of risk, (2) entering into forward currency contracts to hedge the account’s foreign currency exposure when it holds, or proposes to hold, non-U.S. dollar denominated securities, and (3) entering into total return swap contracts on securities or securities indexes to increase gain by obtaining short exposure to securities or securities indexes that Weatherbie believes will underperform on a relative or absolute basis.

A small investment in derivatives could have a potentially large impact on an account’s performance. When purchasing options, the account bears the risk that if the market value of the underlying security does not move to a level that would make exercise of the option profitable, the option will expire unexercised. When a covered call option written by the account is exercised, the account will not participate in any increase in the underlying security’s value above the exercise price. When a put option written by the account is exercised, the account will be required to purchase the underlying security at a price in excess of its market value. Use of options on securities indexes is subject to the risk that trading in the options may be interrupted if trading in certain securities included in the index is interrupted, the risk that price movements in the account’s portfolio securities may not correlate precisely with movements in the level of an index, and the risk that Weatherbie may not correctly predict movements in the direction of a particular market or of the stock market generally. Because certain options may require settlement in cash, the account may be forced to liquidate portfolio securities to meet settlement obligations. Forward currency contracts are subject to currency exchange rate risks. All derivatives are subject to the risk of non-performance by the contract counterparty.

Risks of Selling Securities Short

Certain accounts may sell securities short, which is the sale of a security the account does not own. The account arranges with a broker to borrow the security being sold short and replaces the security by buying it at the current market price when it closes the short sale. If the price of the security sold short has increased since the time of the short sale, the account will incur a loss in addition to the costs associated with establishing, maintaining and closing out the short position. If the price of the security sold short has decreased since the time of the short sale, the account will experience a gain to the extent the difference in price is greater than these costs. A short sale creates the risk
of a theoretically unlimited loss, in that the price of the underlying security could increase without limit. Furthermore, there can be no assurance that the security necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of securities to rise further, thereby exacerbating the loss.

Use of Alternative Data Risk

Weatherbie may obtain and use alternative data as one of many data points in its investment process. Alternative data may consist of datasets that have been culled from a variety of sources, such as internet usage, payment records, financial transactions, weather and other physical phenomena sensors, applications and devices (such as smartphones) that generate location and mobility data, data gathered by satellites, and government and other public records databases (this data is sometimes referred to as “big data” or “alternative data”). Weatherbie may use alternative data in a variety of ways, including by incorporating it into fundamental research of companies, to better anticipate micro- and macro-economic trends, and otherwise to develop or improve trading or investment themes. The analysis and interpretation of alternative data involves a high degree of uncertainty. No assurance can be given that Weatherbie will be successful in utilizing alternative data in its investment process. Weatherbie has implemented policies and procedures that seek to mitigate the risk of receipt and use of material nonpublic information (“MNPI”) through its alternative data subscriptions. Notwithstanding the implementation of such policies and procedures, Weatherbie cannot ensure that the alternative data it has subscribed to does not contain MNPI. Moreover, there has been increased scrutiny from a variety of regulators regarding the use of alternative data in this manner, and its use or misuse under current or future laws and regulations could create liability for Weatherbie and its clients in numerous jurisdictions. Weatherbie cannot predict what, if any, regulatory or other actions may be asserted with regard to alternative data, but any adverse inquiries or formal actions could cause reputational, financial, or other harm to Weatherbie or its clients. Conversely, any future limitations on the use of alternative data could have a material adverse impact on the performance of the accounts that Weatherbie manages.

Cyber Security Risk

With the increasing use of the internet and technology in connection with business operations, the Strategies and related service providers are susceptible to greater operational and information security risks through breaches of cyber security. Cyber security breaches include stealing or corrupting data maintained online or digitally, “denial of service” attacks on websites, the unauthorized monitoring, misuse, loss, destruction or corruption of confidential information, unauthorized access to systems, compromises to networks or devices that the Strategies and their service providers use to service operations, and operational disruption or failures in the physical infrastructure or operating systems that support the Strategies and their service providers. Cyber security breaches affecting a Strategy or a Strategy’s service providers may adversely impact the Strategy and its shareholders, potentially resulting in financial losses or the inability of the Strategy to transact business. For instance, cyber security breaches may interfere with the processing of shareholder transactions, impact a Strategy’s ability to calculate NAVs, cause the release of private shareholder information or confidential business information, impede trading, subject the Strategies to regulatory fines or financial losses and/or cause reputational damage. The Strategies may also incur additional costs for cyber security risk management programs designed to mitigate or prevent the risk of cyber security breaches. Such costs may be ongoing because threats of cyber-attacks are constantly evolving. Issuers of securities in which the
Strategies invest are also subject to similar cyber security risks, which could result in material adverse consequences for such issuers and may cause the Strategy’s investment in such companies to lose value. There can be no assurance that the Strategies or their service providers, or the issuers of the securities in which the Strategies invest, will not suffer losses relating to cyber security breaches in the future. In addition, Weatherbie has no control over the cybersecurity protections established by its service providers or third-party vendors. Despite reasonable precautions, the risk remains that such incidents could occur, and that such incidents could cause damage to individual investors due to the risk of exposing confidential personal data about investors to unintended parties. In addition, Weatherbie has no control over the cybersecurity protections established by their service providers or third-party vendors. Despite reasonable precautions, the risk remains that such incidents could occur, and that such incidents could cause damage to individual investors due to the risk of exposing confidential personal data about investors to unintended parties.

Risk of Investing in Cryptocurrencies

Cryptocurrencies (also referred to as “virtual currencies” and “digital currencies”) are financial instruments which exist in a digital form and may act as a store of wealth, a medium of exchange or an investment asset. Cryptocurrency is an emerging asset class. There are thousands of cryptocurrencies. A strategy will generally not invest directly in cryptocurrencies.

Some issuers have begun to accept cryptocurrency for payment of services, use cryptocurrencies as reserve assets or invest in cryptocurrencies and, to the extent consistent with its fundamental investment restrictions, a strategy may invest in (i) securities of such issuers, (ii) securities of issuers which provide cryptocurrency-related services, (iii) futures contracts based on cryptocurrencies, (iv) investment vehicles that invest directly in cryptocurrencies, or (v) investment vehicles, such as ETFs, that have indirect exposure to cryptocurrencies by investing in the foregoing.

Cryptocurrencies are not backed by any government, corporation, or other identified body. Rather, the value of a cryptocurrency is determined by other factors, such as the perceived future prospects or the supply and demand for such cryptocurrency in the global market for the trading of cryptocurrency. Such trading markets are generally unregulated and may be more exposed to operational or technical issues as well as fraud or manipulation in comparison to established, regulated exchanges for securities, derivatives and traditional currencies. The value of a cryptocurrency may decline precipitously (including to zero) for a variety of reasons, including, but not limited to, regulatory changes, a loss of confidence in its network or a change in user preference to other cryptocurrencies. An issuer that owns cryptocurrencies may experience custody issues, and may lose its cryptocurrency holdings through theft, hacking, and technical glitches in the applicable blockchain. A strategy may experience losses as a result of the decline in value of its securities of issuers that own cryptocurrencies or which provide cryptocurrency-related services. If an issuer that owns cryptocurrencies intends to pay a dividend using such holdings or to otherwise make a distribution of such holdings to its stockholders, such dividends or distributions may face regulatory, operational and technical issues.

Factors affecting the further development of cryptocurrency include, but are not limited to: continued worldwide growth of, or possible cessation of or reversal in, the adoption and use of cryptocurrencies and other digital assets; the developing regulatory environment relating to
cryptocurrencies, including the characterization of cryptocurrencies as currencies, commodities, or securities, the tax treatment of cryptocurrencies, and government and quasi-government regulation or restrictions on, or regulation of access to and operation of, cryptocurrency networks and the exchanges on which cryptocurrencies trade, including anti-money laundering regulations and requirements; perceptions regarding the environmental impact of a cryptocurrency; changes in consumer demographics and public preferences; general economic conditions; maintenance and development of open-source software protocols; the availability and popularity of other forms or methods of buying and selling goods and services; the use of the networks supporting digital assets, such as those for developing smart contracts and distributed applications; and general risks tied to the use of information technologies, including cyber risks. A hack or failure of one cryptocurrency may lead to a loss in confidence in, and thus decreased usage and/or value of, other cryptocurrencies.

Standardized, cash-settled bitcoin futures contracts traded on commodity exchanges registered with the Commodity Futures Trading Commission. Currently, the only such contracts are traded on, or subject to the rules of, the Chicago Mercantile Exchange.

**Additional Risks Associated with Certain Weatherbie Strategies**

Some of the specific types of strategies Weatherbie employs can create additional risks beyond those already discussed. Listed below are these strategies and a description of these additional risks.

*Exchange-Traded Fund ("ETF") Risk*

This risk applies to the Long/Short strategies.

ETFs will bear additional expenses based on its pro rata share of the ETFs operating expense, including the potential duplication of management fees. The risk of owning an ETF generally reflects the risks of owning the underlying securities the ETF holds. This transaction also incurs brokerage costs.

*Risks of Levered Accounts*

This risk applies to the Growth and Long/Short strategies.

The cost of borrowing money to leverage may exceed the returns for the securities purchased, or securities purchased may actually go down in value; thus, an account’s value can decrease more quickly than if the account had not borrowed.

*ESG Risks*

This risk applies to the Enduring Growth strategy.

