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**March 29, 2018**

**ADV Part 2A and B: FIRM BROCHURE**

This disclosure brochure (the “Brochure”) provides information about the qualifications and business practices of Vivaldi Capital Management, LLC (“VCM”) and certain of its personnel. VCM is a registered investment adviser.

Registration of an investment adviser with the United States Securities and Exchange Commission (the “SEC”) or any state securities authority does not imply a certain level of skill or training. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

If you have any questions about the contents of this brochure, please contact us at 312-248-8300 or [info@vivaldicap.com](mailto:info@vivaldicap.com). Additional information about VCM is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 | Material Changes Summary

The following is a summary of material changes from VCM's last Brochure, dated March 30, 2017:

- Item 4 | Advisory Business, Performance Based Fees & Side by Side Management Added information about two new privately-offered alternative investment allocation vehicles: VCM Offshore Fund I LP and VCM Offshore Fund II LP. Item 5 | Fees & Compensation – The language used within this section has been updated to more accurately depict how Management Fees are calculated.
- Item 8 | Method of Analysis, Investment Strategies, & Risk of Loss – (1) Added information about Vivaldi's Investment Committee and VCM's Asset Allocation Committee; and (2) Added information about VCM's two managed portfolio strategies: Liquid Alternatives and Opportunistic CEF Income.
- Part 2B – Information about new VCM personnel has been added.

We will ensure that you receive a summary of any material changes to this and any subsequently issued Brochure within one hundred and twenty (120) days of the close of our business' fiscal year-end. We may provide other disclosure information about material changes to our business, products, services or personnel as necessary.

You may obtain a copy of the Brochure at any time, without charge, by contacting VCM at 312-248-8300. The Firm's Brochure is also available free of charge on the SEC's Investment Adviser Public Disclosure web site ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)).

**Table of Contents**

ADV Part 2A and B: FIRM BROCHURE ..... 1  
Item 2 | Material Changes Summary.....2  
Table of Contents..... 3  
Item 4 | Advisory Business .....4  
Item 5 | Fees & Compensation .....6  
Item 6 | Performance Based Fees & Side by Side Management .....8  
Item 7 | Types of Clients & Minimum Requirements ..... 9  
Item 8 | Method of Analysis, Investment Strategies, & Risk of Loss..... 9  
Item 9 | Disciplinary Information ..... 12  
Item 10 | Other Financial Industry Activities & Affiliations ..... 12  
Item 11 | Code of Ethics, Interest in Client Transactions & Personal Trading ..... 14  
Item 12 | Brokerage Practices ..... 16  
Item 13 | Review of Accounts ..... 19  
Item 14 | Client Referrals & Other Compensation ..... 19  
Item 15 | Custody ..... 20  
Item 16 | Investment Discretion ..... 21  
Item 17 | Voting Client Securities ..... 21  
Item 18 | Financial Information..... 21

## Item 4 | Advisory Business

### Firm Overview

Vivaldi Capital Management, LLC (“VCM”) was organized as an Illinois limited liability company on November 17, 2011 and was merged into a Delaware limited liability company effective October 18, 2016. VCM became registered with the SEC as an investment adviser on February 13, 2012.

VCM is primarily owned by Vivaldi Holdings, LLC, a Delaware limited liability company. Vivaldi Holdings, LLC’s principal owners are David A. Sternberg and Randal L. Golden (each through corporations), Michael Peck, Scott Hergott (through a limited liability company), and Chad Eisenberg.

As of December 31, 2017, VCM had \$1,202,675,393 regulatory assets under management, \$756,887,692 of which are managed on a discretionary basis and \$445,795,701 of which are managed on a nondiscretionary basis.

### Firm Products & Services

VCM is an investment advisory firm that specializes in offering alternative investments and providing integrated wealth management solutions to high net worth individuals, family offices and other institutional clients.

#### *Wealth Management Services*

Our wealth management philosophy is rooted in a dedication to knowing you and your family personally so that we can thoroughly understand your goals, interests, concerns, and risk tolerance. In accord with that philosophy, each client works with a dedicated wealth adviser who leverages VCM’s internal resources to tailor wealth management solutions that address the client’s unique needs.

