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

**Weatherbie Capital, LLC**
265 Franklin Street
Suite 1603
Boston, MA 02110
Phone: (212) 806-8800
Fax: (212) 806-2994
www.alger.com/weatherbie

Brochure Date: March 30, 2022

**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 29, 2021. Material changes to this brochure since the March 2021 annual update include amendments to the following items:

**Item 4 — Advisory Business**: Updated disclosure regarding strategies offered by affiliate; additional disclosure regarding cash and security limits on wrap program accounts; additional disclosure regarding new strategy added

**Item 5 — Fees and Compensation**: Fee schedule for new strategy added; fee schedule for existing strategy revised

**Item 7 — Types of Clients**: Revisions to minimum asset size for wrap program accounts

**Item 8 — Methods of Analysis, Investment Strategies and Risk of Loss**: additional disclosure regarding new investment strategy and process; risks of new strategy added; revised and added certain risk disclosure

## (3) Table of Contents:[1]

(1) Cover Page: ... 1
(2) Material Changes: ... 2
(3) Table of Contents: ... 3
(4) Advisory Business: ... 4
(5) Fees and Compensation: ... 6
(6) Performance Based Fees and Side-by-Side Management ... 9
(7) Types of Clients: ... 10
(8) Methods of Analysis, Investment Strategies and Risk of Loss: ... 10
(9) Disciplinary Information: ... 24
(10) Other Financial Industry Activities and Affiliations: ... 24
(11) Code of Ethics, Participation in Client Transactions and Personal Trading: ... 25
(12) Brokerage Practices: ... 27
(13) Review of Accounts: ... 34
(14) Client Referrals and Other Compensation: ... 35
(15) Custody: ... 36
(16) Investment Discretion: ... 36
(17) Voting Client Securities: ... 36
(18) Financial Information: ... 37
(19) Requirements for State-Registered Advisers: ... 38
Privacy Policy ... 39

[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 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) 35%, 35% and 29%, respectively, of AAI.

Weatherbie provides both discretionary and non-discretionary investment advisory services and management 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 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 the New York Stock Exchange or NASDAQ market exchange. The portfolios may also hold American Depositary Receipts.

Weatherbie offers multiple investment strategies including Specialized Growth, Enduring Growth, Long/Short, and Select 15. The Dynamic Opportunities Strategy is managed by Weatherbie's affiliate FAM. Please see FAM's Form ADV Part 2A for additional information on this strategy.

Clients, 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 that Weatherbie can make. In addition, each of Weatherbie's strategies follows a specific investment discipline with their own portfolio construction parameters. Accordingly, Weatherbie will not enter 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 also 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 a Portfolio Manager 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

In managing accounts in a wrap program, Weatherbie seeks to avoid investing in illiquid or foreign securities, which are 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 will seek to avoid purchasing partnerships or 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 minimum cash limit to all accounts in the affected strategy(ies), impacting all wrap sponsors' accounts.

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 other accounts including funds it advises. Because of the distinct trading process Weatherbie follows for wrap accounts 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 of limitations imposed by such sponsors, 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.

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 executes trades and administers the account without additional charges. 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.

*Model Portfolio Program*

In a Model Portfolio Program, Weatherbie enters into an agreement with the sponsor to provide an initial model portfolio, which the sponsor then seeks to replicate for its clients. Weatherbie will then regularly provide updated model portfolio information to sponsors. 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. Weatherbie provides a model portfolio to the wrap program sponsor to duplicate on behalf of the client.

### Client Assets Under Management

As of December 31, 2021, Weatherbie had $4,190,680,204 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 higher or lower fees than noted below and one client may pay a higher fee to Weatherbie than a second client who is receiving substantially similar services. For example, Weatherbie generally applies an alternate schedule with lower fees to clients whose assets under management ("AUM") is 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 service 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. In addition, as is more fully discussed below, some clients may pay Weatherbie a performance-based fee for its 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 the 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 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.

*Select 15 Strategy*

- 0.95% on the first $25 million of assets;
- 0.90% on the next $25 million;
- 0.85% on the next $50 million; and
- 0.80% on assets over $100 million.

*Specialized Growth Strategy*

- 0.85% on the first $60 million of assets;
- 0.75% on the next $40 million;
- 0.60% on the next $150 million; and
- 0.50% thereafter.

*Long/Short Strategy*

- 0.75% management fee plus 15% performance fee.

### *Enduring Growth Strategy*

- 0.75% on the first $25 million of assets;
- 0.70% on the next $25 million
- 0.65% on the next $50 million; and
- 0.60% on assets over $100 million.