Weatherbie’s use of a third-party ESG rating agency to implement the Enduring Growth investment strategy may result in the selection or exclusion of securities of certain issuers in and from the Enduring Growth strategy’s portfolio for reasons other than financial performance, and carries the risk that the strategy’s investment returns may underperform funds that do not utilize an ESG rating agency or employ another type of ESG investment strategy. The application of this
strategy may affect the strategy’s investment exposure to certain companies, sectors, regions, countries or types of investments, which could negatively impact the strategy’s performance depending on whether such investments are in or out of favor. In evaluating a particular issuer’s ESG rating, as well as the strategy’s weighted average ESG rating, Weatherbie relies exclusively on the third-party ESG rating agency and, therefore, is dependent upon information and data from the ESG rating agency that may be incomplete or inaccurate, or that may present conflicting information and data with respect to an issuer than other third-party ESG data providers utilized throughout the industry. Determining a company’s ESG rating is inherently subjective and the ESG rating agency’s assessment of a company, based on its proprietary methodology may differ from that of other third-party ESG rating agencies, other funds, or an investor. As a result, the Enduring Growth strategy may invest in companies that do not reflect the beliefs or values of any particular investor and may not be deemed to exhibit positive or favorable ESG characteristics if different metrics or ESG rating agencies were used to evaluate them. ESG standards differ by region and industry, and a company’s ESG practices or the ESG Rating Agency’s assessment of a company’s ESG practices may change over time.

(9) Disciplinary Information:

As of December 31, 2022, there are no legal or disciplinary actions involving Weatherbie or any of its affiliates.

(10) Other Financial Industry Activities and Affiliations:

Weatherbie is affiliated with FAC, a registered broker-dealer. FAC serves as the principal underwriter for the registered pooled investment vehicles sub-advised by Weatherbie and as a broker-dealer for securities trades placed on behalf of Weatherbie clients. FAC does not conduct public brokerage business and substantially all of its transactions are for those Weatherbie clients who authorize Weatherbie to use FAC as a broker, provided that relevant regulations that govern their accounts allow it. Additionally, Weatherbie is under common ownership with FAM, an investment adviser based in New York, New York.

From time to time, FAC, FAM, Weatherbie, AGH, or AAI, or other affiliated persons may hold controlling positions in certain pooled investment vehicles, such that they are considered affiliates.

Weatherbie is the sub-adviser to certain series of The Alger Funds, The Alger Funds II, The Alger Portfolios and The Alger ETF Trust, each of which is a registered investment company. Weatherbie is the investment manager to Weatherbie Growth Fund and Weatherbie Long/Short Fund, each a privately offered pooled investment vehicle. Weatherbie serves as a sub-portfolio manager for Alger SICAV, a publicly offered pooled investment vehicle registered in Luxembourg, other jurisdictions in the European Union, Switzerland, the United Kingdom, Japan, Korea and Singapore. Not all sub-funds of the Alger SICAV are registered in these jurisdictions. Weatherbie also serves as a sub-adviser to third-party registered investment companies or pooled investment vehicles, as well as a bank collective investment trust. From time to time, Weatherbie, its affiliates or a related person (“Weatherbie Affiliates”) may own significant stakes in one or more of the above entities.

Weatherbie may recommend to clients that they purchase interests in investment partnerships or funds for which Weatherbie serves as investment adviser or sub-adviser and in which Weatherbie
and related persons have a financial interest. Weatherbie and such related persons will fully
disclose such financial interests to all clients to which such recommendations are given in
accordance with applicable regulations.

Conflicts as a Result of Weatherbie’s Affiliates

Selection of Administrative and Other Service Providers

Weatherbie may choose to (and currently does) have Weatherbie Affiliates provide administrative
services, shareholder services, brokerage and other account services to certain of its clients. While
any such engagement should be on market terms, it will nevertheless result in greater benefit to
Weatherbie than hiring a similarly qualified unaffiliated service provider.

In connection with these services and subject to applicable law, Weatherbie Affiliates, including
Weatherbie, may from time to time, and without notice to investors or clients, in-source or
outsource certain processes or functions that it provides in its administrative or other capacities.
Such in-sourcing or outsourcing may give rise to additional conflicts of interest, including which
processes or functions to in-source or outsource, which entity to outsource to, and the fees charged
by Weatherbie Affiliates or the third party. Weatherbie maintains policies designed to mitigate the
conflicts described in these paragraphs; however, such policies may not fully address situations
described above.

Information Weatherbie May Receive

Weatherbie and its affiliates may have or be deemed to have access to the current status of certain
markets, investments, and funds because of Weatherbie Affiliates’ activities. Weatherbie Affiliates
may therefore possess information which, if known to Weatherbie, might cause Weatherbie to seek
to dispose of, retain, or increase interests in investments held by accounts, or acquire certain
positions for the accounts. Moreover, Weatherbie and its affiliates may come into possession of
material, non-public information that would prohibit or otherwise limit its ability to trade on behalf
of client accounts. A client not advised by Weatherbie would not be subject to these restrictions.
Weatherbie maintains policies designed to mitigate the conflicts described in this paragraph; however, such policies may not fully address situations described above.

(11) Code of Ethics, Participation in Client Transactions and Personal Trading:

Weatherbie maintains a Code of Ethics that establishes standards and procedures for detecting and
preventing the abuse of fiduciary duties by persons with knowledge of recommended investments
and investment restrictions of Weatherbie’s clients. In general, the fiduciary principles that govern
personal investment activities reflect, at the minimum, the following:

- The duty at all times to place the interests of clients first,
- The requirement that all personal securities trades be conducted consistent with the Code
  of Ethics and in such a manner as to avoid any actual or potential conflict of interest or
  any abuse of a position of trust and responsibility, and
- The fundamental standard that one should not take advantage of their position.
With respect to personal securities transactions, employees are generally required to pre-clear transactions and are required to submit duplicate confirmations and account statements to Weatherbie’s Compliance Department. Further, a Weatherbie employee may not:

- Engage in a personal securities transaction within seven days of a trade made on behalf of an advisory client in the same security, subject to a de minimis limit
- Engage in a personal securities transaction in the same security that is recommended for transaction in client accounts within the next seven days, subject to a de minimis limit
- Engage in a personal securities transaction in their primary industry or industries of investment coverage (applies to Portfolio Managers, Traders and Analysts)
- Engage in excessive trading, including successive transactions in the same security
- Purchase and sell or sell and purchase a security within sixty days unless done so at a loss
- Purchase securities in an initial public offering
- Engage in short sales in an individual security
- Invest in futures and options on an individual security
- Make an investment in a private placement (without prior approval)
- Serve on the board of directors of a publicly traded or private company without prior approval

The Code of Ethics will be provided to any client or prospective client upon request.

**Interest in Client Transactions**

A conflict of interest will exist to the extent that Weatherbie recommends that its clients invest in securities in which one or more Weatherbie Affiliates has a financial interest or position. Additionally, Weatherbie has conflicts related to its management of client accounts alongside accounts (including Weatherbie sub-advised registered pooled investment vehicles) in which Weatherbie Affiliates and their personnel have interests (collectively, the “Weatherbie Affiliates Accounts”). For example, Weatherbie and Weatherbie Affiliates hold investments in certain investment companies or other publicly or privately offered pooled investment vehicles for which Weatherbie acts as an investment adviser and from which Weatherbie receives advisory, administration and/or distribution fees. Weatherbie might recommend that its advisory clients purchase shares of such investment companies or other pooled vehicles.

Additionally, to the extent Weatherbie or Weatherbie Affiliates own a significant percentage of the outstanding shares of an investment company or the interests in a pooled investment vehicle, Weatherbie may be deemed to control that entity, and may have enough shares to determine the outcome of any matters submitted for a shareholder vote. The investment company or pooled investment vehicle may be precluded or limited in its ability to make certain investments or participate in certain transactions because of the ownership interest of Weatherbie or Weatherbie Affiliates. Clients should be aware that Weatherbie may be incented to make decisions for its own benefit or the benefit of a Weatherbie Affiliate with respect to mutual funds and other investment products in which it or said Weatherbie Affiliate owns significant stakes.

Weatherbie considers these conflicts of interest when allocating investment opportunities and portfolio securities, selecting service providers or brokers, and establishing investment products, guidelines for the selection of share classes, sales incentives, and compensation practices.
Weatherbie has adopted numerous procedures in an attempt to limit or manage these conflicts of interest.

Weatherbie or Weatherbie Affiliates may invest in equity or fixed-income securities that it recommends to its clients. The results achieved by Weatherbie Affiliates proprietary accounts may differ from those achieved for client accounts. Weatherbie may give advice, and take action, with respect to any current or future account or investment that may compete or conflict with the advice Weatherbie may give to other accounts (or for its own account) including with respect to the return of the investment, the timing or nature of action relating to the investment or method of exiting the investment.

**Recommending, Purchasing, or Selling Securities for Clients that a Weatherbie Affiliate May Purchase or Sell for its Own Account**

Weatherbie Affiliates may provide seed capital to, or own significant shares of, any of the registered investment companies, or other publicly or privately offered pooled investment vehicles that Weatherbie advises or that its affiliates offer. These investments may be for the purposes of establishing a track record for a new vehicle or for hedging purposes. Such funding may also occur in a separate account maintained in the name of Weatherbie Affiliates. As such, it is possible for securities held or traded in client accounts to be similarly held in Weatherbie Affiliates’ separate account(s) and a Weatherbie Affiliate may purchase or sell for its own account securities at or about the same time that it recommends those securities to its clients.

Weatherbie Affiliates consider these conflicts of interest when making investments. Weatherbie has adopted numerous procedures in an attempt to limit or manage these conflicts of interest. These policies are discussed in more detail in Item 12: Brokerage Practices “Trade Allocation.”

Weatherbie may be deemed to be affiliated with certain pooled investment vehicles managed by FAM, and Weatherbie Affiliates may have a financial interest in separate accounts or pooled investment vehicles managed by FAM. These relationships could create conflicts of interest with clients with regard to simultaneous trading of securities, allocation of investment opportunities, or recommending securities in which a Weatherbie Affiliate has a material financial interest; however, Weatherbie’s accounts generally follow different strategies than those accounts and are implemented independently by different investment personnel.

**(12) Brokerage Practices:**

**Execution**

Most clients for whom Weatherbie serves as adviser give Weatherbie discretion as to the selection of brokers or dealers to effect securities transactions.

