

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

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**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](http://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 31, 2023. Material changes to this brochure since the March 2023 annual update include amendments to the following items:

**Item 4 – Advisory Business:** Revised disclosure regarding Weatherbie’s advisory business, including regarding wrap fee programs

**Item 5 – Fees and Compensation:** Revised disclosure regarding fees and compensation for investment funds and other investment products; clarified disclosure regarding the fact that Weatherbie does not currently place trades through its affiliate, Fred Alger & Company, LLC

**Item 6 – Performance Based Fees and Side-by-Side Management:** Revised disclosure regarding potential conflicts of interest related to side-by-side management of performance-based fee accounts and asset-based fee accounts

**Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss:** Revised disclosure regarding FAM’s integration of ESG into its investment process; added disclosure regarding the use of artificial intelligence

**Item 10 – Other Financial Industry Activities and Affiliations:** Revised disclosure regarding Weatherbie’s affiliates and potential conflicts of interest as a result of such affiliations

**Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading:** Revised disclosure to more concisely summarize elements of Weatherbie’s code of ethics and Weatherbie’s potential conflicts of interest relating to advisory activities

**Item 12 – Brokerage Practices:** Clarified disclosure regarding Weatherbie’s authorization to place trades through an affiliate; updated disclosure regarding Weatherbie’s trade aggregation and trade allocation process; revised disclosure regarding Weatherbie’s brokerage practices for wrap programs

**Item 16 – Investment Discretion:** Clarified disclosure regarding Weatherbie’s investment discretion for wrap programs

**Item 17 – Voting Client Securities:** Clarified disclosure regarding how Weatherbie uses the recommendations of a third party for proxy voting

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<sup>1</sup> 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 a privately owned investment advisory firm that was founded in 1995. Weatherbie is wholly-owned by Alger Group Holdings, LLC (“AGH”), which is wholly-owned by Alger Associates, Inc. (“AAI” and together with Weatherbie’s affiliates, “Alger”). Weatherbie is under common ownership with Fred Alger Management, LLC (“FAM”) and Redwood Investments, LLC (“RI”), each a registered investment adviser. Alexandra D. Alger, Hilary M. Alger and Nicole D. Alger together own (directly or through trusts they have created for the benefit of their families) approximately 35%, 35% and 29%, respectively, of AAI.

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

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

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

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

For client 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.

### **Wrap Fee Programs**

Clients can access certain of Weatherbie’s investment strategies through programs sponsored by unaffiliated financial intermediaries, advisers or planners in which Weatherbie serves as an investment sub-adviser (“wrap programs”). The wrap programs for which Weatherbie serves as an

investment sub-adviser are listed in Section 5.I.(2) of Weatherbie's Form ADV Part 1, a copy of which is available either 1) on request or 2) on the SEC's website at the following link:

<https://www.adviserinfo.sec.gov/Firm/105991>

Weatherbie offers advisory services through the following types of wrap programs:

1. *Single Contract Program.* In Single Contract Wrap Programs, clients pay the sponsor of the wrap program a single fee (the wrap fee), the sponsor pays a percentage of the wrap fee to FAM for its investment management services, FAM pays a percentage of the wrap fee to Weatherbie for its investment sub-advisory services, and the sponsor executes trades and administers the account without additional charges to the clients. Each client enters into an agreement with the sponsor to provide discretionary investment management services to the client and each investment manager available in the program maintains a sub-advisory agreement with the sponsor.
2. *Dual Contract Program.* In Dual Contract Wrap Programs, sponsors offer clients a package of services including trade execution and account administration, along with a menu of investment managers to choose from. Each client enters into a contract with the sponsor, which covers custody, brokerage and other services, and separately enters into an investment management agreement with FAM, who appoints Weatherbie to act as investment sub-advisor. In these programs, Weatherbie and its affiliates are generally directed by clients to effect transactions for their accounts through the program sponsor or the sponsor's broker-dealer affiliate; however, FAM and Weatherbie have the ability to effect transactions in these wrap accounts through a non-sponsor affiliated broker-dealer if doing so allows FAM or Weatherbie to achieve better execution. Although fees and services are unbundled, clients do not pay FAM or Weatherbie directly for their investment management services, but instead direct payments through the program sponsor or the sponsor's broker-dealer affiliate. The sponsor or its affiliate then remits payment to FAM, who remits payment to Weatherbie, for its investment sub-advisory services.
3. *Model Portfolio Program.* In a Model Portfolio Program, Weatherbie enters into an agreement with the sponsor to provide an initial model portfolio to the sponsor, which the sponsor then seeks to replicate for its clients. Weatherbie will then regularly provide updated model portfolios to the sponsor as positions and position weightings change for a strategy. Weatherbie does not place trades on behalf of accounts in these programs and therefore has no ability to ensure that accounts conform to the model portfolio provided. Trades for model portfolios may be placed by the sponsor after Weatherbie has placed trades for wrap programs and other clients for which it serves as investment adviser. The sponsor remits payment to Weatherbie for its investment advisory services.

