



MANCHESTER
CAPITAL MANAGEMENT

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of Manchester Capital Management, LLC (hereinafter “MCM” or “firm” or “we”). If you have any questions about the contents of this brochure, please contact us at (802) 362-4410 or at bkraft@mcmlc.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. The firm’s registration does not imply a certain level of skill or training.

Additional information about MCM is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for MCM is 110003.

Item 2. Summary of Material Changes

Form ADV Part 2 requires Registered Investment Advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Our current (updated) Form ADV Part 2A is available to our existing and prospective clients 24 hours a day through the Investment Adviser Public Disclosure website or upon request. Additionally, we will annually and within 120 days of the end of our fiscal year provide you either: (i) a copy of our Form ADV Part 2A that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Form ADV Part 2A. We urge you to carefully review all subsequent summaries of material changes, as they will contain important information about any significant changes to our advisory services, fee structure, business practices, conflicts of interest, and disciplinary history.

In the past year, no material changes have occurred.

Item 3. Table of Contents

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Item 4. Advisory Business

MCM is a fee-only, SEC-registered investment adviser with its principal place of business located in Manchester, Vermont. We have been in business since 1993, with Edward Wright Cronin as the founder, majority owner, and Chief Executive Officer of the firm.

Discretionary assets under our firm's management were \$ 3,188,321,357 as of December 31, 2021.

Non-discretionary assets under our firm's management were \$ 519,614,055 as of December 31, 2021.

Our firm offers the following advisory services to our clients:

Family Office Services

MCM provides services to certain individuals and families including investment advisory services and which may also include charitable foundation administration, philanthropic guidance, tax and estate strategies, alternative investments, tax-efficient monetization of concentrated stock positions, the management of business entities, including closely-held businesses, the hiring of outside consultants, including bookkeepers and bookkeeping services, attorneys, accountants, insurance advisors, , family education advisors, and ad hoc concierge services that are typically requested by family offices. Our firm will also assist clients who fit our profile in the creation and design of a family office entity including ongoing management of that entity once it is created.

Our firm provides ongoing advice to a client regarding the investment of client assets based on the individual needs of the client. Through our client questionnaire and personal discussions, in which goals and objectives based on a client's circumstances are established, we develop a written Investment Plan for their approval which will guide the management of their portfolio. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, tax considerations, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background. Our services include providing a quarterly performance report and periodic meetings with clients to review portfolio performance and reconfirm their goals and objectives.

We manage client portfolios on a discretionary basis, subject to any restrictions a client may impose such as tax considerations or avoiding investment in certain securities or industry sectors.

We also provide portfolio consulting services, on a non-discretionary basis, whereby the client retains the ultimate responsibility and decision on any investment to be made regardless of our recommendation.

Based on the asset allocation outlined in the Investment Plan, we may allocate the client's

assets among several third-party investment managers, which may include mutual funds, exchange-traded-funds (ETFs), separate account managers, hedge funds and other private managers. Client portfolio holdings may also include individual equities and bonds, option contracts, warrants, certificates of deposit and commercial paper. Portfolio weighting among third-party investment managers and other investments will be determined by each client's asset allocation.

As part of this service, we maintain a list of "approved" investment managers that have been vetted by our investment committee and are monitored on an ongoing basis (see Item 8 for further information on our due diligence process).

If we determine at any point that a particular approved manager is not meeting our expectations, we may terminate the manager and reallocate the client's assets at our discretion. As such, our firm requests that the client grant the firm the authority to hire and fire the investment managers on the client's behalf and to move funds among them, as appropriate. At the client's direction, we may invest in a manager that is not approved and has not gone through our due diligence process.

We may recommend to clients investment in private placement offerings and/or limited investment partnerships, such as hedge funds and other pooled investment partnerships. Additional information about third-party fees related to such investments is included in the offering documents provided to prospective investors. Because these types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity, and suitability.

In order to ensure that our initial determination of an appropriate portfolio continues to be suitable and that the client's account continues to be managed in a manner suitable to the client's financial circumstances, we will maintain client suitability information in the client's file. Periodically, we will notify clients in writing to request updated information regarding the client's financial situation and investment objectives and whether the client wishes to impose or modify existing investment restrictions. In addition, we will contact clients at least annually to determine whether there have been any changes in the client's financial situation and whether the client wishes to impose investment restrictions or modify existing restrictions. Investment management services are available upon request.