For U.S. and non-U.S. equity securities, Weatherbie generally executes its trades through a broker-dealer. Weatherbie maintains relationships with various execution-only and full-service broker-dealers. Weatherbie may also make use of electronic or program, direct market access and algorithmic trading methods. Weatherbie also executes, when appropriate, “baskets” of multiple equity trades using program trading facilities. Weatherbie may also use appropriate algorithmic trading strategies, including within dark pools, provided by select broker-dealers to execute an
equity order. Algorithmic trading strategies use advanced mathematical models with rules to determine the ideal time to place a transaction without affecting the security’s price. Weatherbie also maintains relationships with key counterparties to execute over-the-counter ("OTC") fixed income trades, when necessary.

When Weatherbie trades in listed derivatives, such as exchange-traded options, the trades are executed via an agency member firm. OTC derivatives are executed with counterparties with whom Weatherbie has established a contractual relationship.

When placing trades for its clients, Weatherbie seeks the best overall execution under the prevailing circumstances. When evaluating whether a trade execution is in the best interests of the clients, trading considers the following factors, among others, when selecting the broker dealer:

- Liquidity of the market for the security and the broker-dealer’s access to markets;
- Sophistication of broker-dealer’s trading facilities, trading style and strategy, including order routing arrangements;
- Speed of trade execution;
- Ability to handle difficult trades;
- Technology offerings;
- The broker-dealer’s financial solvency;
- Quality of settlement process;
- The broker-dealer’s commission rate;
- Reliability and quality of executions;
- Trading expertise, including specialized expertise;
- Back office efficiency, including quality of confirmations and account statements, and ability to settle trades in a timely fashion;
- Broker-dealer’s reputation and integrity; and
- Confidentiality.

Weatherbie may prioritize these factors differently depending upon the specific circumstances surrounding a trade, which may include the nature and objectives of the client and asset class. Weatherbie believes that the absolute lowest possible commission price is not the only determining factor in deciding what constitutes a trade executed in the best interest of the client.

To the extent permitted by applicable law and as authorized in Weatherbie’s investment management agreements with clients, Weatherbie may direct client trades in securities listed on a U.S. exchange to FAC, a registered broker dealer and affiliate of Weatherbie and FAM. Trading with FAC may create potential conflicts of interest. For example, FAC may earn commissions for executing transactions, which may incentivize Weatherbie to trade more frequently or to execute transactions at less favorable prices. As such, Weatherbie maintains policies and procedures to ensure that the commissions, brokerage fees, other fees, compensation or profits, rates, terms and conditions charged by FAC are commercially reasonable. FAC does not act as principal in any client trade nor does it underwrite the offering of securities.
Soft Dollars

Weatherbie relies primarily on its own internal research to provide primary research in connection with buy and sell recommendations. However, Weatherbie does acquire research services provided by third-party vendors, which it pays for with brokerage fees and commissions, sometimes referred to as “soft dollars.” The services that Weatherbie may receive include:

- Management meetings
- Conferences
- Research on specific industries
- Research on specific companies
- Macroeconomic analyses
- Analyses of national and international events and trends
- Access to experts on a particular sector, industry or security
- Evaluations of thinly traded securities
- Computerized trading screening techniques and securities ranking services
- General research services (i.e., Bloomberg, FactSet)
- Alternative data subscriptions

Weatherbie may pay higher commissions for receipt of brokerage and research services in connection with securities trades that are consistent with the “safe harbor” provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended. This benefits Weatherbie because it does not have to pay for the research, products, or services. Such benefit gives Weatherbie an incentive to select a broker-dealer based on its interest in receiving the research, products, or services rather than on its clients’ interest in receiving the most favorable execution.

Research or other services obtained in this manner may be used in servicing any or all of the accounts. This includes accounts other than those that pay commissions to the broker providing soft dollar benefits. Therefore, such products and services may disproportionately benefit certain accounts to the extent that the commissions from such accounts are not used to purchase such services.

Neither the research services nor the amount of brokerage given to a particular broker-dealer are made through an arrangement or commitment that obligates Weatherbie to pay selected broker-dealers for the services provided.

Weatherbie has entered into certain commission sharing arrangements. A commission sharing arrangement allows Weatherbie to aggregate commissions at a particular broker-dealer, and to direct that particular broker-dealer to pay various other broker-dealers from this pool of aggregate commissions for research and research services the broker-dealers have provided to Weatherbie. These arrangements allow Weatherbie to limit the broker-dealers it trades with, while maintaining valuable research relationships.

In certain cases, a research service may serve additional functions that are not related to the making of investment decisions (such as accounting, record keeping or other administrative matters). Where a product obtained with commissions has such a mixed use, Weatherbie will make a good
faith allocation of the cost of the product according to its use. Weatherbie will not use soft dollars to pay for services that provide only administrative or other non-research assistance.

Directed Brokerage

Weatherbie does not consider client referrals when it selects a broker-dealer for executing trades on behalf of the accounts it advises. Further, Weatherbie’s procedures provide that no U.S. registered pooled investment vehicle sub-advised by Weatherbie may direct brokerage or any other payment to any broker in consideration of sales of shares such pooled investment vehicles.

Separate account clients may direct brokerage to a specific firm or firms of their choosing. A client that designates use of a particular broker-dealer should understand that such an instruction might prevent Weatherbie from freely negotiating commission rates or selecting brokers based on the most favorable price and execution for the transaction.

Clients also may prohibit Weatherbie from placing transactions for their accounts with certain broker dealers. A client that prohibits Weatherbie from selecting certain broker-dealers for the placement of transactions for its account should understand that such a prohibition prevents Weatherbie from selecting a restricted broker-dealer even though such broker-dealer may offer a more favorable price and execution for the transaction.

A client may lose the possible advantage that non-designating and unrestricted clients derive from aggregating orders into single larger transactions, utilizing alternative trading venues, or alternative trading techniques for the purchase or sale of a particular security. Weatherbie will generally place orders for clients that have given Weatherbie full brokerage discretion first, then for clients that have requested a specific broker or limited the use of one or more brokers. This may negatively impact the price at which trades are completed for such clients.

Weatherbie periodically monitors execution and commission rates for accounts that direct brokerage to a specific broker dealer and may report to a client when execution and commission rates seem unreasonable versus comparable trades with a non-directed broker dealer.

Overall, any client instruction to use a certain broker-dealer or restrict trading with a particular broker-dealer may cause a client to pay higher commissions, receive less favorable net prices or investment results, or incur additional custodial or other external administrative charges than would be the case if Weatherbie were authorized to choose the broker-dealers through which to execute transactions for the client’s account.

Trade Aggregation

If Weatherbie believes that the purchase or sale of a security is in the best interest of more than one account, it may (but is not obligated to) aggregate the orders to be sold or purchased to seek favorable execution or lower brokerage commissions. As a general practice, Weatherbie may delay an order for one account to allow portfolio managers of other strategies to participate in the same trade being recommended by a portfolio manager who also serves as an analyst to a specific sector or industry.
Aggregation of trades under this circumstance may, on average, decrease the costs of execution. In the event Weatherbie aggregates a trade for participating accounts, the method of allocation will generally be determined prior to the trade execution. Although no specific method of allocation of trades is expected to be used, allocations are generally pro rata and if not, will be designed so as not to systematically and consciously favor or disfavor any account in the allocation of investment opportunities. The accounts aggregated may include registered and unregistered investment companies, Weatherbie Affiliates Accounts, and separate accounts. Transaction costs will be shared by participants on a pro rata basis according to their allocations.

When trades are aggregated, prevailing trading activity frequently may make impossible the receipt of the same price or execution on the entire volume of securities purchased or sold. When this occurs, the various prices may be averaged, and a participating account will be charged or credited with the average price. Thus, the effect of the aggregation may operate on some occasions to the disadvantage of an individual account.

When orders are aggregated for execution, it is possible that Weatherbie Affiliates will benefit from such trades, even in limited capacity situations. Weatherbie maintains policies and procedures that it believes are reasonably designed to deal equitably with conflicts of interest that may arise when purchase or sale orders for an account are aggregated for execution with orders for Weatherbie Affiliates Accounts. For example, Weatherbie may aggregate trades for its clients and Weatherbie Affiliates in private placements pursuant to internally developed procedures. In such cases, Weatherbie will negotiate the terms of such offerings, including the price of such investments, and will prepare a written allocation statement reflecting the allocation of the private securities.

Orders to purchase or sell the same security need not be aggregated if there is a reasonable distinction between or among the orders. For example, orders that are not price specific need not be aggregated with orders that are to be executed at a specific price. Also, certain short sale trades may not be aggregated due to settlement issues and may not trade sequentially in order to maintain the average trade price.

**Trade Allocation**

As Weatherbie manages multiple client accounts, including Weatherbie Affiliates Accounts, conflicts may arise as a result of how Weatherbie allocates investment opportunities. In an effort to treat all clients reasonably in light of all factors relevant to managing an account, aggregated trades will generally be allocated pro rata among the accounts whenever possible. There are exceptions to this practice, however. Some of these exceptions are described below:

**Unusual Market Conditions**

During periods of unusual market conditions, Weatherbie may deviate from its normal trade allocation practices. During such periods, Weatherbie will seek to exercise a disciplined process for determining its actions to appropriately balance the interests of all accounts.
Availability of Investments

The availability of certain investments such as IPOs or private placements may be limited. In such cases, all accounts may not receive an allocation. As a result, the amount, timing, structuring or terms of an investment by one account may differ from, and performance of such account may be higher or lower than, other accounts.

Weatherbie, as a general practice, allocates IPOs and other limited availability investments pro rata among eligible accounts in accordance with portfolio manager instructions and applicable policies and procedures. An account or accounts may not receive an allocation because it lacks available cash, is restricted from making certain investments, the account pays a performance fee, the account is so large that the allocation is determined to be insignificant, or due to co-investment by Weatherbie Affiliates. When a pro rata allocation of limited availability investments is not possible or is not appropriate, Weatherbie considers numerous other factors to determine an appropriate allocation. These factors include:

- Weatherbie’s good faith assessment of the best use of such limited opportunities relative to the investment objectives, investment limitations and requirements of the accounts
- Suitability requirements and the nature of the investment opportunity, including relative attractiveness of a security to different accounts
- Relative sizes of applicable accounts
- Impact on overall performance an allocation of such securities may have on an account
- Cash and liquidity considerations, including without limitation, availability of cash for investment
- Minimum denomination, minimum increments, de minimis threshold and round lot consideration
- Account investment horizons and guidelines
- Client-specific investment guidelines and restrictions
- An account’s risk tolerance and/or risk parameters
- Tax sensitivity of accounts
- Concentration of positions in an account
- Appropriateness of a security for the account given the benchmark and benchmark sensitivity of an account
- Use of the opportunity as a replacement for another security Weatherbie believes to be attractive for an account or the availability of other appropriate investment opportunities
- Considerations related to giving a subset of accounts exposure to an industry
- Account turnover guidelines

In some circumstances, it is possible that the application of these factors may result in certain accounts receiving an allocation when other accounts do not. Moreover, Weatherbie Affiliates Accounts may receive an allocation or an opportunity not allocated to other accounts.