### *Management of Wrap Programs*

In managing accounts in a wrap program, Weatherbie generally does not invest in limited partnerships, illiquid securities, or foreign securities not traded on a U.S. exchange, and such accounts will not participate in allocations of initial public offerings. Weatherbie also attempts to minimize the tax impact of portfolio transactions. 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 will generally impose the most restrictive limit across wrap sponsors in the affected strategy(ies).

The timing of trades for wrap accounts will generally 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 the timing of trades placed by Weatherbie for wrap accounts is on a “rotational” basis among all sponsors.

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

Given the structure of wrap programs and the fact that payments to Weatherbie are received from 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 with respect to their participation in the wrap program.

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

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 sponsor or the sponsor’s broker-dealer affiliate. In the event that Weatherbie selects a broker-dealer other than the sponsor or its affiliate, 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..

## **Client Assets Under Management**

As of December 31, 2023, Weatherbie had \$2,108,351,612 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 for separate accounts are presented below. Fees are negotiable and, as a result of client circumstances (for example, the level of investment management activity and supervision required for the client’s account, the size of the account, the number and size of other accounts managed for the client and its affiliates, or the length of the relationship), certain, certain clients pay higher or lower fees than those noted below and one client may pay a higher fee to Weatherbie than a second client who is receiving substantially similar services.

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

Employees and affiliates of Weatherbie can hire Weatherbie for investment advisory services and will 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 above.

### Fee Schedule (per annum)

<b><u>Select 15</u></b>		<b><u>Specialized Growth</u></b>	
0.95%	First \$25 million	0.85%	First \$60 million
0.90%	Next \$25 million	0.75%	Next \$40 million
0.85%	Next \$50 million	0.60%	Next \$150 million
0.80%	Over \$100 million	0.50%	Over \$250 million
<b><u>Long/Short</u></b>		<b><u>Enduring Growth</u></b>	
0.75%	Management Fee	0.75%	First \$25 million
15%	Performance Fee	0.70%	Next \$25 million
		0.65%	Next \$50 million
		0.60%	Over \$100 million

### Wrap Program Fee Structures

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

### Custodial and Brokerage Fees

Each client (other than wrap program clients described above) must select a custodian (generally a bank or broker-dealer) to provide custodial services in connection with the management of its account. Clients will incur the cost of these services, including any additional costs charged by custodians.

Weatherbie’s advisory fees also generally do not include the costs, expenses or commissions that broker-dealers may charge in connection with transactions executed on behalf of an account, including mark-ups, mark-downs, or dealer spreads that broker-dealers may receive when acting as principal in certain transactions. Brokerage is discussed in more detail in Item 12: Brokerage Practices.

## Investment Fund Fees

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

Subject to requirements of applicable law and the consent of each client (if applicable), Weatherbie can invest its client assets in funds managed by Weatherbie, FAM or RI, up to the limits permitted by applicable law. In the event of investment of a client’s assets in such funds, Weatherbie will, if required by law, take steps to avoid having the client pay duplicative fees; however, if permitted by applicable law, there can be no assurance that duplicative fees will not be charged.

## Compensation for the Sale of Securities and Other Investment Products

Fred Alger & Company, LLC (“FAC”), an affiliate of Weatherbie, is a registered broker-dealer. FAC does not conduct public brokerage business and generally limits its execution services to trades placed on behalf of FAM’s clients. While Weatherbie does not receive compensation for sales of Weatherbie-advised or sub-advised investment products, FAC serves as the principal underwriter for certain U.S. registered mutual funds and ETFs sub-advised by Weatherbie and, in some cases, receives an asset-based fee for distribution and/or shareholder servicing from the mutual funds sub-advised by Weatherbie. FAC will also receive fees related to contingent deferred sales charges of certain share classes of such mutual funds. In addition, FAC may act as a placement agent for certain private funds managed by Weatherbie and FAM, and may receive compensation for such services from Weatherbie, FAM or the private funds.

FAC sales personnel receive commission-based compensation for the sale of products or services for which Weatherbie serves as an adviser. Such commission-based compensation may be higher for some products or services than others and thus the incentive to sell those products may be greater. This practice may present a conflict of interest and give FAC sales personnel an incentive to recommend investment products based on the commission they would receive, rather than on a client’s needs. However, Alger provides regular employee training to sales personnel on their responsibility to put clients’ best interests first when recommending investment products. Clients have the option to purchase investment products that FAC sales personnel recommend through other brokers or agents that are not affiliated with Weatherbie or FAC.