Private Partnership Management

MCM serves as investment manager and Managing General Partner of the following private limited partnerships (referred to below as the "Equinox Funds") which have been designed to permit investors to access alternative investment strategies, primarily using third-party investment managers whose pooled investment vehicles might otherwise be unavailable to many investors due to high minimum investment requirements:

- Equinox Alternative Fund, LP
- Equinox Alternative Offshore Fund, LP
- Equinox Asia Overlook Fund, LP
- Equinox Conservative Fund, LP
- Equinox Multi-Strategy Fund, LP
- Equinox Private Equity Fund, LP
- Equinox Private Equity Fund II, LP
- Equinox Private Equity Fund III LP
- Equinox Venture Capital Fund, LP
- Equinox Venture Capital Fund II, LP
- Equinox Venture Capital Fund III, LP
- Equinox Venture Capital Fund IV, LP
- Equinox Venture Capital Fund V, LP
- Equinox Venture Capital Fund VI, LP
- Equinox Venture Capital Fund VII, LP

MCM also serves as investment manager and Managing General Partner of the Equinox Water Fund, LP, which is a private limited partnership that invests in securities of companies that derive a significant portion of their revenues from the global water industry.

Limited partnership interests in the Equinox Funds are offered in reliance upon various exemptions available under the securities laws for transactions in securities not involving a public offering. MCM manages the Equinox Funds on a discretionary basis in accordance with the terms and conditions of the Private Placement Memorandum and organizational documents specific to each Equinox Fund.

Prospective investors in any Equinox Fund should be aware of additional risks, restrictions on withdrawals and redemptions, and other important information associated with an investment in any Equinox Fund. This information is outlined in the Private Placement Memorandum and subscription documents for each Equinox Fund. Prospective investors should refer to the appropriate Private Placement Memorandum and subscription documents for information regarding these important additional considerations.

Except for the Private Equity and Venture Capital Funds which generally do not have liquidity, Limited Partners may generally withdraw from any of the Equinox Funds at the end of any fiscal quarter upon providing advance written notice which varies from 75 to 95 days, subject to any lockup provisions of that specific fund which may have withdrawal restrictions prior to the first or second anniversary of a partner's capital contribution, may only allow withdrawals on the first day of either January or July or may impose an aggregate percentage limitation on a limited partner withdrawals at any one time. The General Partner may, at its sole discretion: (i) suspend or delay the right of any Partner to withdraw all or part of their Capital Account if, and to the extent that, the Equinox Fund is unable to withdraw its investment from any sub-fund or the Equinox Fund's withdrawal rights are so suspended or delayed by any of the sub-funds in which

the Equinox Fund's assets attributable to such Capital Account are invested.

Private Real Estate Services

MCM offers private real estate services to clients which include the acquisition and management of specific commercial properties that a client chooses to own. As part of our services we direct all aspects of the management for each individual property including operations, development, financing, leasing and capital improvements.

Consulting Services

Services may include reviewing the responses to a client's RFP for new managers for its pension plan, searching for an investment manager in a particular asset class, writing an investment policy statement for a fiduciary, or assisting the investment committee of an institution in analyzing the composition and performance of a particular portfolio.

Item 5. Fees and Compensation

Family Office/Investment Management Services

Family Office Services will be charged as a percentage of assets under our management or assets under management placed with the third-party investment adviser(s) and supervised by us. Our annualized fee, subject to a minimum of \$ 200,000, will be charged according to the following schedule:

Assets under Management

First \$ 25 million	0.80%
Next \$ 25 million	0.60%
Above \$50 million	0.40%

A minimum of \$50 million of assets under management is required for our Family Office Services. MCM may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Although MCM has an established annual fee schedule, we retain the discretion to negotiate alternative fees on a client-by-client basis. Overall factors to be considered in an alternative fee schedule include the assets to be managed, the complexity of the client's circumstances and the degree of oversight required to attain the client's investment objectives, anticipated future additional assets, related accounts, portfolio style, and account composition, among other factors. Fees may also be discounted for charitable foundation accounts.