Portfolio managers who manage multiple strategies exercise investment discretion over each strategy on an individualized basis and therefore may allocate investments (including IPOs and secondary offerings) in a different manner for each strategy, including not allocating to a strategy. Considerations for such different allocations, include, but are not limited to, when an allocation to a strategy results in an insignificant investment, different investment policies and objectives of one
strategy versus another, as well as the implementation of strategy objectives such as sector or industry weightings. As a result of such allocations, there will be instances when client accounts within a strategy managed by the same portfolio manager do not participate in an investment that is allocated among clients invested in another strategy managed by the same portfolio manager. For example, it is generally the case that investment strategies with larger AUM do not participate in allocations of IPOs and secondary offerings as the allocation of limited shares will result in the strategy receiving insignificant amounts of shares to allocate across strategies. Such investment decisions may result in a loss of investment opportunity for clients that may otherwise have been suited to invest in such offerings.

Please visit www.alger.com for a current list of portfolio managers by strategy as well as strategy AUM.

Differing Guidelines, Objectives and Time Horizons

Because accounts are managed according to different strategies and individual client guidelines, certain accounts may not be able to participate in a transaction considered by Weatherbie.

Actions taken by one account could affect others. For example, in the event that withdrawals of capital result in one account selling securities, this could result in securities of the same issuer falling in value, which could have a material adverse effect on the performance of other accounts that do not sell such positions.

Weatherbie Affiliates may also develop and implement new strategies, which may not be employed in all accounts or pro rata among the accounts where they are employed, even if the strategy is consistent with the objectives of all accounts. Weatherbie Affiliates may make decisions based on such factors as strategic fit and other portfolio management considerations, including:

- An account’s capacity for such strategy
- The liquidity of the strategy and its underlying instruments
- The account’s liquidity
- The business risk of the strategy relative to the account’s overall portfolio make-up
- The effectiveness of, or return expectations from, the strategy for the account
- Any other factors Weatherbie Affiliates deem relevant in their sole discretion

For example, such a determination may, but will not necessarily, include consideration of the fact that a particular strategy will not have a meaningful impact on an account given the overall size of the account, the limited availability of opportunities in the strategy and the availability of other strategies for the account.

For ease of management, Weatherbie may group accounts with similar guidelines together for portfolio management purposes. As a result, an account may not invest in certain securities that its guidelines would allow because other similar accounts restrict such holdings. This could affect the performance of the account.

Weatherbie currently manages or advises numerous accounts and these accounts may have or will have investment objectives that are identical or substantially similar to other accounts; however, accounts having identical or substantially similar investment objectives may not have identical or
substantially similar investment portfolios. Differing investment portfolios can be expected to result from several factors, including, without limitation, the following: different investment decisions made by the different portfolio managers assigned to the accounts; regulatory constraints that apply to certain accounts but not to others; investment constraints imposed by the client; and the amount of cash available for investment at certain times. As a result of such factors, accounts may have a different investment portfolio (and, as a result, different performance results) from other accounts even though the accounts have identical or substantially similar investment objectives. Therefore, it is expected that the accounts will have different investment portfolios resulting from different investment decisions made by their respective portfolio managers.

Conflicts Related to Timing of Transactions

When Weatherbie implements a portfolio decision or strategy for an account ahead of, or contemporaneously with, similar portfolio decisions or strategies for another account, market impact, liquidity constraints, or other factors could result in the second account receiving less favorable trading results. The costs of implementing such portfolio decisions or strategies could be increased or the other account could otherwise be disadvantaged. Weatherbie may, in certain cases, implement internal policies and procedures designed to limit such consequences to the accounts, which may cause an account to be unable to engage in certain activities, including purchasing or disposing of securities, when it might otherwise be desirable for it to do so.

Moreover, each account is managed independently of other accounts. Given the independence in the implementation of advice to these accounts, there can be no warranty that such investment advice will be implemented simultaneously. Weatherbie will use reasonable efforts to procure timely execution. It is possible that prior execution for or on behalf of an account could adversely affect the prices and availability of the securities and instruments in which other accounts invest. In other words, an account, by trading first, may increase the price or decrease the availability of a security to a second account.

In some instances, internal policies designed to facilitate trade aggregation may result in delays in placing trades, which may adversely affect trade execution. For example, a purchase for a particular account may be held while other portfolio managers are considering whether to make the same transaction for other accounts.

Cross Transactions

From time to time and for a variety of reasons, certain Weatherbie accounts may buy or sell positions in a particular security while another account is undertaking the opposite strategy, which could disadvantage some of the accounts. In an effort to reduce any negative impact, and when permitted by applicable law and otherwise practical to do so, the accounts may enter into “cross transactions.” A cross transaction, or cross trade, occurs when Weatherbie causes an account to buy securities from, or sell a security to, another client of Weatherbie. Weatherbie will ensure that any such cross transactions are affected on commercially reasonable market terms and in accordance with applicable law, including but not limited to Weatherbie’s fiduciary duties to all accounts.
Wrap Programs

Wrap accounts generally follow a distinct trading process from other accounts. Portfolio manager(s) of Weatherbie’s strategies continuously evaluate investment opportunities and make buy and sell recommendations. Such recommendations are provided simultaneously to Weatherbie’s accounts and wrap accounts but are reviewed and handled separately for the purposes of implementing buy and sell recommendations for wrap accounts given the considerations and constraints that exist in such wrap accounts. These considerations include, security type constraints (foreign securities, private placements, IPOs), trade and position size, cash flows, holding periods, and the ability of a sponsor to implement a trade. In order to limit the frequency of smaller sized trades for the wrap program accounts, when compared with other accounts, Weatherbie has implemented trade size requirements on wrap program trades. These limitations will vary depending on the Weatherbie strategy and wrap program. Once determined, wrap trades are reviewed to ensure they are compliant with the specific wrap strategy and/or account guidelines. The trades are then submitted once per day to the various wrap sponsors according to a randomly selected rotation. As a result of this trading process, Weatherbie typically takes more time to review and implement recommended transactions for wrap accounts; and therefore, wrap accounts generally trade after separate and pooled vehicle accounts.

For wrap programs that are fully managed by a sponsor, such as Model Portfolio Programs, Weatherbie does not place trades on behalf of client accounts and therefore has no ability to ensure that accounts conform to the model portfolio provided. Moreover, a sponsor may place trades in fractional shares of securities, possibly resulting in trades at different prices than trades in whole securities and thus unfavorable trading outcomes. A Model Portfolio Program sponsor may also lower a model portfolio’s investment minimum at its own discretion and without the knowledge of Weatherbie in order to increase access for clients. Lower investment minimums may increase competition for limited investment opportunities and prevent the inclusion of certain investment opportunities in the portfolio, potentially affecting investment performance.

(13) Review of Accounts:

Weatherbie outsources certain administrative services to FAM and FAC. Weatherbie’s portfolio managers, and FAM’s Compliance and Institutional Sales and Service departments review each client’s portfolio guidelines when the account is opened, and if changes are made. Portfolio managers work closely with Weatherbie’s trader to seek to adhere to client guidelines when making security selection decisions.

FAM’s Compliance team regularly reviews accounts for compliance with each client’s investment objectives, policies and restrictions using an automated compliance monitoring system. Prior to execution, portfolio trades pass through real-time compliance checks that test the trade against account guidelines. Post-trade and end of day reports are also monitored daily. Certain guidelines which cannot be automated are reviewed manually; the frequency of these checks depends on the perceived risk of violation and client guideline.

All accounts are also reviewed by FAM’s Client and Portfolio Administration team for the purpose of reconciling Weatherbie’s records with those of the account’s custodian. Cash and portfolio holdings are reconciled by Client and Portfolio Administration on a daily basis and Client and Portfolio Administration prepares month-end separate account reconciliations (including cash,
security positions, local market values, prices and accruals, where applicable) to a client’s
custodian bank account statement.

On a quarterly basis, each client generally receives a written report containing a portfolio listing
showing cost and market value of all securities in the account, a detailed listing of all trades in the
account for the period, a listing of all realized gains and losses, a listing of dividends and interest
received by the account, a listing of all security purchases and security sales, and account and
benchmark performance. Certain clients also receive historical performance reports on a monthly
or other periodic basis. Clients may also receive specialized reporting at their request.

(14) Client Referrals and Other Compensation:

Other Compensation

Weatherbie does not receive any compensation from third parties relating to advisory services provided
to its clients.

Compensation of Third Parties for Client Referrals

Referral Fees

FAM may introduce prospective clients to Weatherbie. FAM is entitled to receive a portion of the
advisory fee paid by such clients from Weatherbie with respect to such clients.

Weatherbie and Weatherbie Affiliates pay fees to financial intermediaries, advisers, and financial
planners, among other individuals and entities, in return for referring potential clients. Weatherbie
Affiliates may also pay intermediaries who recommend Weatherbie to their clients for separate
account or wrap fee program services. Individual payment agreements vary, and some
intermediaries may have a greater incentive to recommend Weatherbie’s services because the
intermediary receives a higher fee as a result. These payments are made from Weatherbie’s
advisory fees.