VCM’s platform is designed to allow VCM to tailor its investment recommendations to each client and in turn to construct an allocation that is unique to a client’s needs, objectives and circumstances. Prior to engaging us, each client is asked to enter into one or more written agreements setting forth the terms, conditions, and objectives under which VCM shall render services. In addition, each client may be asked to furnish, or arrange to have furnished, information regarding accounts held with other financial institutions along with information about any other assets in which they have an ownership interest.

VCM believes an allocation to alternative investments may be of benefit to its clients. Investing directly in hedge funds, private equity, and/or real estate funds can however be difficult given that certain managers may require large minimum investments that limit an individual’s ability to diversify his/her investments, may have restrictive liquidity terms, or may no longer be open to new investors. To help offset these potential barriers to entry into these types of investment opportunities, VCM, through thorough investment and risk management research, combined with legal and operational due diligence, identifies institutional-quality alternative investments which VCM then makes available to its qualified clients through private funds sponsored and managed by VCM (as described further below and elsewhere in this Brochure).

Upon request, VCM provides separately managed accounts<sup>1</sup>; equity, mutual fund and fixed income portfolio

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<sup>1</sup> A separately managed account (“SMA”) is a portfolio of securities directly owned by the investor and managed according to a specific discipline and/or style by a professional investment manager. SMAs, while often managed in line with pooled vehicles the investment manager may also be managing, differ from pooled vehicles like mutual funds in that each portfolio is unique to a single account (i.e. there may not be an exact correlation between the holdings and transactions in the SMA with that of the pooled vehicle or other accounts the investment manager may be managing). SMAs are managed on a discretionary basis for large, typically institutional, investors.

solutions; and institutional due diligence services on various fund managers and products in which clients may wish to invest outside of VCM. In addition, VCM provides comprehensive wealth management reporting, offers individualized financial planning, and helps orchestrate professional services provided by third parties including accountants, attorneys, and insurance providers.

*VCM Core Funds* VCM serves as the Managing Member to two privately-offered alternative investment allocation vehicles: the VCM Core Alternative Fund LLC and VCM Core Opportunities Fund LLC (together, the “VCM Core Funds”). As opposed to traditional “fund-of-funds,” the VCM Core Funds provide clients with the ability to customize their investment allocations to various underlying funds through the selection of different single-manager or multi-manager classes within each investment strategy group (i.e.: arbitrage; credit; equity long/short; event driven; mortgages; private equity; and real estate). The investment programs of each class of the VCM Core Funds are based upon the specific objectives of each over-arching strategy and the underlying fund(s) in which the class invests. Investors should refer to the VCM Core Funds private placement memorandums and class supplement documents as well as the underlying fund’s private placement memorandum for a complete discussion of risks related to such investments.

The VCM Core Funds are limited liability companies and are exempt from registration under the Investment Company Act of 1940 (the “Investment Company Act”) pursuant to Section 3(c)(7) thereunder.

#### *ERISA 3(21) and 3(38) Investment Fiduciary Services*

VCM, doing business as VCM Retirement Plan Solutions, provides investment advisory services and investment management services to retirement plan sponsors and participants. In performing these services, VCM acts as a fiduciary and performs those duties required of a fiduciary as defined under Section 404 of the Employee Retirement Income Security Act of 1974 (“ERISA”) and Section 4975 of the Internal Revenue Code of 1986, each as may be amended from time to time. VCM acts solely in the best interest of retirement investors in accordance with the fiduciary responsibilities set forth in ERISA Sections 404(a)(1)(A) and (B) (29 U.S.C. § 1104(a)(1)(A) and (B)).

When it acts as a 3(21) investment adviser, VCM advises plan sponsors on developing an Investment Policy Statement that will contain the standards and process for selecting and monitoring the plan’s investments, as well as set forth the general investment options and asset class categories to be offered to plan participants. VCM provides recommendations to the plan sponsor to assist the plan participants in selecting which investment portfolio is right for them. VCM also monitors the recommendations and provides periodic reports to the plan sponsor on investment performance. In addition, VCM provides general enrollment and education meetings with plan participants and meets with plan participants to gauge their risk tolerance and their investment goals. VCM provides risk-based model portfolios which are asset allocation portfolios based on generally accepted investment theories available to plan participants. VCM does not provide recommendations on securities held outside of the plan.