Our fees are generally billed quarterly in arrears based on the value (market value or fair market value in the absence of market value) of the client's account at the end of a

calendar quarter. Fees may be pro-rated for account opening and closing dates. Fees are generally debited from the client's account in accordance with the client's authorization.

Equinox Funds

We charge the Equinox Conservative Fund LP and the Equinox Water Fund LP an annual fee of 1.00% of the net assets under management with respect to the aggregate limited partner capital accounts, calculated and charged on a quarterly basis and adjusted for unrecovered losses incurred by each limited partner.

For all other Equinox Funds, we directly charge limited partners a quarterly fee on the value of their capital account based on the fee schedule in their client agreement.

Generally, we require a new limited partner to make a minimum capital commitment of \$250,000 into any Equinox Fund in which they invest.

Real Estate Services

Typically, our annual management fee on real estate is charged at the rate of 1.0 – 1.5%, which is billed quarterly in advance, calculated on the fair market value of the property. For development projects, we charge a development fee of 3.5% – 6.0% of total project development costs, depending on the complexity of the project and billed monthly over the development period.

Consulting Services

MCM generally charges a fixed fee for consulting engagements (typically ranging from \$10,000 to \$350,000) that is established based on the individual client's personal circumstances and the nature and complexity of the engagement. Fees may be payable during and/or upon completion of the engagement and are due within thirty days of invoicing. Consulting engagements may be continuing in nature.

Fees in General

MCM's fees and account minimums for all services are negotiable based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). Discounts, not generally available to our advisory clients, may be offered to family members and friends.

We may group certain related client accounts for the purposes of determining the account size and/or annualized fee.

Certain legacy client agreements may be governed by fee schedules that may vary from those listed above.

Clients should note that similar advisory services may (or may not) be available from other registered or unregistered advisers for similar or lower fees.

Under no circumstances will we earn fees more than six months in advance of services rendered.

Account Termination

A client agreement may be cancelled at any time, by either party, for any reason upon 30 days' written notice at our principal place of business. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. In calculating a client's reimbursement of fees, we will prorate the reimbursement according to the number of days remaining in the billing period.

Third-party Investment Manager, Mutual Fund and ETF Fees and Expenses: All fees paid to our firm for investment advisory services are separate and distinct from any third-party fees and expenses charged by investment managers, mutual funds, separate account managers, hedge funds, private equity funds and ETFs to their shareholders. Those fees and expenses are described in each fund's prospectus. Those fees will generally include a management fee, and/or performance fee, other fund expenses, and a possible redemption fee. A client could invest in an investment manager and/or ETF directly, without the services of our firm. In that case, the client would not receive the services provided by us which are designed, among other things, to assist the client in determining which investment managers or ETFs are most appropriate to each client's goals and objectives. Accordingly, the client should review both the third-party fees charged by the investment managers and ETFs and the fees charged by us to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses

In addition to advisory fees paid to our firm, clients will also be responsible for advisory fees charged by separate account managers and all transaction, brokerage, and custodian fees incurred as part of their account management. Please refer to the Brokerage Practices section (Item 12) of this Brochure for important disclosures regarding our brokerage practices.

Item 6. Performance-Based Fees and Side-By-Side Management

MCM's fees and compensation are discussed in Item 5, above.

Item 7. Types of Clients

Our firm generally provides advisory services to individuals, family office entities, pension and profit-sharing plans, trusts, estates or charitable organizations, corporations or other business entities, and the Equinox Funds.

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

Asset Allocation: Rather than focusing primarily on securities selection, we attempt to identify an appropriate allocation between equities, fixed income, alternatives, real assets and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not fully participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of equities, fixed income, and cash will change over time due to market movements and, if not corrected, may no longer be appropriate for the client's goals.

Due Diligence Process: We maintain an "approved" list of investment managers, including but not limited to, mutual funds, separate account managers, hedge funds and private partnerships. These approved managers have been subjected to our due diligence process and have been vetted by our internal Strategy Group. The Strategy Group is composed of three senior investment professionals. The Strategy Group also leads discussions on strategic and tactical asset allocation and recommending allocation changes.

MCM's due diligence on securities, investment managers (mutual funds, investment partnerships), and other investment vehicles includes: (a) conducting personal interviews; (b) reviewing performance records; (c) reviewing the manager's or firm's marketing and other materials; (d) reviewing the firm's organizational structure and decision making processes; and (e) reviewing governmental records. The analysis process includes both objective and subjective criteria.