Marketing Payments

Subject to applicable law, FAC may pay dealers and other financial intermediaries for, among
other things, marketing the mutual funds, ETFs, Weatherbie Affiliates Accounts and other
products managed by Weatherbie. Such payments may relate to or result in the funds’ and other
investment products’ inclusion on preferred or recommended investment lists or certain sales
programs sponsored by the intermediaries. FAC may also participate in or partially sponsor
industry and consultant sponsored conferences and may pay for access to intermediaries’
registered representatives or salespersons. FAC may also pay to assist in the training and education
of intermediaries’ salespersons.

Intangibles

Weatherbie Affiliates may have board, advisory, brokerage, or other relationships with issuers,
distributors, consultants and others. These persons or entities may have investments in the mutual
funds, ETFs or other investment products and may recommend or distribute the mutual funds,
ETFs or other products. Weatherbie Affiliates may make charitable contributions to institutions,
including those that have relationships with clients, personnel of clients, dealers and other financial intermediaries and/or their registered representatives, and pension consultants.

As a result of the relationships and arrangements described in the preceding paragraphs, consultants, distributors, and other parties may have conflicts associated with their promotion of the mutual funds, ETFs or other investment products or other dealings that create incentives for them to promote the mutual funds or other products or certain portfolio transactions.

(15) Custody:

Although Weatherbie generally does not hold client assets, Weatherbie may be “deemed,” for purposes of the Advisers Act, to have custody of certain of its discretionary client’s assets because it has related persons that serve as general partners of pooled investment vehicles, and because it has the authority to collect its fees from certain client accounts. In these cases, clients will receive account statements from both Weatherbie and their custodians. Clients should review these statements carefully and compare them to each other.

(16) Investment Discretion:

Weatherbie generally has the authority to make investment determinations on behalf of its clients. Such authority is generally set forth in the investment advisory agreement between Weatherbie and its clients. As noted in Item 4: Advisory Business above, certain clients limit Weatherbie’s discretionary authority over their account.

Some clients or wrap program sponsors retain Weatherbie to provide model portfolios, which they replicate for their clients’ accounts. In these cases, Weatherbie is not exercising investment discretion with respect to the account.

(17) Voting Client Securities:

Clients may grant authority to or withhold authority from Weatherbie to vote proxies.

If a client withholds authority from Weatherbie to vote its proxies, the client should make arrangements directly with its custodian to receive proxy statements. While a client who withholds authority may seek Weatherbie’s guidance in this regard, proxy issues are often time-sensitive and it may not be practical to request Weatherbie’s input.

If a client grants Weatherbie authority to vote its proxies, Weatherbie exercises its proxy voting authority generally by evaluating the recommendations of Institutional Shareholder Services Inc. (“ISS”). Unless otherwise requested by a client, Weatherbie has determined that ISS should apply its Socially Responsible Investment Proxy Voting Guidelines to proxy vote proposals. For certain clients, upon their requests, Weatherbie has instructed ISS to apply its Taft-Hartley U.S. Voting Guidelines. Through ISS’ proprietary research and voting platform, Weatherbie has the ability to evaluate ISS’ prepopulated vote recommendations based on the applicable ISS proxy voting guidelines. Weatherbie reviews a sample proxy and corresponding ISS prepopulated vote recommendation prior to the proxy being automatically voted by ISS. Weatherbie may override such recommendations when it feels that doing so is in the best interests of clients. When issuing vote recommendations and casting proxy votes in accordance with its pre-determined proxy voting
guidelines, ISS discloses any conflicts of interest it has with the issuer of such securities that are the subject of its recommendation. To the extent ISS has a material conflict of interest with the company whose proxies are at issue, it may recuse itself from voting proxies. In such cases, Weatherbie instructs ISS how to vote. When ISS discloses a conflict, Weatherbie reviews ISS’ disclosure regarding such conflict to ensure adherence to its guidelines and to confirm the vote recommendations are consistent with its clients’ best interests. Moreover, Weatherbie regularly considers the robustness of ISS’ policies and procedures regarding its ability to (i) ensure that its proxy voting recommendations are based on current and accurate information and (ii) identify and address any conflicts of interest.

Notwithstanding such proxy voting policies and procedures, proxy voting decisions may favor the interests of certain clients or Weatherbie Affiliates over other clients.

Weatherbie maintains proxy statements received, records of its proxy voting policies and procedures (which are available upon client request and on Weatherbie’s website at https://www.alger.com/Pages/Archive.aspx?listType=Notices), records of votes cast on behalf of each account, records of requests for proxy voting information, and any documents prepared that were material to making a voting decision.

Class Actions

In addition to voting rights with respect to securities held in our client portfolios, there may be other rights associated with those securities, including the right or opportunity to participate in class action, bankruptcy, or other litigation with respect to those securities. As a general matter, Weatherbie participates in class action, bankruptcy settlement claims, or other litigation with respect to the issuers of securities held in the accounts of its separate account clients, unless otherwise mandated in an account’s investment management agreement or otherwise agreed to. In addition, Weatherbie will, at a client’s request, assist clients and their agent(s) in determining their eligibility to participate in any given class action. With respect to corporate actions (such as an issuer’s merger, tender offer, dividend distribution, etc.), Weatherbie participates on behalf of clients who authorize the firm to do so, taking such action as the firm deems to be in the best interest of the portfolio. Weatherbie uses ISS Securities Class Action Services for class action administration and processing.

(18) Financial Information:

Not applicable.

(19) Requirements for State-Registered Advisers:

Not applicable. Weatherbie is not a State-Registered Adviser.
### FACTS

**WHAT DOES WEATHERBIE 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 and
- Account balances and
- Transaction history and
- Purchase history and
- Assets

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 personal information to run their everyday business. In the section below, we list the reasons financial companies can share their personal information; the reasons Alger chooses to share; and whether you can limit this sharing.

<table>
<thead>
<tr>
<th>Reasons we can share your personal information</th>
<th>Does Weatherbie share?</th>
<th>Can you limit this sharing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>For our <strong>everyday business purposes</strong>—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our <strong>marketing purposes</strong>—to offer our products and services to you</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For joint marketing with other financial companies</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For our affiliates’ <strong>everyday business purposes</strong>—information about your transactions and experiences</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>For our affiliates’ <strong>everyday business purposes</strong>—information about your creditworthiness</td>
<td>No</td>
<td>We don’t share</td>
</tr>
<tr>
<td>For nonaffiliates to market to you</td>
<td>No</td>
<td>We don’t share</td>
</tr>
</tbody>
</table>

**Questions?** Call 1-800-223-3810
<table>
<thead>
<tr>
<th>Who we are</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Who is providing this notice?</strong></td>
</tr>
<tr>
<td>Weatherbie Capital, LLC.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What we do</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>How does Weatherbie protect my personal information?</strong></td>
</tr>
<tr>
<td>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.</td>
</tr>
</tbody>
</table>

| **How does Weatherbie collect my personal information?** |
| We collect your personal information, for example, when you |
| 1. Open an account or |
| 2. Make deposits or withdrawals from your account or |
| 3. Give us your contact information or |
| 4. Provide account information or |
| 5. Pay us by check. |

| **Why can’t I limit all sharing?** |
| Federal law gives you the right to limit only |
| 1. sharing for affiliates’ everyday business purposes—information about your creditworthiness |
| 2. affiliates from using your information to market to you |
| 3. sharing for nonaffiliates to market to you |

State laws and individual companies may give you additional rights to limit sharing.

<table>
<thead>
<tr>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Affiliates</strong></td>
</tr>
<tr>
<td>Companies related by common ownership or control. They can be financial and nonfinancial companies. Our Affiliates include Weatherbie Capital, LLC, Fred Alger Management, LLC and Fred Alger &amp; Company, LLC, as well as the following funds: <em>The Alger Funds, The Alger Funds II, The Alger Institutional Funds, The Alger Portfolios, Alger Global Focus Fund and The Alger ETF Trust.</em></td>
</tr>
</tbody>
</table>

| Nonaffiliates                       |
| Companies not related by common ownership or control. They can be financial and nonfinancial companies. |

| Joint marketing                    |
| A formal agreement between nonaffiliated financial companies that together market financial products or services to you. |
Weatherbie Capital, LLC
265 Franklin Street
Suite 1603
Boston, MA 02110
www.alger.com/weatherbie

Brochure Supplement Date: March 31, 2023

This brochure supplement provides information about the qualifications and business practices of the following people:

Matthew A. Weatherbie, CFA
H. George Dai, Ph.D.
Joshua D. Bennett, CFA
Daniel J. Brazeau, CFA
Scott Lipshutz, CFA
Edward M.B. Minn, CFA

that supplements the Weatherbie Capital, LLC (“Weatherbie”) brochure (Part 2A), which you should have received. Please contact us at (617) 951-2550 if you did not receive Weatherbie’s brochure (Part 2A) or if you have any questions about the contents of the brochure (Part 2A) or the brochure supplement (Part 2B). Additional information about Weatherbie and these people is available on the SEC’s website at www.adviserinfo.sec.gov.
(2) Educational Background and Business Experience

Matthew A. Weatherbie, CFA
Chief Executive Officer Emeritus, Senior Portfolio Manager
Date of Birth: 4/21/1945

Matthew Weatherbie founded Weatherbie in November 1995 and is Chief Executive Officer Emeritus and a Senior Portfolio Manager of Weatherbie. Matt has 49 years of investing experience. Prior to founding Weatherbie, Matt was Managing Director and the Portfolio Manager of the Putnam Voyager Fund from October 1983 through April 1995 at Putnam Investments. Under his management, Voyager grew from $200 million to over $5 billion in assets. He was also founding Chief Investment Officer of Putnam’s Specialty Growth Equities Group, responsible for all of the firm’s aggressive growth investments. Prior to his tenure at Putnam, Matt was a securities analyst and portfolio manager at MFS Investment Management in Boston. Matt graduated from the University of Toronto and received his M.B.A. from Harvard Business School. He is a CFA charterholder and is a member of both the CFA Society Boston and the CFA Institute. Matt is a past chair of the investment committee of the Museum of Fine Arts, Boston. Matt was issued the Certificate in ESG Investing by the CFA Institute.