### *Wrap Program Fee Structures*

For its services in wrap programs, Weatherbie's fee generally ranges 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.
- Mutual fund 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 mutual fund.

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 was to pick 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.

### 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' mutual funds 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 its affiliates, up to the limits permitted under the Investment Company Act of 1940, as amended. In the event of investment of a client's assets in such pooled vehicles, Weatherbie will take steps to avoid having the client pay duplicative fees. There can be no assurance, however, 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, Weatherbie's affiliate, Fred Alger & Company, LLC ("FAC") serves as the principal underwriter for certain mutual funds sub-advised by Weatherbie and generally receives an asset-based fee for distribution or shareholder servicing from the funds advised by Weatherbie. Additionally, FAC may also receive fees related to contingent deferred sales charges of certain share classes of funds advised by Weatherbie or its affiliates.

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 investment products such as mutual funds, 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. Weatherbie's fee rate will increase based on the performance of performance fee-based accounts, whereas Weatherbie's fee rate with respect to non-performance fee based accounts remains the same regardless of the accounts' performance. 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 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. Please see Item 12: Brokerage Practices for more information about Weatherbie's trading aggregation, allocation, and best execution policies. 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 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 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 mutual fund shares 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 Capital, 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 primarily invests in approximately 15 holdings of smaller capitalization growth equity securities identified through our fundamental research as having attractive growth and quality characteristics.

*Specialized Growth:* the Specialized Growth strategy primarily invests in growth equity securities of U.S. small and mid-cap companies identified through our fundamental research as demonstrating promising growth potential.

*Enduring Growth:* the Enduring Growth strategy primarily invests in equity securities of mid-cap growth companies with an environmental, social and governance ("ESG") rating of medium or better, as determined by Sustainalytics, a third-party ESG rating agency, at the time of purchase.

*Long/Short:* the Long/Short strategy seeking long-term capital appreciation with lower market correlation by primarily investing in long and short positions of smaller cap U.S. growth equity securities.

## Investment Process

The investment team is responsible for idea generation and managing current positions across the relevant portfolios. In general, the investment team follows the long-held beliefs of its founder, Matthew A. Weatherbie, 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, Diversified Business Services, Health Care, Information Services, Media & Communications, 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 350 companies that meet our quality and growth criteria. We seek to identify high-quality growth companies with these characteristics:

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

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.

New ideas generally undergo this comprehensive research process, 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."

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. 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.

### *Environmental, Social, Governance ("ESG")*

Weatherbie's belief is that further ESG analysis of certain owned issuers will lead to a more in-depth and comprehensive understanding of the company, 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, including Sustainalytics, MSCI ESG Research, and other means, to provide information and guidance on ESG considerations at an industry and security specific level. We recently partnered with Truevalue Labs, which provides our analysts with an alternative way to analyze companies on ESG factors. Using machine learning, Truevalue Labs creates quantitative signals based on ESG information from unstructured text.

Weatherbie may change the sources for such information, including by adding or modifying the information it receives from third-party firms, by 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 Weatherbie's investment professionals have access to reports and ratings of securities (where the information is available) across all current 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 25.0 or below and our research uncovers no other ESG issues, no further ESG analysis is required. If the company is ranked 25.1 or above by the third-party market application, the Analyst will:

1. Identify drivers of ESG score.
2. Interview 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.
5. Meet with PMs as necessary to discuss the ESG report and the impact it may have on their overall view of the company.

As this level of analysis is new to Weatherbie, we are starting our review based on owned companies with the highest score and will work to complete our analysis of all companies with rankings above 25.1 over time. Weatherbie's Chief Executive Officer and Chief Investment Officer has ultimate oversight for the implementation of Weatherbie's ESG Policy. A group of senior personnel at Weatherbie support them, overseeing the ESG initiative.

### *Specific to Select 15 Strategy*

The Select 15 strategy primarily invests in approximately 15 holdings of smaller capitalization growth equity securities identified through Weatherbie's fundamental research as having attractive growth and quality characteristics.

### *Specific to Long/Short Investment Strategy*

The Long/Short strategy is managed by multiple 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, as described above.

Short Investments

For those clients who allow us, we seek to short companies with characteristics that include:

- Deteriorating fundamentals
- Intensifying competition
- Slowing revenue growth
- Pressured margins
- Shrinking cash flow
- Low quality balance sheets

More detailed information about additional considerations for Weatherbie's strategies can be found at www.alger.com/weatherbie.