This criteria may include assessments of investment style, philosophy, process; quantitative measures including risk, return, sharpe ratio correlation, upside and downside capture; qualitative measures include firm history, pedigree, experience, trading policies, operations and compliance. These processes typically include phone calls and/or personal meetings with the managers. We prepare a due diligence report which is presented to our Strategy Group for further vetting and approval.

We monitor the approved managers on an ongoing basis, evaluating performance versus appropriate benchmarks, peer rankings and risk characteristics as well as organizational changes, asset flows and expenses. We continue to meet periodically with each approved manager to perform our due diligence update.

Investment Manager/ETF Analysis: We look at the experience and track record of an investment manager in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We look at the underlying securities in the fund in an attempt to determine if there is significant overlap in the underlying investments held in any other fund in the client's portfolio. We monitor the investment manager or ETF in an attempt to determine if they continue to follow their stated investment strategy.

An investment manager who has been successful may not be able to replicate that success in the future. In addition, we do not control the underlying investments in their fund or ETF. Investment managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that an investment manager or ETF may deviate from their stated investment strategy, which could make their fund or ETF less suitable for a client's portfolio. Moreover, as we do not control an investment manager's daily business and compliance operations, it is possible for us to miss the absence of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Technical Analysis: Technical analysis seeks to identify price patterns and trends in financial markets and attempt to exploit those patterns. While a very minor part of our process, we follow and examine such indicators as price, volume, moving averages of the price and market sentiment.

Cyclical Analysis: Cyclical analysis concentrates on business cycles as well as asset market cycles, examining alternating phases of expansion and contraction in volumes, prices and returns. Since cyclical analysis is based on examination of rising and falling trends, investors bear risk of mis-timing, with a specific trend lasting longer or shorter than expected.

Risks for All Forms of Analysis: Our securities analysis method relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Our firm employs the following investment strategies to implement investment advice given to clients:

Long-term Purchases: We mostly purchase securities with the idea of holding them in a client's account for a year or longer. We may do this because we believe the securities are currently undervalued, or we desire exposure to a particular asset class over time, regardless of the consensus capital market projections for this asset class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may forego the opportunity to invest in securities with a more favorable short-term outcome. Moreover, if our assessments are incorrect, a security may decline sharply in value before we make a decision to sell it.

Short-term Purchases: Generally, we do not purchase securities with the intention of holding them short-term (less than a year). However, we may purchase securities to take advantage of a tactical opportunity in the market that we believe will be realized in the short term.

A risk in a short-term purchase strategy is that, should the anticipated opportunity not materialize, we are left with the option of having a long-term investment in a security that was intended to be held short term, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a long-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Securities may be sold on a short-term basis for a variety of reasons including, but not limited to, client direction, major changes in the markets, new information on the economy, to realize a tactical opportunity, and/or for tax reasons.

Option Writing: We may use options as an investment strategy. An option is a contract that gives the opportunity to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are “calls” and “puts”:

A call gives the holder the right to buy a security at a certain price (strike price) within a specific period of time (expiration). We will buy a call if we have determined that the stock will increase substantially before the option expires.

A put gives the holder the right to sell a security at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We may use options to speculate on the possibility of a sharp price swing. We may also use options to “hedge” a purchase of the underlying security; in other words, we may use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We may use “covered calls,” in which we sell a call option on a security a client owns. In this strategy, the client receives a fee (premium) for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price.

A risk of covered calls is that the stock price appreciates beyond the strike price and the holder of the call option exercises their right to buy. Another risk is that the option seller does not control timing of if/when the buyer decides to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to close the option contract (buy the option back), for a possible loss.

We may use a “spread strategy” or “collar strategy” in which we purchase two or more option contracts (for example, a call option that is bought and a call option that is sold) for the same underlying security. This effectively puts the client on both sides of the market, but with the ability to vary strike price, expiration, and other factors.

A risk of spread strategies is that the ability to fully profit from a price swing is limited.

Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal.

Item 9. Disciplinary Information

Our firm has no reportable disciplinary events to disclose.