H. George Dai, Ph.D.
Chief Investment Officer, Senior Portfolio Manager
Date of Birth: 8/23/1966

George Dai is Chief Investment Officer and Senior Portfolio Manager of Weatherbie. George is a Portfolio Manager on the Weatherbie Specialized Growth Strategy, the Weatherbie Long/Short Strategy, the Alger Dynamic Opportunities Strategy and the Enduring Growth Strategy. Additionally, he maintains research responsibilities in the diversified business services, healthcare, and technology areas. George joined Weatherbie in March 2001 and has 23 years of investment experience.

During his tenure at Weatherbie, he has been featured and quoted in several publications such as: The New York Times, Investor’s Business Daily, Barron’s, Reuters, Business Insider and Bloomberg.

Prior to joining Weatherbie, he was an equity analyst with 1838 Investment Advisors. George received his M.B.A. from the Wharton School, University of Pennsylvania, (Director’s List), and his Ph.D. in chemistry from Johns Hopkins University. Previously, he earned a B.S. from the University of Science and Technology of China and was a pharmaceutical research scientist at Procter & Gamble. George is a prized Bridge player, and he holds four U.S. patents. George was issued the Certificate in ESG Investing by the CFA Institute.

Joshua D. Bennett, CFA
Chief Operating Officer, Senior Portfolio Manager
Date of Birth: 10/9/1975

Joshua Bennett is Chief Operating Officer and Senior Portfolio Manager of Weatherbie. Josh is a Portfolio Manager on the Weatherbie Specialized Growth Strategy, the Weatherbie Long/Short Strategy, the Alger Dynamic Opportunities Strategy and the Enduring Growth Strategy. He also
has research responsibilities in the consumer, industrials, technology and diversified business services areas. Josh joined Weatherbie in July 2007 and has 22 years of investment experience.

During his tenure at Weatherbie, he has been featured and quoted in several publications such as: The New York Times, Investor’s Business Daily, InvestmentNews, Barron’s and MarketWatch.

Prior to joining Weatherbie, he was an Equity Research Analyst at MFS Investment Management in Boston where he focused on the Aerospace/Defense and Transportation sectors. Josh also has previous experience with Fidelity Investments as a High Yield research associate. Josh received his M.B.A. from the Tuck School of Business at Dartmouth (Edward Tuck Scholar with Distinction) and he earned a B.A. in Economics (Summa Cum Laude) from Wheaton College (IL). Josh is a CFA charterholder and is a member of both the CFA Society Boston and the CFA Institute. Josh was issued the Certificate in ESG Investing by the CFA Institute. Josh is a Trustee at Lexington Christian Academy (Lexington, MA) and a member of the Investment Committee of Christian Camps & Conferences.

Daniel J. Brazeau, CFA  
Senior Managing Director, Portfolio Manager  
Date of Birth: 5/29/1970

Daniel Brazeau is a Senior Managing Director at Weatherbie and a Portfolio Manager on the Alger Dynamic Opportunities and Weatherbie Long/Short strategies. Dan’s research responsibilities are in the consumer, media & advertising, energy, health care and financials areas. Dan joined Weatherbie in May 2004 as a research analyst and has 22 years investment experience. Prior to joining the firm, he spent over three years as an equity analyst at Wellington Management Company, LLP, where he focused on the advertising, publishing and marketing services industries. He began his career at Kenetech Energy Systems, Inc., where he worked as a project finance analyst and manager for six years. Dan received his M.B.A. from the Wharton School, University of Pennsylvania and received his B.S. in business administration (with a concentration in finance) from Villanova University. Dan is a CFA charterholder and is a member of both the CFA Society Boston and the CFA Institute. Dan was issued the Certificate in ESG Investing by the CFA Institute.

Edward M.B. Minn, CFA  
Senior Managing Director, Portfolio Manager  
Date of Birth: 3/13/1980

Edward Minn is a Senior Managing Director and Portfolio Manager on the Weatherbie Specialized Growth Strategy, the Alger Weatherbie Select 15 Strategy and the Weatherbie Growth Strategy. Ed is also Research Analyst on the Weatherbie Specialized Growth and Weatherbie Long/Short Strategies. His research responsibilities are in the consumer, media & communications, diversified business services, information services and technology areas. Ed joined Weatherbie in December 2013 and has 18 years of investing experience. Prior to joining the firm, he spent five years as a research analyst at Vinik Asset Management, LP, where he focused on the technology sector. He began his investment career at Raymond James & Associates, Inc. where he worked as a research associate covering energy stocks. Ed received his M.B.A. from the University of Chicago Booth School of Business with High Honors. Ed also holds a B.S. in economics from Duke University,
where he graduated Summa Cum Laude. Ed is a CFA charterholder and is a member of both the CFA Society Boston and the CFA Institute. Ed was issued the Certificate in ESG Investing by the CFA Institute.

Scott Lipshutz, CFA  
Principal, Investment Research  
Date of Birth: 11/9/1985

Scott Lipshutz is Principal, Investment Research at Weatherbie. Scott’s research responsibilities are in the areas of health care and diversified business services. Scott joined Weatherbie in January 2020 and has 11 years of investment experience. Prior to joining the firm, he spent nearly six years as an Equity Analyst at Invesco Advisers, where he led health care coverage for the Invesco Small Cap Growth and Invesco Small Cap Equity mutual funds totaling approximately $9 billion in assets. Prior to business school, he was a Senior Investment Analyst at Prudential Capital Group focusing on Energy and Corporate Finance. Scott received his M.B.A. and B.B.A. from the University of Texas at Austin, McCombs School of Business. Scott is a CFA charterholder and is a member of the CFA Institute. Scott was issued the Certificate in ESG Investing by the CFA Institute.

(3) Disciplinary Information

Not applicable.

(4) Other Business Activities

Other than as noted herein, none of the investment personnel included in this brochure is actively engaged in another investment or non-investment related business.

None of these individuals is paid commissions or other compensation based on the sale of securities or other investment products.

Mr. Brazeau is a member of the Investment Committee overseeing the consultant recommendations for the Augustinian Friars of The Province of St. Thomas of Villanova. In this role, Mr. Brazeau is not involved in individual security or fund selections as the Investment Committee does not have direct control over investments or investment decisions.

Mr. Bennett is a Trustee for a non-profit private school Lexington Christian Academy (“LCA”). Mr. Bennett is also a member of the Investment Committee for a non-profit organization Christian Camps and Conferences, Inc.

In connection with these other business activities, each of Mr. Brazeau and Mr. Bennett is subject to the requirements of Weatherbie’s Code of Ethics.

(5) Additional Compensation

Weatherbie’s supervised persons are not paid additional compensation by Weatherbie to reflect sales. Weatherbie’s Gifts and Entertainment Policy prohibits receipt of gifts with a value greater than $100 annually from any person or entity that does business with Weatherbie or its affiliates.
(6) Supervision

Weatherbie manages its client portfolios as a team. As Weatherbie’s Chief Executive Officer and President, Mr. Daniel C. Chung, CFA, maintains ultimate responsibility for the company’s management. Dr. Dai, Chief Investment Officer, maintains supervisory responsibilities over the Weatherbie Growth Fund, L.P. as well as for the Specialized Growth, Long/Short and Select 15 strategies. Mr. Chung may be contacted at (212) 806-8800 and Dr. Dai may be contacted at (617) 951-2550.

Each of Mr. Weatherbie, Dr. Dai, Mr. Brazeau, Mr. Bennett and Mr. Minn has management discretion over a portion of client assets allocated by strategy.

Investment research reports and recommendations are distributed among the investment team via e-mail and IRN, and the team meets regularly to review investment recommendations for client accounts. All members of the research and investment staff are involved in this process.

Additionally, Greg Adams, CFA serves as Director of Quantitative & Risk Management of, Fred Alger Management, LLC, an affiliate of Weatherbie. Mr. Adams regularly analyzes the portfolios and considers a number of measures including both factor and attribution analysis, to help the portfolio managers understand the risk or exposures in their portfolio(s).

Weatherbie monitors portfolio risk and seeks to ensure that all portfolios are comprised of securities where its analysts have a high degree of conviction. Weatherbie’s investment philosophy and proprietary research capabilities allow Weatherbie to try to mitigate risk by thoroughly understanding the securities in its portfolios. Through careful security selection, diversification of holdings (certain Weatherbie strategies may not be diversified) and the investment process, Weatherbie seeks to maintain the desired portfolio characteristics that the portfolio managers expect while managing overall risk.

Weatherbie’s investment team monitors securities held in client accounts. Weatherbie has an approved list of securities and the portfolios are the aggregate of each individual portfolio manager’s selection/weightings of such securities.

Weatherbie manages multiple strategies for multiple client types which at times can have exposure to a company through ownership of common stock, debt, warrants or other securities issued by the same company. When this situation exists, Weatherbie will identify any potential conflicts, seek to mitigate the conflicts and provide adequate disclosures and reporting to clients.

Weatherbie additionally analyzes each portfolio and considers a number of measures, including attribution analysis, factor analysis, sector and industry exposure, and concentration of holdings to help the portfolio managers understand certain risk parameters of their portfolios. Weatherbie also uses other modeling tools to monitor the risk profile of portfolios versus their relevant benchmarks. Weatherbie uses such reports to seek to understand portfolio characteristics and to highlight any unintentional exposure.

Notwithstanding the risk control measures Weatherbie has in place, it is important for clients to consider the risk of loss associated with investing in securities and, in particular, growth equity securities, and the specific risks associated with their accounts. All clients should recognize that
investing in securities involves the risk of loss. For a more extensive discussion or such risks, please refer to Item 8: Methods of Analysis, Investment Strategies and Risk of Loss in Weatherbie’s brochure.

Portfolio Monitoring

- Portfolio managers monitor all Weatherbie’s client portfolios.
- Transactions in each client portfolio are monitored to ensure that they are appropriate to the goals of the client.
- Portfolio managers and analysts monitor holdings and their trading patterns.
- Account performance is reviewed regularly by the portfolio managers and reported to clients by Weatherbie’s affiliate’s Institutional Sales & Service team, administrative team, or other parties that perform such functions on behalf of Weatherbie.