Weatherbie’s affiliate, Alger Management Ltd. (“AML”), a UK registered investment adviser also serves as the distributor for the Alger SICAV, for which it receives distribution fees.

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

For certain clients, Weatherbie receives performance-based fees, in addition to asset-based advisory fees. These clients include separate accounts and private funds. These accounts and funds are managed by personnel of Weatherbie who also have portfolio management responsibilities for



accounts and funds for which only asset-based advisory fees are received. In such situations, portfolio management personnel may have an incentive to allocate better performing investments to performance fee-based accounts, but also may have an incentive to allocate riskier investments to such accounts. As a result, in situations where Weatherbie personnel have portfolio management responsibilities for both performance fee-based accounts and non-performance fee-based accounts, an inherent conflict of interest is present.

To attempt to mitigate these conflicts, Weatherbie's policies and procedures seek to ensure that investment personnel make decisions based on the best interests of clients, without consideration of Weatherbie's economic or pecuniary interests. Trades and overall performance results 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 corporate pension plans, public plans, Taft-Hartley clients, foundations/endowments, religious organizations, 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 funds, 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 their consultants having multiple relationships with Weatherbie, specialty asset class assignments, or clients who are willing to pay the fee equivalent of the minimum asset size. Weatherbie may also waive the asset minimum when it is adding a new strategy or trying to increase assets in an existing strategy or distribution channel.

Weatherbie generally requires a minimum asset size ranging from \$50,000 to \$100,000 for wrap program accounts, depending on the investment strategy and sponsor arrangement. The minimum asset size may be waived in some cases. Please confirm with the sponsor prior to investing.

Minimum investments in funds are listed in the offering material for each such fund. The minimum investments in funds can be waived in some cases.

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

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

#### **Investment Philosophy**

At Weatherbie, we are quality growth stock investors. We utilize a disciplined approach to stock valuation that seeks to ensure companies owned have strong earnings growth and also are sound stock market values. We have developed a substantial base of knowledge on these companies,

have known and met with the management of many of them and have an extensive network of business contacts throughout the country. Some successful small- and mid-sized companies grow too large and become fully discovered, established growth stocks. Some suffer fundamental deterioration to the point where they no longer qualify for our consideration. Some companies are merged into or acquire others, requiring their removal from consideration, and all relevant new companies coming public for the first time must be assessed for their suitability for eventual inclusion.

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

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

## Investment Strategies

The following is a brief description of each of Weatherbie’s strategies. More detailed information about additional considerations for Weatherbie’s strategies can be found at [www.alger.com](http://www.alger.com). A portion of the Dynamic Opportunities strategy is managed by Weatherbie’s affiliate, FAM. For more information about how FAM manages this strategy, please see FAM’s Form ADV Part 2A.

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

*Specialized Growth:* The Specialized Growth strategy invests in a focused portfolio of approximately 50 holdings of primarily small- and mid-cap companies identified through our fundamental research as demonstrating promising growth potential.

*Enduring Growth:* The Enduring Growth strategy invests in a focused portfolio of no more than 30 holdings of primarily mid-cap growth companies with an ESG rating of medium or better, as determined by a third-party ESG rating agency, at the time of purchase.

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

*Growth:* The Growth strategy seeks to earn capital appreciation primarily by investing in equity securities of smaller and medium capitalization growth companies, American Depositary Receipts,

and convertible fixed income securities. The strategy may hedge its long positions by taking short positions in ETFs and by selling individual securities short “against the box.”

## Investment Process

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

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

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

Our proprietary research on portfolio candidates may include the following:

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

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

- EPS growth potential high teens to +20% across the next three to five years
- ROIC generally above the cost of capital
- Strong balance sheet and free cash flow

- Seasoning to the business model
- Quality management team
- Sustainable competitive advantage

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

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

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

### *Sell Discipline*

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

### *Specific to Specialized Growth Strategy*

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

1. The new investment idea is thought to have potential, but there are enough questions raised that the sponsoring analyst is asked to conduct additional research.

2. The new investment idea shows promise but is not considered strong enough to replace one of the current “Weatherbie 50” best ideas.
3. After extensive discussion by the team, the new investment idea is approved for inclusion as a “Weatherbie 50” stock.