Item 10. Other Financial Industry Activities and Affiliations

In addition to our advisory services described in the Advisory Business section of this Brochure (Item 4), MCM also provides non-advisory consulting services to clients. These services include family office services to clients whose typical liquid assets/total net worth exceed \$50 million dollars. These services are described in Item 4 of this Brochure. MCM also, as described in Item 4 of this Brochure, provides real estate services that include the acquisition and management of real estate holdings. MCM advisory clients are under no obligation to utilize MCM for these non-advisory services.

Some of these non-advisory activities may present a potential conflict of interest, to the extent that MCM may be compensated at different rates of compensation as a result of recommending and/or providing these additional services to clients. Potential conflicts of interest also arise to the extent that these non-advisory activities may require a significant time commitment, thus limiting the amount of time they can dedicate to management of advisory client accounts. Since we endeavor at all times to put the interest of our clients first as part of our fiduciary duty as a registered investment adviser, we take the following steps to address these conflicts:

1. We disclose to clients the existence of all material conflicts of interest, including the potential for our firm to earn compensation from advisory clients in addition to our advisory fees;
2. We disclose to clients that they are not obligated to purchase any additional services from our firm or its employees;
3. We disclose to clients in the event we are paying a referral fee on their account;
4. We do not collect referral fees from any related persons or entities;
5. We collect, maintain, and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
6. Our management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to that client's needs and circumstances.

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

Code of Ethics Disclosure

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our Code provides for oversight, enforcement and recordkeeping provisions. MCM's Code of Ethics also includes the firm's policy of prohibiting the use of material non-public information. Each of MCM's employees is required to acknowledge that he or she received, read and understands our Code of Ethics. A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy upon request to Bayard R. Kraft III, Chief Compliance Officer, at the firm's principal office address in Vermont. You may request a copy by email sent to bkraft@mcmlc.com or by calling us at 802-362-4410.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Our firm or individuals associated with our firm may buy or sell securities for their personal accounts which are identical to those recommended to or purchased for our clients. In addition, any related person(s) may have an interest or position in a certain security, including the Equinox Funds, which may also be recommended to a client. This practice results in a potential conflict of interest, as we may have an incentive to manipulate the timing of such purchases to obtain a better price or more favorable allocation in rare cases of limited availability.

We may aggregate our employee trades with client trades. It is MCM's policy that no firm account, principal's account or employee's account be permitted to receive a more favorable execution price than that received on that day by clients of our firm. All trading activities for the previous day are reconciled daily on a trade-by-trade basis, distributed to the Investment Committee and the Compliance Team, and reviewed and approved by the Chief Compliance Officer. In case there is only a partial fulfillment of a particular batch trade order, we will allocate all the purchases pro rata, with each account paying average price.

To mitigate these potential conflicts of interest and ensure the fulfillment of our fiduciary responsibilities, we have established the following restrictions:

1. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No principal or employee of our firm may prefer his or her own interest to that of a client.

2. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for a client account, and therefore, preventing such employees from benefiting from transactions placed on behalf of any client account.
3. In case of partial fills, client accounts will receive preference over employee accounts.
4. We emphasize the unrestricted right of any client to decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
5. All of our principals and employees must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
6. Any individual not in observance of the above may be subject to disciplinary action or termination.

MCM may recommend or solicit client investment in the Equinox Funds for which we serve both as General Partner and investment adviser. MCM may also have a capital account and a financial interest in the Equinox Funds.

Item 12. Brokerage Practices

We do not have any formal or informal soft-dollar arrangements and do not receive any soft-dollar benefits.

We do not request or accept the discretionary authority to determine the broker dealer to be used for client accounts. Clients retain the authority to select the broker dealer to be used for their securities transactions. In directing the use of a particular broker or dealer, it should be understood that we will not have authority to negotiate commissions among various brokers, and best execution may not be achieved, resulting in higher transaction costs for clients. *Not all advisers require their clients to direct brokerage.*

For clients in need of brokerage and/or custodial services and depending on client circumstances and needs, we will recommend the use of one of several broker dealers, provided that such recommendation is consistent with our fiduciary duty to the client. Generally, we will recommend the brokerage services offered by the client's custodian. The factors considered by our firm when making these recommendations are the broker-dealer's ability to provide professional services, the firm's experience with the broker dealer, the broker-dealer's reputation, the broker dealer's quality of execution services and costs of such services, and the custodial platform provided to clients, among other factors.