Optimization

For certain Weatherbie strategies, portfolio managers may continually optimize the portfolios in an effort to have the weighting of the investments reflect the best ideas of Weatherbie’s investment team while maintaining the highest appreciation potential to the internally generated price target. The portfolio managers are constantly challenging the conviction of the analysts’ ideas with the intent of ensuring that their best ideas in the optimal weightings are included in the portfolios.

Monitoring Compliance with Client and Regulatory Guidelines

Weatherbie’s portfolio management system, Charles River, serves as its pre- and post-trade compliance and trading platforms.

Guidelines and limitations are generally coded in the compliance monitoring system to provide alerts should limits be exceeded and warning thresholds to monitor portfolio concentrations that are approaching regulatory or client limitations. The pre-trade aspect of the system operates based on the previous business day’s closing price with the post-trade portion operating based on the end of the current day closing prices.

If a client or regulatory guideline cannot be coded into the Charles River system, Compliance works with various other parts of the firm to develop reporting to monitor such guideline.

Additional portfolio monitoring tools such as FactSet and Bloomberg, may be used to monitor news and prices of current positions and stocks that may affect current or future holdings.
Your Privacy Is Our Priority
At Alger, we value the confidence you have placed in us. In trusting us with your assets, you provide us with personal and financial data. Alger is committed to maintaining the confidentiality of the personal nonpublic information ("personal information") entrusted to us by our customers. Your privacy is very important to us, and we are dedicated to safeguarding your personal information as we serve your financial needs.

Our Privacy Policy
We believe you should know about Alger’s Privacy Policy and how we collect and protect your personal information. This Privacy Policy ("Policy") describes our practices and policy for collecting, sharing and protecting the personal information of our prospective, current and former customers. The Policy is applicable to Alger Associates, Inc., its affiliates and subsidiaries, as well as the products Alger and its affiliates distribute or manage ("Alger").

If you are an investor in one of our U.S. registered investment companies, you may review Alger’s U.S. Funds Privacy Notice at the back of your most recently received annual or semi-annual shareholder report.

Information We Collect
The type of personal information we collect and use varies depending on the context of your interaction with us and our website.

We collect personal information that enables us to serve your financial needs, develop and offer new products and services, maintain our business operations, and fulfill legal and regulatory requirements. Information that we collect and use includes:

- Information about who you are (e.g., Name, Date of Birth, contact details, government identification number);
- Information associated with your product or service (e.g., bank account details and purchases and redemptions of fund shares);
- Information about contact with us (e.g., meetings, phone calls, letters and emails/electronic messaging);
- Information that is collected automatically (e.g., via cookies when accessing our website);
- Information collected when visiting one of our offices (e.g., images collected via closed-circuit TV (CCTV).

Why We Collect Personal Information
We collect and process your personal information only as necessary or appropriate for our business purposes. There are certain lawful bases for which we are allowed to use your personal data. Most commonly, we will rely on one or more of the following lawful bases for processing your personal data:

- where it is necessary for the performance of a contract;
- where it is necessary for compliance with a legal obligation to which we are subject;
- where it is necessary for the purposes of the legitimate interests pursued by us or a vendor, except where such interests are overridden by your interests or fundamental rights and freedoms, which require protection; and/or
- where you have provided consent as required by applicable law, we may send you information regarding Alger products and services.

Generally, we do not rely on your consent as a lawful basis for processing your personal data.

Sharing of Personal Information
We may share your personal information with our affiliates so that they may process and service your transactions; however, Alger never sells personal information to any vendor. Further, we do not disclose personal information to
nonaffiliated entities, except as required by law or as permitted by law to service your account or for a permissible business or commercial purpose, such as in the following instances:

- To vendors that assist us in servicing your accounts (e.g., securities clearinghouses);
- To vendors that help us manage our business interests (e.g., customer relationship management software companies);
- To governmental agencies and law enforcement officials (e.g., valid subpoenas, court orders); and
- To financial institutions that perform marketing services on our behalf or with whom we have joint marketing agreements that provide for the confidentiality of personal information.

Transfer of Personal Information Outside of the European Economic Area (EEA)
For the abovementioned purposes, the personal information listed in this policy may be transferred to our affiliates or non-affiliated entities established in countries outside of the EEA. Where data is processed outside of the EEA, we take steps to ensure that information is protected to at least the levels applied by EEA privacy laws. (e.g., putting legal agreements in place with vendors who process personal information and do regular checks to ensure they meet these obligations.)

Your rights in relation to your information
Based on where you live, you may have rights as an individual which you can exercise in relation to the information we hold about you under certain circumstances. These rights may include:

- receive a notice of the types of personal data we may collect and what we may do with this personal data before or at the time we collect your personal data;
- request access to your personal data (commonly known as a data subject access request) and request certain information in relation to its processing;
- request rectification of your personal data;
- request the erasure of your personal data;
- request the restriction of processing of your personal data;
- object to the processing of your personal data; and
- request the transfer of your personal data to another party.

If you want to exercise one of these rights, please contact Alger’s Data Privacy Office at (800) 223-3810 or dataprivacy@alger.com. You also have the right to make a complaint at any time to your respective member state’s Supervisory Authority (e.g., The Information Commissioner’s Office (ICO) in the UK) for data protection issues.

Retention
We will retain your personal information for as long as necessary to fulfil the purposes for which it was collected, including for the purposes of satisfying any legal, regulatory, accounting or reporting requirements and our legitimate interests in maintaining such personal information in our records. This will normally include any period during which we are dealing or expect to deal with you and what we consider to be a suitable period thereafter for our internal-record keeping purposes in accordance with our record keeping procedures.

Online Privacy
Some of our web pages and emails may use cookies and similar files on your hard drive for purposes such as security, to facilitate site navigation, and to personalize your experience on our site. Our cookies do not identify you by name as an individual or by account number, nor do they store email addresses or pull any data from your hard drive.

When you visit Alger’s Internet sites, we may collect technical and navigational information, such as computer browser type, Internet protocol address, pages visited, and average time spent on our Web sites. This information may be used, for example, to alert you to software compatibility issues, or it may be analyzed to improve our Web design and functionality.

We may use vendors to help us analyze certain online activities. For example, these vendors may help us measure the performance of our online advertising campaigns or analyze visitor activity on our Web sites. We may permit these vendors to use cookies and other technologies, such as Web beacons or pixel tags, to perform these services for Alger. We do not share personally identifiable information about our customers with these vendors, and these vendors do not collect such information on our behalf.

You can generally manage your cookie preferences through your web browser. Most web browsers will tell you how to stop accepting new cookies and how to disable existing cookies. For more information regarding how to manage your
preferences, please consult the information made available by your particular browser. Additionally, you may enable the Global Privacy Control (“GPC”) in your browser. When enabled in your web browser, the GPC automatically opts you out of tracking cookies upon visiting our website.

**Our Security Practices**

We seek to protect your personal information by maintaining physical, electronic and procedural safeguards. We have implemented controls which we believe are designed to ensure that access to personal information is limited to employees and vendors who require such information to carry out their responsibilities. Our employees are trained to be aware of their responsibility to respect the confidentiality of your personal information. When non-affiliated entities are used, we ask them to protect the confidentiality of personal information they receive.

Our security controls are generally aligned with the NIST Cybersecurity Framework; providing an environment that effectively manages risks to the confidentiality, integrity and availability of your data.

**California Residents**

The California Consumer Privacy Act (“CCPA”) and California Privacy Rights Act (“CPRA” and together with CCPA, the “CA Privacy Laws”) provide California residents privacy rights with respect to certain personal information. These rights may include the:

- right to know how we have collected and used your personal information over the last twelve months and whether or not we have sold or shared your personal information;
- right to request that we delete your personal information that we have collected or received;
- right to request that we correct inaccurate personal information that we maintain;
- right to direct us not to sell or share your personal information to third parties;
- right to limit our use and disclosure of your sensitive personal information; and
- right not to be discriminated against by us for choosing to exercise your rights under the CA Privacy Laws.

Most of the personal information we collect about California residents is not covered by the CA Privacy Laws at this time. The CA Privacy Laws include certain exemptions that may apply to our collection and processing of your personal information. Therefore, it is possible that not all personal information we collect from or about you is fully covered by the CA Privacy Laws. Accordingly, the CA Privacy Laws privacy rights set out herein may not apply to you or to all of your personal information. For example, the following personal information is not covered by the CA Privacy Laws:

- Personal information that is collected, processed, shared, sold or disclosed pursuant to the federal Gramm Leach Bliley Act (“GLBA”) and implementing regulations is not covered by the CA Privacy Laws. To understand how we collect, use and share your nonpublic personal information in accordance with the GLBA, please read our U.S. Funds Privacy Notice, which is available at the back of your most recently received annual or semi-annual shareholder report.
- Publicly available information, de-identified data and aggregate California resident information (as those terms are used in the CA Privacy Laws) are not personal information for purposes of the CA Privacy Laws.

**Contact Information**

If you require any further information, please do not hesitate to contact Alger’s Data Privacy Office:

Phone: (800) 223-3810
Email: dataprivacy@alger.com
Purpose

Rule 206(4)-6 of the Investment Advisers Act of 1940, as amended (the “Advisers Act”) requires registered investment advisers, who have discretionary authority to vote the proxies held in their clients’ accounts, to (1) adopt and implement written policies and procedures reasonably designed to ensure that they vote proxies in the best interests of their clients; (2) describe their proxy voting policies and procedures to their clients and upon request, provide copies of such policies and procedures; and (3) disclose to their clients how they may obtain information on how the investment adviser voted their proxies.

Rule 204-2 of the Advisers Act requires, among other things, that registered investment advisers maintain records of its proxy voting policies and procedures; proxy statements received; votes cast on behalf of clients; client requests for proxy voting information; and documents prepared by the investment adviser that were material to making a voting decision.

Scope

This policy applies to Fred Alger Management, LLC (“FAM”) and Weatherbie Capital, LLC (“WC” and together with FAM, “Alger”), each an investment adviser registered under the Advisers Act, to ensure that proxies are voted in their clients’ best interests.