When it acts as a 3(38) investment manager, VCM provides selection, monitoring, and replacement of fund options for retirement plans on a discretionary basis. VCM creates an Investment Policy Statement that details the investment strategy and implementation for the plan. VCM will assist the plan with preparing an investment strategy that prudently diversifies the plan’s assets to meet an agreed upon risk/return profile. VCM provides general enrollment and education meetings with plan participants as well as meets with plan participants to gauge their risk tolerance and their investment goals. VCM provides risk-based model portfolios to plan participants that are asset allocation portfolios based on generally accepted investment theories.

To help avoid conflicts of interest and ensure compliance with relevant regulations, VCM will not recommend any of the public or private funds which it or its affiliates manage to plan participants and will not include

any such funds in its model portfolios.

## Item 5 | Fees & Compensation

### Wealth Management Services

VCM charges those of its clients for which it provides Wealth Management Services an asset-based fee (the “Management Fee”) based on a schedule that takes into consideration the size of the client’s portfolio. The current schedule is as follows:<sup>2</sup>

Assets Under Management		
Min (\$)	Max (\$)	bps
0	2 million	125
2 million	5 million	95
5 million	15 million	75
15 million	25 million	65
25 million	50 million	55
50 million	+	50

NOTE: The Management Fee may vary based on certain client-specific factors such as account size, number of accounts held together under a household, as well as the complexity of the relationship.

Clients who hold interests in the VCM Core Funds, Highland Capital Management LP or Highland Capital Management Institutional Fund II LLC (together, the Highland Funds), and/or GrizzlyRock Institutional Value Partners LP, or in any of the funds managed by VCM’s affiliate Vivaldi Asset Management, LLC (“VAM”) are not charged a Management Fee for that portion of their assets which is invested in such funds. The value of those assets is however included in the calculation to determine the size of the client’s portfolio for purpose of determining which rate should be used to calculate the Management Fee.

### Fee Billing

The manner in which specific fees are calculated and charged by the Adviser is described in each client’s written investment management agreement with VCM and/or in the relevant private fund’s confidential offering materials. In its agreement with its clients, VCM reserves the right to modify its billing practices.

Effective with the calendar quarter ending June 30, 2017, VCM began billing the Management Fee on a calendar quarter basis, in arrears. To determine the Management Fee, the rate to which the client agreed in the client’s investment management agreement will be multiplied by the average daily market value of assets under management during the calendar quarter. In any partial calendar quarter, the fee will be pro-rated based on the number of days the client account was open during that quarter.

Clients may pay for advisory services by check or by wire or may give VCM the authority to have the Management Fee debited directly from the client’s account(s). Clients typically grant VCM authority to have the Management Fee deducted directly from the client’s account(s) held by an independent custodian. VCM will notify the custodian of the amount of the Management Fee due for each quarter through the custodian’s electronic disbursement system. The custodian will send each client a statement, at least quarterly, indicating the amounts disbursed from each account, including the amount of the Management Fee paid directly to VCM. Clients are urged to carefully review the reports received from the custodian and to compare those reports with reports received from VCM, if any.

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<sup>2</sup> SMA (See Footnote 1 above.) assets under management are typically charged 1.00% per annum plus an incentive fee.

## **Additional Services**

Institutional due diligence and other negotiated services are charged a fixed fee that is negotiated in advance, on a project-by-project basis.

## **Other Fees & Expenses**

VCM's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be imposed by custodians, brokers, third party managers, and other third parties. These additional charges may include custodial fees, deferred sales charges, transfer taxes, wire transfer fees, electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Clients pay these fees directly to the custodian and/or broker.

Mutual funds, exchange traded funds ("ETFs"), and private funds also charge internal management fees, which are disclosed in a fund's prospectus or offering documents.

Item 12 of this Brochure further describes the factors that VCM considers in selecting or recommending broker-dealers for client transactions and in determining the reasonableness of their compensation (e.g., commissions).

Neither VCM nor its supervised persons accept compensation for the sale of securities or other investment products.

## **Waivers**

Compensation payable to VCM is generally not negotiable, but under certain circumstances VCM may, in its sole discretion, reduce or waive all or a portion of its Management Fee, other compensation and/or expenses for a particular investor based on factors such as assets under management with the firm, longevity, and type of investment.