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

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

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

#### Long Investments

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

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

#### Short Investments

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

- Deteriorating fundamentals
- Balance sheet weakness
- Accounting irregularity

### *Specific to Enduring Growth Strategy*

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

### *Environmental, Social, Governance*

Weatherbie believes that ESG analysis of certain owned issuers will lead to a more in-depth and comprehensive understanding of such companies, in addition to fostering communication with the

issuer regarding ESG considerations. We believe that innovative companies, including those embracing ESG practices, may be able to create value for both shareholders and broader society.

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

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

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

Currently, Weatherbie uses third-party research to provide information and guidance on ESG considerations at an industry and security specific level on both a qualitative and quantitative basis. Weatherbie may change the sources for such information by adding or modifying the information it receives from third-party firms, selecting another third-party firm, using company provided information, or performing internal assessments. To assist with our efforts to incorporate ESG considerations in the investment process, Weatherbie's investment professionals have access to reports and ratings of securities (where the information is available) across certain Weatherbie offerings.

## **Risk Controls**

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 (although 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 additionally analyzes each strategy's portfolio and considers a number of measures, including attribution analysis, to help the portfolio managers fully understand certain risk parameters of their portfolios. Weatherbie also uses other tools to monitor the risk profile of portfolios versus their relevant benchmarks.



Weatherbie 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 various client accounts own different securities issued by the same company, Weatherbie will take steps to identify any potential conflicts, seek to mitigate any such conflicts and provide adequate disclosures and reporting to clients.

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 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.

An account 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 and other equity securities, 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, such as bonds.

### *Growth Securities Risk*

Prices of growth stocks tend to be higher in relation to their companies' earnings and may be more sensitive to market, political and economic developments than other stocks, making their prices more volatile. An investment in a strategy managed by Weatherbie 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. Such companies 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 smaller market capitalization.

### *Cash Position Risk*

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

### *Diversification*

Subject to any client guidelines, 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 ("IPOs" 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 investments in companies with



smaller market capitalizations. Securities issued in IPOs have no trading history, and information about the companies may be available for limited periods.

### *Privately Placed Securities Risk*

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

### *Sector Risk*

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

### *Information Technology Sector Risk*

Certain accounts may be more susceptible to risks that may affect companies in the technology sector than if they 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.

### *Consumer Discretionary Sector Risk*

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

### *Health Care Sector Risk*

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

### *Number of Holdings (Concentration) Risk*

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

### *Risks of Foreign Investment*

Investing in foreign securities involves risks related to the political, social and economic conditions of foreign countries, particularly emerging market countries. These risks may include political instability, exchange control regulations, expropriation, 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, 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.

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*

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 investments in such emerging markets may be affected by 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 an investor must 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. An account 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.

### *Risks of Selling Securities Short*

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

### *Use of Alternative Data Risk*

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

regulatory or other actions may be asserted with regard to alternative data, but any adverse inquiries or formal actions could cause reputational, financial, or other harm to Weatherbie or its clients. Conversely, any future limitations on the use of alternative data could have a material adverse impact on the performance of the accounts that Weatherbie manages.

### *Cyber Security Risk*

With the increasing use of the internet and technology in connection with business operations, accounts 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 are used in managing an account, and operational disruption or failures in the physical infrastructure or operating systems that support an account. Cyber security breaches affecting Weatherbie or an account’s other service providers may adversely impact an account, potentially resulting in financial losses or the inability to transact business for an account. For instance, cyber security breaches may interfere with the processing of transactions, cause the release of confidential information, impede trading, subject an account to regulatory fines or financial losses and/or cause reputational damage. 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 accounts or their service providers, or the issuers of the securities in which the strategies invest, will not suffer losses relating to cyber security breaches in the future. In addition, Weatherbie has no control over the cybersecurity protections established by its service providers or third-party vendors. Despite reasonable precautions, the risk remains that such incidents could occur, and that such incidents could cause damage to individual investors due to the risk of exposing confidential personal data about investors to unintended parties.

### *Risk of Investing in Crypto Assets*

Crypto assets (also referred to as “digital assets”) are financial instruments which exist in a digital form and may act as a store of wealth, a medium of exchange or an investment asset. A strategy will generally not invest directly in crypto assets.

Crypto assets are not backed by any government, corporation, or other identified body. The value of a crypto asset may decline precipitously (including to zero) for a variety of reasons, including, but not limited to, regulatory changes, a loss of confidence in its network or a change in user preference to other crypto assets. An issuer that owns crypto assets may experience custody issues, and may lose its crypto asset holdings through theft, hacking, and technical glitches in the applicable blockchain. A strategy may experience losses as a result of the decline in value of its securities of issuers that own crypto assets or which provide crypto asset-related services. If an issuer that owns crypto assets intends to pay a dividend using such holdings or to otherwise make a distribution of such holdings to its stockholders, such dividends or distributions may face regulatory, operational and technical issues.