Procedures for Implementation

Alger’s Client and Portfolio Administration group is responsible for supervising the proxy voting process; which includes establishing new clients in the proxy voting process; determining the accounts for which Alger has proxy voting responsibilities; and maintaining appropriate proxy voting policies and procedures, as well as records.

Alger receives and considers the recommendations of Institutional Shareholder Services Inc. (“ISS”), a leading proxy voting service provider. ISS issues voting recommendations and casts votes on the proxies based on pre-determined voting guidelines intended to vote proxies in the clients’ best interests. ISS has developed a variety of different “pre-determined” recommendations based on a client’s or adviser’s particular objections. Currently, in the absence of client specific direction, Alger has instructed ISS to apply its Socially Responsible Investment Proxy Voting Guidelines, or Taft Hartley Proxy Voting Guidelines if requested by the client.
If a country’s laws allow a company to block the sale of shares in advance of a shareholder meeting, Alger will generally not vote in the shareholder meetings held in that country, unless the company represents that it will not block the sale of its shares in connection with the meeting. Although Alger considers proxy voting to be an important shareholder right, Alger will generally not impede its ability to trade in a stock in order to vote at a shareholder meeting. Additionally, clients may have their own specific proxy voting guidelines. For such clients, Alger delegates the voting authority to ISS, based on the clients’ instructions. Clients may also advise Alger that they will vote proxies for their accounts. For such clients, Alger takes no action with respect to proxy voting.

An Alger Portfolio Manager or Analyst may desire to override ISS’s voting recommendation. Such override recommendation must be submitted in writing to FAM’s or WC’s Chief Investment Officer (“CIO”), as applicable, outlining the reasons for the override and confirming that the Analyst or Portfolio Manager has no conflict of interest in connection with the recommendation to override ISS’ recommendation. If the CIO agrees with the override, the recommendation is sent to the Client and Portfolio Administration group which will notify ISS of Alger’s override vote. If a conflict does exist, the General Counsel reviews the matter with the CIO and jointly determine how to cast the vote. All such determinations are documented by Alger’s Compliance & Controls Committee.

Alger’s Client and Portfolio Administration group ensures that ISS is able to vote the proxies of Alger’s clients prior to investing the client assets. Alger provides notification to ISS stating the ISS proxy voting guideline to be used. Alger also instructs the client’s custodian to forward all proxy ballots and notices to ISS.

Alger accesses ISS’s proxy voting through a website that identifies when a proxy vote is due, provides an analysis of each proxy proposal, and indicates how ISS intends to vote the proxy based on its proxy policies. Alger’s Client and Portfolio Administration group monitors ISS by reviewing upcoming shareholder meetings through this website.

On a daily basis, Alger’s Client and Portfolio Administration group monitors Proxy Alert notifications received from ISS. FAM will review any Proxy Alerts related to material changes or additional information, including errors, to assess if the ISS vote was in compliance with FAM’s voting policy.

On a monthly basis, Client and Portfolio Administration group sends a notice of upcoming shareholder meetings to the Alger Analysts for their review.

On a quarterly basis, Alger’s Client and Portfolio Administration group verifies that proxies for the previous quarter were voted in accordance with Alger’s policies, procedures, and guidelines. Alger randomly selects one issuer’s voted proxy and one issuer’s prepopulated votes for an upcoming meeting. Alger reviews a sample of the proxy items to ensure that the ISS votes are in compliance with Alger’s proxy voting policy for each client that hold the security. A certification from ISS and the results of the sampling is presented to Alger’s Compliance & Controls Committee reporting the voting activity from the previous quarter.
Alger or ISS, on Alger’s behalf, maintains records of proxy statements received, votes cast on behalf of clients, client requests for proxy voting information, and documents prepared by the respective investment adviser that were material to making a voting decision. Such records are maintained in an easily accessible place for a period of not less than 5 years in an appropriate office of Alger or ISS. In the event that ISS maintains such records, ISS provides such records to Alger promptly upon Alger’s request.

Conflicts of Interest

When issuing vote recommendations and casting proxy votes in accordance with its pre-determined proxy voting guidelines, ISS also discloses any conflicts of interest it has with the issuer of such securities that are the subject of its recommendation. To the extent ISS has a material conflict of interest with the company whose proxies are at issue, it may recuse itself from voting proxies. In such cases, Alger instructs ISS how to vote. Alger generally votes such proxies in accordance with ISS’ pre-determined proxy voting guidelines and in consideration with its clients’ best interests.

When ISS does not recuse itself, but still discloses a conflict, Alger reviews ISS’s disclosure regarding such conflict. When such relationship involves a payment to ISS of $250,000 or more, Alger reviews ISS’s voting to ensure adherence to the pre-determined proxy voting guidelines and considers whether ISS’s recommendation is in its clients’ best interests. Moreover, Alger regularly considers the robustness of ISS’s policies and procedures regarding its ability to (i) ensure that its proxy voting recommendations are based on current and accurate information and (ii) identify and address any conflicts of interest.

Client Disclosure

Alger provides its clients with a general description of its proxy guidelines. Such description of its proxy voting guidelines can be found in Alger’s form ADV and in Appendix A below. For mutual fund shareholders, a description of its proxy voting guidelines can be found in the Statement of Additional information. Further, Alger informs clients, upon request, of Alger’s actual proxy voting policies and procedures, and how Alger voted their proxies. Client and Portfolio Administration maintains this policy online at www.alger.com.

How to Obtain Further Information

For mutual fund shareholders, Alger’s voting record is available at www.alger.com. For separate accounts clients, please contact your Client Service Manager (212) 806-8800.
Appendix A

SRI Advisory Services Proxy Voting Policy Statement and Guidelines

ISS’ Social Advisory Services division recognizes that socially responsible investors have dual objectives: financial and social. Socially responsible investors invest for economic gain, as do all investors, but they also require that the companies in which they invest conduct their business in a socially and environmentally responsible manner.

These dual objectives carry through to socially responsible investors' proxy voting activity once the security selection process is completed. In voting their shares, socially responsible institutional shareholders are concerned not only with sustainable economic returns to shareholders and good corporate governance but also with the ethical behavior of corporations and the social and environmental impact of their actions.

Social Advisory Services has, therefore, developed proxy voting guidelines that are consistent with the dual objectives of socially responsible shareholders. On matters of social and environmental import, the guidelines seek to reflect a broad consensus of the socially responsible investing community. Generally, we take as our frame of reference policies that have been developed by groups such as the Interfaith Center on Corporate Responsibility, the General Board of Pension and Health Benefits of the United Methodist Church, Domini Social Investments, and other leading church shareholders and socially responsible mutual fund companies. Additionally, we incorporate the active ownership and investment philosophies of leading globally recognized initiatives such as the United Nations Environment Programme Finance Initiative (UNEP FI), the United Nations Principles for Responsible Investment (UNPRI), the United Nations Global Compact, and environmental and social European Union Directives.

On matters of corporate governance, executive compensation, and corporate structure, Social Advisory Services guidelines are based on a commitment to create and preserve economic value and to advance principles of good corporate governance consistent with responsibilities to society as a whole.

The guidelines provide an overview of how Social Advisory Services recommends that its clients vote. We note that there may be cases in which the final vote recommendation on a particular company varies from the vote guideline due to the fact that we closely examine the merits of each proposal and consider relevant information and company-specific circumstances in arriving at our decisions. Where Social Advisory Services acts as voting agent for its clients, it follows each client’s voting policy, which may differ in some cases from the policies outlined in this document. Social Advisory Services updates its guidelines on an annual basis to take into account emerging issues and trends on environmental, social, and corporate governance topics, in addition to evolving market standards, regulatory changes, and client feedback.
Taft-Hartley Advisory Services Proxy Voting Policy Statement and Guidelines

This statement sets forth the proxy voting policy of ISS’ Taft-Hartley Advisory Services. The U.S. Department of Labor (DOL) has stated that the fiduciary act of managing plan assets that are shares of corporate stock includes the voting of proxies appurtenant to those shares of stock and that trustees may delegate this duty to an investment manager. ERISA section 3(38) defines an investment manager as any fiduciary who is registered as an investment adviser under the Investment Advisor Act of 1940. ISS is a registered investment adviser under the Investment Advisor Act of 1940.

Taft-Hartley Advisory Services will vote the proxies of its clients solely in the interest of their participants and beneficiaries and for the exclusive purpose of providing benefits to them. The interests of participants and beneficiaries will not be subordinated to unrelated objectives. Taft-Hartley Advisory Services shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. When proxies due to Taft-Hartley Advisory Services’ clients have not been received, Taft-Hartley Advisory Services will make reasonable efforts to obtain missing proxies. Taft-Hartley Advisory Services is not responsible for voting proxies it does not receive.

Taft-Hartley Advisory Services shall analyze each proxy on a case-by-case basis, informed by the guidelines elaborated below, subject to the requirement that all votes shall be cast solely in the long-term interest of the participants and beneficiaries of the plans. Taft-Hartley Advisory Services does not intend for these guidelines to be exhaustive. Hundreds of issues appear on proxy ballots every year, and it is neither practical nor productive to fashion voting guidelines and policies which attempt to address every eventuality. Rather, Taft-Hartley Advisory Services’ guidelines are intended to cover the most significant and frequent proxy issues that arise. Issues not covered by the guidelines shall be voted in the interest of plan participants and beneficiaries of the plan based on a worker-owner view of long-term corporate value. Taft-Hartley Advisory Services shall revise its guidelines as events warrant and will remain in conformity with the AFL-CIO proxy voting policy.

Taft-Hartley Advisory Services shall report annually to its clients on proxy votes cast on their behalf. These proxy voting reports will demonstrate Taft-Hartley Advisory Services’ compliance with its responsibilities and will facilitate clients’ monitoring of Taft-Hartley Advisory Services. A copy of this Proxy Voting Policy Statement and Guidelines is provided to each client at the time Taft-Hartley Advisory Services is retained. Taft-Hartley Advisory Services shall provide its clients with revised copies of this proxy voting policy statement and guidelines whenever significant revisions have been made.