## **Transactions or Arrangement between Certain Related Parties**

As discussed further in Item 10 below, VCM and VAM are related companies under the common control of Vivaldi Holdings, LLC (all entities collectively referred to herein as "Vivaldi"). As a component of its investment strategy, VCM may utilize underlying mutual funds or private funds advised by VCM or its affiliate(s) ("Affiliated Funds"). In such situations, VCM or its affiliate(s) receive fees from the Affiliated Funds for serving as investment adviser or other service provider to the Affiliated Fund (as detailed in the Affiliated Fund's offering materials). These fees create a financial incentive for VCM to utilize Affiliated Funds so that fees and expenses charged by the fund or manager are earned by VCM or its affiliate, rather than a non-affiliate.

## **Termination of Advisory Agreement**

VCM's investment management agreement provides for termination of the investment management relationship between VCM and the client upon written notice. In the event a client terminates his/her/its account or otherwise withdraws assets prior to the end of the quarter, a final invoice shall be issued for payment promptly upon such notice of termination. In addition, the client may be subject to investment withdrawal fees, gates or other restrictions charged by any of the investments in which the client may have assets that the client may wish to redeem or sell at the time of the termination.

NOTE: Termination of the investment management relationship with VCM does not terminate a client's

obligations to meet capital calls for, or other commitments to, any private equity investments made through or with VCM as described in those investments' confidential offering materials.

## **Item 6 | Performance Based Fees & Side by Side Management**

Payment of management fees, performance-based fees, and administrative and operating expenses charged by any of the funds in which a client directly or indirectly invests results in a layering of fees which may result in a significant cost of investment.

### **Performance Based Fees**

Performance-based fees will only be charged in accordance with the provisions of Rule 205-3 of the Investment Advisers Act of 1940 (the "Advisers Act") and/or applicable state regulations.

*VCM Core Funds* VCM does not charge performance-based fees on the VCM Core Funds. However, investors in the VCM Core Funds are subject to performance-based fees on the underlying funds in the VCM Core Funds. For additional information, please see the VCM Core Funds' offering materials (in particular, the Class Supplements and supporting documentation).

*Highland Funds* VCM accepts a performance fee from the Highland Funds. Such a performance-based fee is calculated based on a percentage share of the net profit on, or capital appreciation of, the assets of the fund. The performance allocation may create an incentive for VCM to cause the Highland Funds to make investments that are riskier or more speculative than would be the case if VCM were allocated only a fixed amount. Please see the Highland Funds' confidential offering materials for additional information about the performance-based fee.

### **Side by Side Management**

From time to time, VCM may become aware that certain of the private funds in which the VCM Core Funds invest are willing to accept direct investments from VCM's clients. In such cases, VCM may notify select clients about the investment opportunity. Although VCM will always try to treat its clients fairly over time, these types of investment opportunities will only be presented to those clients for whom VCM believes, based on the client's stated financial profile and investment objectives, they would be appropriate.<sup>3</sup>

In addition, conflicts could exist between the allocation of investment opportunities for SMAs, sub-advised assets, investment company assets managed by VCM's affiliate Vivaldi Asset Management, LLC, and the Highland Funds. Conflicts may exist due to available funds or restrictions defined in the investment management agreement. VCM has designed its procedures to provide fair and equitable allocation between the private funds, SMAs, sub-advised assets and the registered investment company assets it or an affiliate advises.

Because we endeavor at all times to put the interest of our clients first, we take the following additional steps to address any potential conflicts:

- We disclose to investors and prospective clients the existence of material conflicts of interest, including the potential for our firm and its employees to earn more compensation from some clients than others;
- We collect, maintain and document accurate, complete and relevant investor background information to ensure that investment in the subscribed fund(s) is appropriate for the investor's financial goals, objectives and risk tolerance and that the investor is qualified to invest; and

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<sup>3</sup> Clients will only be presented with such opportunities if VCM knows that they can satisfy the higher minimums that a direct investment would require.

- We have implemented policies and procedures for fair and consistent allocation of investment opportunities among any funds or other client accounts, subject to the fund's/client's underlying strategy, cash availability, availability of interests in the underlying funds, and other appropriate considerations.

## **Item 7 | Types of Clients & Minimum Requirements**

VCM generally provides investment advice to individuals, high net worth individuals, family offices, other investment advisors, pension and profit sharing plans, trusts, estates, corporations, and other business entities. To have VCM manage personal investments, or to invest in the VCM Core Funds and/or the Highland Funds, VCM typically requires a minimum initial account size of \$1,000,000. VCM does, however, reserve the right to accept client accounts and/or investments in one of its private funds that do not meet these minimum conditions.