### *Use of Artificial Intelligence (“AI”)*

Weatherbie utilizes vendors that use AI in their business operations, including analytical, technological or computational function, algorithm model, correlation matrices, or similar methods or processes that optimizes for, predicts, guides, forecasts, or directs business-related behaviors or outcomes. Such information is then incorporated by Weatherbie into its investment, sales or administrative processes.

If the content and analyses that AI applications assist Weatherbie in producing are or are alleged to be deficient, inaccurate, or biased, Weatherbie may be adversely affected. Additionally, AI tools used by Weatherbie may produce inaccurate, misleading or incomplete responses that could lead to errors in Weatherbie’s and its employees’ decision-making, portfolio management or other business activities, which could have a negative impact on the performance. Legal and regulatory changes, particularly related to information privacy and data protection, may have an impact on AI, and may additionally impact Weatherbie.

### **Additional Risks Associated with Certain Weatherbie Strategies**

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

#### *Exchange Traded Fund (“ETF”) Risk*

This risk applies to the Long/Short strategies.

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

#### *Risks of Levered Accounts*

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

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

#### *ESG Risks*

This risk applies to the Enduring Growth strategy.

Weatherbie’s use of a third-party ESG rating agency to implement the Enduring Growth investment strategy may result in the selection or exclusion of securities of certain issuers in and from the Enduring Growth strategy’s portfolio for reasons other than financial performance, and carries the risk that the strategy’s investment returns may underperform funds that do not utilize an ESG rating agency or employ another type of ESG investment strategy. The application of this strategy may affect the strategy’s investment exposure to certain companies, sectors, regions,



countries or types of investments, which could negatively impact the strategy's performance depending on whether such investments are in or out of favor. In evaluating a particular issuer's ESG rating, as well as the strategy's weighted average ESG rating, Weatherbie relies exclusively on the third-party ESG rating agency and, therefore, is dependent upon information and data from the ESG rating agency that may be incomplete or inaccurate, or that may present conflicting information and data with respect to an issuer than other third-party ESG data providers utilized throughout the industry. Determining a company's ESG rating is inherently subjective and the ESG rating agency's assessment of a company, based on its proprietary methodology may differ from that of other third-party ESG rating agencies, other funds, or an investor. As a result, the Enduring Growth strategy may invest in companies that do not reflect the beliefs or values of any particular investor and may not be deemed to exhibit positive or favorable ESG characteristics if different metrics or ESG rating agencies were used to evaluate them. ESG standards differ by region and industry, and a company's ESG practices or the ESG Rating Agency's assessment of a company's ESG practices may change over time.

#### **(9) Disciplinary Information:**

As of December 31, 2023, there are no legal or disciplinary actions involving Weatherbie or any of its affiliates.

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

Weatherbie is affiliated with FAC, a registered broker-dealer. FAC serves as the principal underwriter for the U.S. registered mutual funds and ETFs sub-advised by Weatherbie, as a placement agent for certain private funds managed by Weatherbie and FAM, and as a broker-dealer for U.S. listed equity securities trades placed on behalf of certain clients of Weatherbie, and provides distribution support to AML for the Alger SICAV. FAC does not conduct public brokerage business and substantially all of its transactions are for those Weatherbie and FAM clients who authorize Weatherbie and FAM to use FAC as a broker, provided that relevant regulations that govern their accounts allow it. FAC does not act as principal in any client trade nor does it underwrite the offering of securities (except as the principal underwriter for certain U.S. registered mutual funds and ETFs advised by FAM). Certain employees and officers of Weatherbie and FAM serve as registered representatives and principals of FAC.

Weatherbie is under common ownership with FAM, a registered investment adviser based in New York, New York, RI, a registered investment adviser based in Newton, Massachusetts, and AML, a UK registered investment adviser.

Weatherbie is the sub-adviser to certain series of The Alger Funds, The Alger Funds II and The Alger ETF Trust, each of which is a U.S. registered investment company. Weatherbie is the investment manager to Weatherbie Growth Fund and Weatherbie Long/Short Fund, each a privately offered fund. Weatherbie serves as a sub-portfolio manager for Alger SICAV, a publicly offered fund 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 and private funds, as well as a bank collective investment trust. Weatherbie shares revenue collected with its affiliates for advisory services where Weatherbie serves as sub-adviser or sub-portfolio manager to strategies and investment products.

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

Weatherbie uses Weatherbie Affiliates for administrative (e.g., legal, accounting, compliance, etc.), information technology, sales, distribution and marketing support. Without such support, Weatherbie could incur greater or lesser costs for such services if such services were performed by employees of Weatherbie or by third-party providers. In addition, Weatherbie relies upon the expertise of Weatherbie Affiliates, employees of Weatherbie Affiliates and the service providers used by such Weatherbie Affiliates for these support functions.