*Specific to Enduring Growth Strategy*

The Enduring Growth strategy generally invests in no more than 30 holdings, composed primarily of U.S. equity mid-cap securities with a market cap between $1 billion and $25 billion at initial purchase. Under normal circumstances, the weighted average of the strategy's holdings is targeted to be at or better than a medium or average rating provided by a third-party ESG rating agency selected by Weatherbie (the "ESG Rating Agency"). The strategy does not invest in securities with a rating at or worse than severe or poor, as provided by the ESG Rating Agency. If a security's rating is downgraded to severe or poor, Weatherbie sells out of the security within a reasonable period of time. Unrated securities are excluded from determining the weighted average rating. If a security is not rated by the ESG Rating Agency, Weatherbie generally gives the security a 12-month grace period from the date it is added to the strategy in order for the security to obtain a rating from the ESG Rating Agency. The number of portfolio holdings without a rating by the ESG Rating Agency are limited to three securities and 20% of the strategy's assets.

## 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 portfolio and considers a number of measures, including attribution analysis, to help the Portfolio Managers to 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 does not actively manage a portfolio's sector exposures but uses such reports to seek to understand portfolio characteristics and 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 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 Stocks 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.

### *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.

### *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. 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.

### *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.

### *Healthcare 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: enhanced health screenings, 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; reductions in consumer demand and economic output; and significant challenges in healthcare service preparation and delivery. 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. The impact of this outbreak has adversely affected the economies of many nations and the entire global economy and may impact individual issuers and capital markets in ways that cannot be foreseen. 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. Impacts from climate change may include significant risks to global financial assets and economic growth. 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.

### *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.

### 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.

#### *Risks of Selling Securities Short*

This risk applies to the Growth, Long/Short, Dynamic Opportunities and Enduring Growth strategies.

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.

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

This risk applies to the Long/Short and Dynamic Opportunities 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, Long/Short, Dynamic Opportunities and Enduring Growth 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.

### *Risks of Investing in Derivative Instruments*

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

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 selling (writing) 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.

### *ESG Risks*

This risk applies to the Enduring Growth strategy.

Weatherbie incorporates ESG criteria into its investment process for the strategy, which may be viewed as providing opportunities for long-term rather than short-term returns and may result in the selection or exclusion of securities of certain issuers for reasons other than financial performance. As a result, this strategy may forego opportunities to buy certain securities when it might be otherwise advantageous to do so or sell certain securities when it might be otherwise disadvantageous to do so. ESG investing also carries the risk that the strategy's investment returns may underperform strategies that do not utilize an ESG investment strategy. The application of ESG investing may affect the Enduring Growth 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. Applying ESG criteria to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria or services utilized by Weatherbie or any judgment exercised by Weatherbie will reflect the beliefs or values of any particular investor. In evaluating a company, Weatherbie is dependent upon information and data obtained through voluntary or third-party reporting that may be incomplete, inaccurate or unavailable, which could cause Weatherbie to incorrectly assess a company's ESG practices. ESG standards differ by region and industry, and a company's ESG practices or Weatherbie's assessment of a company's ESG practices may change over time.

## (9) Disciplinary Information:

As of December 31, 2021, there are no legal or disciplinary actions involving Weatherbie or any of its affiliates.

## (10) Other Financial Industry Activities and Affiliations:

Weatherbie is under common ownership with FAM, an investment adviser based in New York, New York, and FAC, a registered broker-dealer based in New York, New York. Weatherbie will also, from time to time, be deemed to be affiliated with certain pooled investment vehicles in which its parent companies hold controlling positions.

Weatherbie is the sub-adviser to certain series of The Alger Funds, The Alger Funds II, and The Alger Portfolios, 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 investment fund. 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. 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.

Weatherbie affiliates also have other direct and indirect interests in the equity markets, directly or through investments in pooled products in which accounts directly and indirectly invest.

### 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 and its affiliates 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 coverage (applies to Portfolio Managers, Traders and Analysts)
- Engage in excessive trading, including successive transactions in the same security
- Purchase and sell a security within sixty days unless done so at a loss
- Purchase securities in an initial public offering
- Engage in short sales on 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 advised mutual funds) in which Weatherbie Affiliates 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. As noted above in Item 10: Other Financial Industry Activities and Affiliations, 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 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 Affiliates may invest in mutual funds or other pooled investment vehicles, and other 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 other 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. For a more detailed discussion of Weatherbie's conflicts related to its affiliates, please see Item 10: Other Financial Industry Activities and Affiliations.