If a client, when undertaking an advisory relationship with our firm, already has a pre-established relationship with a broker and instructs us to execute all transactions through that broker, it should be understood that under those circumstances, we will not have the

authority to negotiate commissions or obtain volume discounts and best execution may not be achieved. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to other clients since our firm may not be able to aggregate orders to reduce transaction costs or the client may receive less favorable prices.

We reserve the right to decline acceptance of any client account for which the client directs the use of a broker if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account.

Our firm participates in the Schwab Institutional (SI) services program offered to independent investment advisers by Charles Schwab & Company, Inc. (“Schwab”), an unaffiliated FINRA-registered broker dealer. Clients in need of brokerage and custodial services will have Schwab recommended to them. As part of the SI program, our firm receives benefits that it would not receive if it did not offer the investment. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving SI participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors and trading terminals. The benefits received through participation in the SI program may or may not depend upon the amount of transactions directed to, or amount of assets custodied by, Schwab.

Through Envestnet Tamarac we also participate in the Schwab Performance Technologies Platform, Portfolio Center, a service which provides us with a daily portfolio accounting and account reconciliation tool.

MCM has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, “Fidelity”) through which Fidelity provides MCM with Fidelity’s Institutional Wealth Services platform “IWS Platform” services. IWS Platform services include, among others, brokerage, custodial, administrative support, record keeping, and related services that are intended to support intermediaries like MCM in conducting business and in serving the best interests of their clients but that may benefit MCM.

Fidelity enables MCM to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity’s commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

Schwab and Fidelity charge brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for debt securities transactions).

Participation in the SI and Fidelity programs results in a potential conflict of interest for our firm, as the receipt of the above benefits creates an incentive for us to recommend Schwab or Fidelity to clients.

Nonetheless, we have reviewed the services of Schwab/Fidelity and recommend their services based on a number of factors. These factors include the professional services offered, commission rates, margin interest rates, and the custodial platform provided to clients. While, based on our business model, we will not seek to exercise discretion to negotiate trades among various brokers on behalf of clients, we will, however, periodically attempt to negotiate lower commission rates for our clients with Schwab.

Trade Aggregation

We may aggregate client trades when doing so is advantageous to our clients. Mostly, we will batch client transactions to obtain better and more uniform pricing across client accounts. If we determine that aggregation of trades in a certain situation will be beneficial to our clients, transactions will be averaged as to price and will be allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day. It is not possible to aggregate client trades that have been executed by different custodians. To ensure fairness for all accounts, trading shall be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy.

Item 13. Review of Accounts

Portfolio Management Services

The MCM Wealth Management Committee will continuously monitor the investments in client accounts and perform at least quarterly reviews of account performance for all clients, including the Equinox Funds. Recommendations by wealth managers must be approved by a two-thirds majority of the members of the Wealth Management Committee. The Wealth Management Committee also monitors the performance of third-party managers on a continuous basis. Client accounts are reviewed for consistency with the client's investment strategy and objectives, asset allocation, risk tolerance and performance relative to the appropriate custom benchmark. More frequent reviews may be triggered by changes in a clients' personal, tax or financial status. Economic and macroeconomic-specific events may also trigger reviews.

In addition to the monthly statements and confirmations of transactions that clients receive from their custodian, we provide quarterly performance reports showing investment results, including time-weighted returns and performance against benchmarks. Limited Partners in the Equinox Funds receive annual reports showing opening and closing account balances and Fund performance.

Family Office/Consulting Services

We will review these client accounts as contracted for at the inception of the advisory relationship, typically at least annually. We will not typically provide additional reports unless otherwise contracted for at the inception of the advisory relationship.

Item 14. Client Referrals and Other Compensation

We currently pay referral fees to a former solicitor for previously referring prospective clients to our firm. When a solicited prospect became a client of the firm, we paid that solicitor an ongoing fee of up to 20% for a set number of years.