## **Conflicts as a Result of Weatherbie’s Affiliates**

### *Client Recommendations*

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

### *Selection of Administrative and Other Service Providers*

As noted above, FAM, FAC and other Weatherbie Affiliates provide significant management, distribution, administration, back-office, legal and compliance, and trading support for Weatherbie. This results in greater benefit to Weatherbie than hiring a similarly qualified unaffiliated service provider, because Weatherbie receives the benefits of these services without incurring additional fees.

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 all situations described above.

### *Information Weatherbie May Receive*

Weatherbie and its affiliates may have or be deemed to have access to information about 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. Weatherbie maintains policies designed to mitigate the conflicts described in this paragraph; however, such policies may not fully address situations described above.

### *Resources Shared Among Weatherbie Affiliates*

Weatherbie shares certain resources with, receives certain services from, and provides certain services to various Weatherbie Affiliates. Such relationships may present conflicts with Weatherbie's provision of advisory services to its clients.

### **(11) Code of Ethics, Participation or Interest in Client Transactions and Personal Trading:**

Weatherbie has adopted a Code of Ethics ("the Code") pursuant to Rule 204A-1 under the Advisers Act that establishes general principles of conduct for Alger employees, including employees' duty always to place the interests of clients first and not take advantage of their positions.

In general, the Code requires employees to avoid any actual or potential conflict of interest by, among other things, reporting outside business activities, pre-clearing personal securities transactions, submitting duplicate confirmations and account statements, and regularly certifying to Alger's Compliance department that they are in compliance with the Code. The Chief Compliance Officer is responsible for the administration of the Code, and his/her designees generally determine whether employee personal transactions and outside business activities pose any actual or potential conflict of interest with Weatherbie's investment advisory activities.

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

### **Potential Conflicts Relating to Advisory Activities**

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 material financial interest, or in securities where Weatherbie Affiliates or other clients of Weatherbie or its affiliates have invested in other parts of the capital structure of the issuer. Clients should be aware that Weatherbie may have an incentive to make decisions for its own benefit or the benefit of a Weatherbie Affiliate with respect to mutual funds, ETFs and other investment products in which it or a Weatherbie Affiliate owns significant stakes.

Weatherbie also has conflicts related to its management of client accounts alongside accounts (including Weatherbie advised or sub-advised funds) in which Weatherbie Affiliates and their personnel have interests (collectively, the "Weatherbie Affiliates Accounts").

Additionally, to the extent Weatherbie or Weatherbie Affiliates own a significant percentage of the outstanding shares of registered or private funds, Weatherbie may be deemed to control that entity, and Weatherbie clients may be precluded or limited in its ability to make certain investments or participate in certain transactions because of the ownership interest of Weatherbie or Weatherbie Affiliates.

## (12) Brokerage Practices:

### Execution

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

For U.S. and non-U.S. equity securities, Weatherbie generally executes its trades through a broker-dealer. Weatherbie also makes 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 certain counterparties to execute over-the-counter (“OTC”) fixed income and derivatives trades.

When Weatherbie trades in listed derivatives, such as exchange-traded options, the trades are executed via an agency member firm. For OTC derivatives, Weatherbie works with counterparties under established contractual arrangements.

When placing trades for its clients, Weatherbie seeks the best overall execution under the prevailing circumstances. Weatherbie considers more than the lowest commission price when evaluating which broker-dealers may provide best overall execution for a trade. Weatherbie 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 the 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;
- The broker-dealer’s reputation and integrity; and
- Confidentiality.

Weatherbie prioritizes these factors differently depending upon the specific circumstances surrounding a trade, which includes the nature and objectives of the client and the asset class.

## Soft Dollars

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

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

Consistent with the “safe harbor” provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended, Weatherbie will sometimes select brokers that charge higher commissions to provide brokerage and research services than would be charged by brokers providing trade execution services only. This benefits Weatherbie because it does not have to pay for 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.

Weatherbie periodically monitors execution and commission rates for trades placed with such brokers to assess the overall quality of such trade executions versus comparable trades with non “soft dollar” brokers. Research or other services obtained in this manner are used in servicing any or all of Weatherbie’s 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.

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

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

## Directed Brokerage

Weatherbie does not consider client referrals when it selects a broker-dealer for executing trades on behalf of the accounts it advises. Further, no U.S. registered fund sub-advised by Weatherbie is allowed to direct brokerage to any broker in exchange for sales of shares of those funds.

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

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

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

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

Client instructions 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 has the option (but is not obligated) to aggregate these orders.