### 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 its 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 an affiliate has a material financial interest, but Weatherbie's accounts generally follow different strategies than those accounts, implemented independently by different investment personnel, and traded independently by different trading 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. Weatherbie places securities trades with the overriding goal of seeking best execution, meaning the most favorable combination of price and execution. In seeking best execution, Weatherbie evaluates a wide range of criteria including price, the broker-dealer's execution capability, facilities, positioning, ability to handle difficult trades, as well as elements such as timing and order size.

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. In most cases, Weatherbie has sole discretion over the execution of portfolio transactions. 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.

### 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 a third-party vendor, 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
- Evaluations of thinly traded securities
- Computerized trading screening techniques and securities ranking services
- General research services (*i.e.,* Bloomberg, FactSet)

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. 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. No mutual fund sub-advised by Weatherbie may direct brokerage or any other payment to any broker in consideration of sales of shares of funds advised by Weatherbie or its affiliates.

Separate account clients may, however, 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 batching 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. If Weatherbie places orders on behalf of clients who direct brokerage after it places other trades, 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 (e.g., healthcare).

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 affiliates in private placements pursuant to internally developed procedures. In such cases, Weatherbie will only negotiate the price of such investments, and no other material terms of the offering, and will prepare a written allocation statement reflecting the allocation of the 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, 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 initial public offerings ("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 where the portfolio manager seeks an allocation. 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, accounts in which Weatherbie and/or its employees (or of affiliates of Weatherbie and their employees) have interests, may receive an allocation or an opportunity not allocated to other accounts.

Certain portfolio managers manage multiple strategies, which may impact how investments, including IPOs and secondary offerings, are allocated across such strategies.

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. Considerations for such different allocations, include, but are not limited to, when an allocation to a particular 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/weatherbie 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 factors such as these, 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. Differences in allocations will affect the performance of the 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. For example, Weatherbie may manage an account on one side of a trade and another account on the other side of the trade (including an account in which Weatherbie Affiliates may have a proprietary interest). 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. 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 fund accounts.

## (13) Review of Accounts:

Weatherbie outsources certain administrative services to FAM and FAC, Alger affiliates. Weatherbie's Portfolio Managers, and FAM's 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 Weatherbie's trader to seek to adhere to client guidelines when making security selection decisions.

FAM's Compliance Department regularly reviews and evaluates 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.

All accounts are also reviewed by FAM's Client Administration Team for the purpose of reconciling Weatherbie's records with those of the account's custodian. Cash and portfolio holdings are reconciled by the Client Administration Team on a daily basis and the Client Administration Team 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 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*

Weatherbie entered into an agreement with its affiliates FAM and FAC on March 1, 2017, whereby FAM and FAC introduce prospective clients to Weatherbie. FAM and FAC are entitled to receive a portion of the advisory fee paid by such clients from Weatherbie with respect to such clients.

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.

Weatherbie currently has a relationship with a third-party firm to assist in sourcing business in certain East Asian countries.

*Marketing Payments*

Subject to applicable law, FAC, an affiliated broker dealer, may pay dealers and other financial intermediaries for, among other things, marketing the mutual funds, Weatherbie Affiliates Accounts and other products. Such payments may relate to or result in the funds' and other investment products' inclusion on preferred or recommended fund 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 or other investment products and may recommend or distribute the mutual funds 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 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:

Weatherbie does not have actual custody of client assets. However, because it has related persons that serve as general partner of pooled investment vehicles, and because it has the authority to collect its fees from certain client accounts, it may be deemed to have custody of the assets in those vehicles and accounts. 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"). Weatherbie has determined that ISS should apply its Socially Responsible Investment Proxy Voting Guidelines in providing such recommendations, as well as its Taft-Hartley U.S. Voting Guidelines for such clients. 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, 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/AlgerDocuments/ProxyVotingPolicyandProcedures.pdf), 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 the 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 processing.

## (18) Financial Information:

Not applicable.

## (19) Requirements for State-Registered Advisers:

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

Rev. 6/22/21

| 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:<br>▪ Social Security number and<br>▪ Account balances and<br>▪ Transaction history and<br>▪ Purchase history and<br>▪ Assets<br>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. |

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

| Questions? | Call 1-800-223-3810 |
|---|---|

| Who we are | |
|---|---|
| **Who is providing this notice?** | Weatherbie Capital, LLC. |

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

| Definitions | |
|---|---|
| **Affiliates** | Companies related by common ownership or control. They can be financial and nonfinancial companies.<br>*Our Affiliates include Weatherbie Capital, LLC, Fred Alger Management, LLC and Fred Alger & Company, LLC, as well as the following funds: The Alger Funds, The Alger Funds II, The Alger Institutional Funds, The Alger Portfolios, Alger Global Focus Fund and The Alger ETF Trust.* |
| **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. |