Payment of referral fees for prospective client referrals creates a potential conflict of interest to the extent that such a referral is not unbiased and the solicitor is, at least partially, motivated by financial gain. Therefore, such a referral may be made even if our advisory services are not suitable to a particular client's needs or entering into an advisory relationship with us is not, overall, in the best interest of the client. As these situations represent a conflict of interest, we have established the following restrictions in order to ensure our fiduciary responsibilities:

1. All such referral fees are paid in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements;
2. Any such referral fee is paid solely from MCM's investment advisory fee, and not result in an increase in the advisory fees the client would otherwise pay were the solicitor not involved;
3. Prior to any solicited prospective client becoming a client of the firm, the solicitor disclosed the nature of their solicitor relationship to the prospect and provide them with a copy of our Form ADV Part 2 Brochure, together with a written disclosure statement from the solicitor to the prospect disclosing the terms of the solicitation arrangement between our MCM and the solicitor; and
4. All referred clients were carefully screened to ensure that our fees, services, and investment strategies are suitable to their investment needs and objectives.

Item 15. Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that MCM directly debits advisory fees from client accounts. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from the client's account. On at least a quarterly basis, the custodian is required to send

the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully compare the reviews of account holdings and/or performance results received from MCM with the statements received from the custodian.

Under current SEC guidance, MCM is also deemed to have custody over certain separately managed client accounts due to certain payment authorization arrangements.

Moreover, because we act as investment adviser to the Funds and are affiliated with each Fund's General Partner through common ownership and control, we are deemed to have custody of client assets under current applicable regulatory interpretations. As an adviser with custody, we have each of the Funds audited on an annual basis by an independent public accountant that is both registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB). We seek to send, directly or through a third party, the audited financials to each Fund investor within 120 or 180 days (as applicable) of each Fund's fiscal year end.

Item 16. Investment Discretion

Clients may hire MCM to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's authorization for the transaction.

Our discretionary authority includes the ability to do the following without first contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amounts of securities to buy or sell

Clients give MCM such discretionary authority when they sign a discretionary investment advisory agreement with our firm, and may limit this discretionary authority by giving us written instructions. Clients may change/amend these limitations by once again providing MCM with written instructions.

Item 17. Voting Client Securities

Advisory clients may elect to delegate their proxy voting authority to us. Alternatively, clients may, at their election, choose to receive proxies related to their own accounts, in which case we may consult with clients as requested. With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact Bayard R. Kraft, III by telephone, electronic mail, or in writing.

When we have discretion to vote proxies for our clients, we will vote those proxies in the best interests of the clients and in accordance our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time,

including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Bayard R. Kraft III directly. Clients may request, in writing, information on how proxies for their shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

The Wealth Management Committee oversees and supervises MCM's proxy voting policies and procedures. The Compliance Team monitors the process to ensure that staff responsible for voting client proxies are keeping appropriate records and voting proxies in accordance with MCM's proxy voting policies and procedures. In voting proxies, we evaluate on a case-by-case basis all proposals submitted by firms where our clients have an investment. In this regard, our voting responsibility is to protect and enhance the value of assets under management for the exclusive benefit of the clients' portfolio beneficiaries. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders; proxy votes generally will be cast against proposals having the opposite effect. The procedure involves routine and non-routine issues. Routine issues may involve the election of directors, name changes, and appointment of auditors. Non-routine issues will focus on the impact of the vote on the specific investment. Areas that are evaluated with these issues may include the following:

- I. Corporate Governance Proposals
- II. Incentive Compensation, Director's Liability and Similar Items
- III. Corporate Finance, Capital Structure and Ownership Proposals
- IV. Takeover Defenses
- V. Social and Environmental Issues Proposals

We will ensure that all votes are submitted in a timely manner unless we otherwise determine that voting a proxy is not in a client's best interest.

All material conflicts of interest on proxy matters when discovered will be disclosed and resolved to the benefit of the client. When a conflict is identified, we will request that the client review the proxy issue and instruct in writing its voting direction and consent.

At the client's request, we will act in their behalf in legal proceedings involving companies whose securities are held in the client's account by filing in their behalf "Proofs of Claim" in the case of class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such

direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18. Financial Information

Under no circumstances do we require or solicit payment of fees more than three months in advance of services rendered. MCM has not been the subject of a bankruptcy petition at any time during the past ten years. MCM has no additional financial circumstances to report. Therefore, we are not required to include a financial statement.