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 are generally 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.

Orders to purchase or sell the same security are often not aggregated. This may be the case when there is a reasonable distinction between or among the orders. For example, orders without specific

price requirements do not have to be aggregated with orders that are to be executed at a specific price. Also, certain accounts may be excluded from an aggregated trade if an account or accounts have a greater relative need to trade separately from other accounts due to legal, risk, tax, or other investment considerations.

Weatherbie maintains policies and procedures that it believes are reasonably designed to deal equitably with conflicts of interest that may arise when orders are aggregated.

Weatherbie may aggregate trades for its clients and Weatherbie Affiliates in private placements pursuant to internally developed procedures. In such cases, Weatherbie will negotiate the material terms of such investments, including the price of such investments, and will prepare a written allocation statement reflecting the allocation of the private securities.

## **Trade Allocation**

Conflicts can emerge due to how Weatherbie manages client accounts and allocates investment opportunities. To treat all clients reasonably in light of all factors relevant to managing an account, aggregated trades will generally be allocated pro rata among the accounts whenever possible. There are exceptions to this practice, however. Some of these exceptions are described below:

### *Unusual Market Conditions*

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

### *Availability of Investments*

The availability of certain investments such as IPOs or private placements may be limited. In such cases, all accounts may not receive an allocation, and the performance of accounts which receive such allocations 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, as requested by portfolio managers and in accordance with applicable policies and procedures. An account may not receive an allocation because it lacks available cash, is restricted from making certain investments, is considered a Weatherbie Affiliate, is so large that the allocation is determined to be insignificant, or is so small that it would receive little or no allocation. Moreover, Weatherbie Affiliates accounts may receive an allocation of an opportunity not allocated to other accounts.

### *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. A sale of securities by one account may cause a decline in the market value of those securities and other securities of the same issuer, having a material adverse effect on the performance of other accounts that hold those securities and do not sell such positions.

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

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

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

#### *Conflicts Related to Timing of Transactions*

While Weatherbie will aggregate trades on behalf of similarly situated clients, there are instances when Weatherbie places a trade ahead of, or contemporaneously with, trades for another account. In such cases, market impact, liquidity constraints, or other factors could result in the second account receiving less favorable trading results. The costs of implementing trades could be increased or the other account could otherwise be disadvantaged.

Although investment recommendations can apply to securities held across multiple strategies and held in multiple individual accounts, each account is managed separately. While Weatherbie will use reasonable efforts to obtain timely execution across all accounts that may be affected by an investment recommendation, there can be no guarantee that such investment recommendation will be implemented simultaneously. It is possible that prior execution for or on behalf of an account or group of accounts could adversely affect the prices and availability of the securities and instruments for other accounts that later seek to trade the same securities or instruments.

Weatherbie can delay an order for one account or group of accounts to allow portfolio managers of other strategies to participate in the same trade. In some instances, internal policies designed to facilitate trade aggregation may result in delays in placing trades, which may adversely affect trade execution.

#### *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 certain other accounts are undertaking the opposite strategy,

which could disadvantage some of the accounts. To reduce any negative impact, and when permitted by applicable law and client authorization and when otherwise practical to do so, the accounts will enter into “cross transactions.” A cross transaction, or cross trade, occurs when Weatherbie causes an account to buy a security from, or sell a security to, another client of Weatherbie. Weatherbie will ensure that any such cross transactions are effected in accordance with applicable law.

## Wrap Programs

Wrap accounts generally follow a distinct trading process from other accounts. Portfolio manager recommendations are provided simultaneously to Weatherbie’s accounts and wrap accounts but are reviewed and handled separately given the considerations and constraints that exist in such wrap accounts. These considerations include: security type constraints (e.g., foreign securities, private placements, IPOs), trade and position size, cash levels to be maintained, 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, Weatherbie has implemented trade size guidelines on wrap program trades. These limitations will vary depending on the Weatherbie strategy and wrap program type. Once determined, wrap trades are reviewed to ensure they are compliant with the specific wrap strategy and/or account guidelines. The trades are then submitted generally once per day to the various wrap sponsors according to a randomly selected rotation. As a result, Weatherbie typically takes more time to review and implement recommended transactions for wrap accounts; and therefore, wrap accounts generally trade after separate accounts and funds.

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

Because wrap clients generally pay the wrap sponsor to effect transactions for their accounts, Weatherbie generally does not aggregate transactions on behalf of wrap accounts with non-wrap accounts. Transactions through different sponsors are also not aggregated.

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. If Weatherbie selects a broker-dealer other than the sponsor, the client will 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.