The VCM Core Funds and the Highland Funds are exempt from registration under federal securities regulations. As a result, investment in the VCM Core Funds and the Highland Funds is limited to persons who are "accredited investors" as defined in the Securities Act of 1933, as amended (the "Securities Act") and, depending on the fund, "qualified purchasers" as defined in the Advisers Act.

## **Item 8 | Method of Analysis, Investment Strategies, & Risk of Loss**

### **Investment Committee**

Vivaldi's Investment Committee, which is comprised of Vivaldi's executive team (minus Vivaldi's CCO & GC), is responsible for the construction, management and oversight of model portfolios as well as holdings within the VCM Core Funds. The Investment Committee meets at least quarterly to review detailed investment and due diligence reports conducted by Vivaldi's Research Team and Chief Operating Officer to determine whether changes should be made to either the model portfolios or the list of investments made available through the VCM Core Funds. All Investment Committee approval decisions must be unanimous. Any vote to remove a strategy or manager or change model weightings must be approved by a simple majority of the members of the Investment Committee.

### **Methods of Analysis**

*Wealth Management Services* VCM typically meets with new clients on several occasions, either in person or by phone, before making investment recommendations. These customized investment recommendations are based on a variety of factors, including, but not limited to, the client's current financial situation (ex: income; net worth; cash available for investment), investment objectives, risk tolerances, and liquidity requirements.

*VCM Core Funds* When VCM examines potential investment managers in which to invest, to recommend or to make available via the VCM Core Funds, VCM reviews the manager's performance record, as well as its back office support, infrastructure and service providers to confirm that controls are in place that are designed to safeguard clients assets. The due diligence process includes both direct research, such as examining underlying governing documents and offering materials, past audits, the investment team's experience, sophistication and depth, and the firm's operational processes and infrastructure, as well as indirect methods of analysis, such as background checks, reference checks, public filings, valuation confirmations, regulatory history reviews, and confirmation of third-party service providers. VCM continuously monitors chosen managers to confirm, and understand factors impacting, their performance as well as periodically to review any material changes to the manager's business, discuss the manager's view on the market and/or their targeted industry, and assess whether there are factors that warrant revisiting

whether and to what extent a particular investment opportunity should continue to be offered.

## **Investment Strategies**

### Managed Portfolios

*Opportunistic CEF Income* VCM's Opportunistic CEF Income strategy is an actively managed, fixed income strategy run by VCM's internal research team. On a daily basis, the team uses a proprietary database to perform a comprehensive review of the closed-end fund ("CEF") universe to identify and analyze the premium and discount levels of various sectors and funds within that universe. When the environment is compelling, the investment team tactically invests in CEFs with uniquely wide discounts relative to both history and peers. Conversely, the team rotates out of funds with shrinking discounts relative to their historical average and peers. The strategy is meant to be used as either an alternative to, or complement of, traditional fixed income-producing investments.

*Liquid Alternatives* VCM's Liquid Alternatives strategy is an actively managed, multi-alternative strategy run by our internal research team. Within the strategy, the team seeks to create a portfolio that provides an uncorrelated return stream, derived from fundamentally-driven and differentiated alternative strategies. Central to this approach is identifying managers that, on a standalone basis, offer an attractive absolute return with a lack of directional market exposure.

### Private Funds

Please refer to each fund's offering materials for a detailed discussion of the fund's investment objective and investment strategies.

*VCM Core Funds* The VCM Core Funds' investment objective is to achieve capital appreciation by providing investors with access to a variety of investment advisors who implement various proprietary investment programs. An investment in the VCM Core Funds provides investors with the opportunity to invest indirectly in various underlying hedge funds, managed accounts, or other investment vehicles, the assets of which are traded and/or managed by third-party investment advisors.

*Highland Funds* The principle investment objective of the Highland Funds is to achieve superior risk adjusted returns. In pursuing their investment objective, the Funds currently engage primarily in merger arbitrage transactions (i.e. buying, selling and selling short securities of issuers undergoing corporate re-organizations). However, the Highland Funds have the broad authority to trade, buy, sell (including sell short), and otherwise acquire (potentially through the use of margin and other forms of leverage), hold, dispose of, and deal in (directly and indirectly through pooled investments, other investment vehicles, participations and otherwise) in such other instruments or interests as the Highland Funds' managers deem appropriate.