### **(13) Review of Accounts:**

Weatherbie outsources certain administrative services to Alger. Weatherbie's portfolio managers, and Alger's Compliance department and Institutional Sales and Service department review each client's portfolio guidelines when an account is opened, and when changes are made. Portfolio managers work closely with Weatherbie's trader and with Alger's Trading and Compliance departments to seek to adhere to client guidelines when making security selection decisions.

Alger's Compliance department regularly reviews accounts for compliance with each client's investment objectives, policies and restrictions using an automated compliance monitoring system. Prior to execution, portfolio trades generally pass through real-time compliance checks that test the trade against account guidelines. Certain guidelines which cannot be automated (and therefore are not reviewed pre-trade) are reviewed manually (and therefore are reviewed post-trade); the frequency of these checks depends on the client guideline. Post-trade and end of day reports are also monitored daily.

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

Each client receives a quarterly or monthly written report containing information about their account holdings and activity in the account during the period. Certain clients also receive historical performance reports on a monthly or other periodic basis. Clients may also receive specialized reporting at their request.

### **(14) Client Referrals and Other Compensation:**

#### **Other Compensation**

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

#### **Compensation of Third Parties for Client Referrals**

##### *Referral Fees*

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

From their advisory fees, Weatherbie and Weatherbie Affiliates pay fees to financial intermediaries, advisers, and financial planners, among other individuals and entities, in return for referring potential clients. Weatherbie Affiliates may also pay intermediaries who recommend Weatherbie to their clients for separate account management services, wrap fee program services, or funds advised or sub-advised by Weatherbie. 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.



### *Marketing Payments*

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

### *Intangibles*

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

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

### **(15) Custody:**

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

### **(16) Investment Discretion:**

Weatherbie generally has the discretionary authority to make continuous investment determinations on behalf of its clients pursuant to an investment advisory agreement that describes the investment services to be provided. Clients can limit or restrict Weatherbie's discretionary authority over their account by imposing investment guidelines or restrictions.

Weatherbie may also be retained by certain wrap program sponsors to provide model portfolios. Based on the model portfolio provided, these wrap program sponsors exercise investment discretion and execute portfolio transactions for their clients' accounts. Weatherbie is not exercising investment discretion with respect to these accounts.

## **(17) Voting Client Securities:**

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

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

If a client grants Weatherbie authority to vote its proxies, Weatherbie exercises its proxy voting authority generally by evaluating the recommendations of Institutional Shareholder Services Inc. ("ISS"). Unless otherwise requested by a client, Weatherbie has determined to have ISS recommend votes based upon ISS's Socially Responsible Investment Proxy Voting Guidelines. For certain clients, upon their request, Weatherbie has instructed ISS to recommend votes based upon ISS's Taft-Hartley U.S. Voting Guidelines. When issuing vote recommendations and casting proxy votes, ISS discloses any conflicts of interest it has with the issuer of such securities that are the subject of its recommendations. To the extent ISS has a material conflict of interest with the company whose proxies are at issue, it may recuse itself from recommending a vote or voting proxies. In such cases, Weatherbie instructs ISS how to vote without ISS's recommendation. 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.

Given the different interests and guidelines of clients, Weatherbie may vote proxies differently for various clients holding the same security. Notwithstanding Weatherbie's proxy voting policies and procedures, proxy voting decisions may favor the interests of certain clients or Weatherbie Affiliates over other clients.

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

### *Class Actions*

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

**(18) Financial Information:**

Not applicable.

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

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

**FACTS****WHAT DOES WEATHERBIE DO WITH YOUR PERSONAL INFORMATION?**

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

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

- Social Security number and
- Account balances and
- Transaction history and
- Purchase history and
- Assets

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

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

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

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

Who we are	
<b>Who is providing this notice?</b>	Weatherbie Capital, LLC.
What we do	
<b>How does Weatherbie protect my personal information?</b>	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.
<b>How does Weatherbie collect my personal information?</b>	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>■ Open an account or</li> <li>■ Make deposits or withdrawals from your account or</li> <li>■ Give us your contact information or</li> <li>■ Provide account information or</li> <li>■ Pay us by check.</li> </ul>
<b>Why can't I limit all sharing?</b>	Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>■ sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>■ affiliates from using your information to market to you</li> <li>■ sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
<b>Affiliates</b>	Companies related by common ownership or control. They can be financial and nonfinancial companies. <i>Our Affiliates include Weatherbie Capital, LLC, Fred Alger Management, LLC and Fred Alger &amp; 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.</i>
<b>Nonaffiliates</b>	Companies not related by common ownership or control. They can be financial and nonfinancial companies.
<b>Joint marketing</b>	A formal agreement between nonaffiliated financial companies that together market financial products or services to you.