*GrizzlyRock Institutional Value Partners LP (the "GrizzlyRock Fund")* The GrizzlyRock Fund's principle investment objective is to achieve positive absolute returns over a medium to long term time horizon. The GrizzlyRock Fund's portfolio management team employs a relative value equity strategy focused on a portfolio of long and short positions in companies which their research has shown have potential core earnings power and/or cash flow different than that which has been projected by mainstream analysts.

## **Principal Investment Risks**

Clients should carefully review the offering materials of any investment funds recommended by VCM to ensure that they are aware of and understand the risks and costs involved with such investments.

No investment is free of risk. Current and prospective clients are cautioned that investments in securities involve risk of loss, including the possibility of a complete loss of the amount invested, and that they should be prepared to bear these risks. Based on the types of investments that VCM may recommend, all clients should be aware of certain risk factors, which include, but are not limited to, those discussed in the following paragraphs.

*Alternative Investments Risks* VCM may recommend to qualified clients the use of alternative investments such as investments in real estate, private equity, or hedge funds. VCM may also recommend a direct investment into a private company. Investments in such “alternative assets” may be illiquid, which may impair the ability of the client to exit such investments in times of adversity. Alternative investments may utilize highly speculative investment techniques, including leverage, highly concentrated portfolios, senior and/or subordinated securities positions, control positions and illiquid investments. In addition, they may utilize derivative instruments to attempt to hedge the risks associated with certain of their investments. Transactions in such derivative instruments may expose the assets of investment funds to the risks of material financial loss, which may in turn adversely affect the financial results of the client. Clients who invest in alternative investments will pay VCM’s advisory fees and those of the underlying investment managers, and certain other fees and expenses of underlying investment funds in which the client invests. Investors in alternative investments may also pay carried interest, performance or incentive allocations to an underlying manager or sponsor of an underlying investment fund in which they invest, all of which contribute to the overall cost of the investment.

*Risks Associated with Investments in Private Funds* Investments in pooled investments and other investment vehicles generally are subject to legal or contractual restrictions on their resale. If the fund requests a complete or partial withdrawal of its interest in an underlying fund, the investment adviser of the underlying fund generally may, in its discretion or at the election of the fund, (i) not satisfy the fund’s withdrawal request with respect to the portion of the investment’s assets represented by illiquid investments until the disposition of those illiquid investments, (ii) satisfy the fund’s withdrawal request with an in-kind distribution of illiquid investments (either directly or through an in-kind distribution of interests in a special purpose vehicle or other investment vehicle established to hold such illiquid investments), or (iii) in some cases, satisfy the withdrawal amount by valuing illiquid investments at the lower of cost or market or otherwise in the sole discretion of the applicable investment adviser. If the fund receives distributions in-kind from an investment, the fund may incur additional costs and risks to dispose of such assets. In addition, certain underlying funds may require maintenance of investment minimums and/or have holding periods and/or other withdrawal provisions more restrictive than those of the fund. These may include, but are not limited to, lock-ups, “side pockets,” withdrawal “gates” and fees, suspensions and delays of withdrawals and other similar limitations. In addition, investors should realize that VCM has no control over the day-to-day operations of the underlying managers in the VCM Core Funds.

*Risks Associated with Fixed Income Investments* The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. As nominal interest rates rise, the value of fixed income securities is likely to decrease. A nominal interest rate is the sum of a real interest rate and an expected inflation rate.

Traditional convertible securities include corporate bonds, notes and preferred stocks that may be converted into or exchanged for common stock, and other securities that also provide an opportunity for equity participation. These securities are convertible either at a stated price or a stated rate (that is, for a specific number of shares of common stock or other security). As with other fixed income securities, the price of a convertible security generally varies inversely with interest rates. While providing a fixed income stream, a convertible security also affords the investor an opportunity, through its conversion feature, to participate in the capital appreciation of the common stock into which it is convertible. As the market price of the underlying common stock declines, convertible securities tend to trade increasingly on a yield basis and so

may not experience market value declines to the same extent as the underlying common stock. When the market price of the underlying common stock increases, the price of a convertible security tends to rise as a reflection of higher yield or capital appreciation. In such situations, an investor may have to pay more for a convertible security than the value of the underlying common stock.

*Risks Associated with Equity Securities* All investments in equity securities are subject to market risks that may cause their prices to fluctuate over time. Historically, the equity markets have moved in cycles and the value of the securities may fluctuate substantially from day to day. Owning an equity security can also subject an investor to the risk that the issuer may discontinue paying dividends. Investments in common stocks are subject to the risk that in the event a company is liquidated, the holders of preferred stock and creditors of that company will be paid in full before any payments are made to the holder of common stock. It is possible that all assets of that company will be exhausted before any payments are made to a common stock holder.

An investment in rights and warrants may entail greater risks than certain other types of investments. A right is a privilege granted to existing shareholders of a corporation to subscribe to shares of a new issue of common stock and it is issued at a predetermined price in proportion to the number of shares already owned. Rights normally have a short life, usually two to four weeks, are freely transferable and entitle the holder to buy the new common stock at a lower price than the current market. Warrants are options to purchase equity securities at a specific price for a specific period of time. They do not represent ownership of the securities, but only the right to buy them. Hence, warrants have no voting rights, pay no dividends and have no rights with respect to the assets of the corporation issuing them. Warrants differ from call options in that the underlying corporation issues warrants, whereas call options may be written by anyone. Generally, rights and warrants do not carry the right to receive dividends or exercise voting rights with respect to the underlying securities, and they do not represent any rights in the assets of the issuer. In addition, although their value is influenced by the value of the underlying security, their value does not necessarily change with the value of the underlying securities, and they cease to have value if they are not exercised on or before their expiration date.

*Risks Associated with Exchange-Traded Funds (“ETFs”)* ETFs are open-end investment companies whose shares are listed on a national securities exchange. An ETF is similar to a traditional mutual fund, but trades at different prices during the day on a security exchange like a stock. To the extent that a client invests in ETFs which focus on a particular market segment or industry, the client will also be subject to the risks associated with investing in those sectors or industries. To the extent the client invests in inverse ETFs, these are subject to the risk that their performance will decline as the value of their benchmark indices rises. As a purchaser of ETF shares on the secondary market, a client will be subject to the market risk associated with owning any security whose value is based on market price. ETF shares historically have tended to trade at or near their net asset value, but there is no guarantee that they will continue to do so.

## **Item 9 | Disciplinary Information**

VCM is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client’s evaluation of VCM or the integrity of VCM’s management. No such events have occurred at VCM as of the date of this brochure.

## **Item 10 | Other Financial Industry Activities & Affiliations**

VCM is not actively engaged in a business other than (i) structuring, offering and managing private investment vehicles and (ii) providing investment advice to its clients. Neither VCM nor any of its management personnel is registered, or has an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading adviser, or associated person of the

foregoing, and VCM does not anticipate such affiliations in the future.<sup>4</sup>

Vivaldi Asset Management, LLC (“VAM”), an SEC-registered investment advisory firm that provides advisory services to alternative strategy mutual funds, is a VCM affiliate and is owned by Vivaldi Holdings, LLC. VAM currently serves as the investment adviser to three daily liquid mutual funds, the Vivaldi Merger Arbitrage Fund, the Vivaldi Multi-Strategy Fund and the WV Concentrated Equities Fund, and to three closed-end funds, the Infinity Core Alternative Fund, The Relative Value Fund, and the Vivaldi Opportunities Fund.

- VCM and VAM have certain overlapping officers and employees and share office space and certain expenses, although they operate independently.
- In instances where an employee acts as the portfolio manager to more than one fund, VCM monitors that portfolio manager’s trades across all accounts. In addition, VCM, in accord with its Code of Ethics as further discussed in Item 11 of this Brochure, monitors the employee’s personal trading.
- In some instances, the principals of VCM may recommend investments in registered investment companies managed by VAM.

VCM serves as the Managing Member and Investment Manager to four privately-offered alternative investment allocation vehicles: VCM Core Alternative Fund LLC; VCM Core Opportunities Fund LLC; VCM Offshore Fund I LP; and VCM Offshore Fund II LP.

VCM became the Managing Member of the Highland Capital Management Institutional Fund II, LLC and a VCM affiliate became the General Partner of Highland Capital Management, L.P. on October 1, 2015.

VCM’s affiliate Vivaldi Asset Management, LLC (“VAM”) has a service agreement through which it provides certain administrative, technological, and back-office services to GrizzlyRock Capital, LLC. GrizzlyRock Capital, LLC manages GrizzlyRock Value Partners, LP (the “GrizzlyRock Fund”).

Neither VCM nor VAM have arrangements with a related person who is a broker-dealer, investment company, other investment adviser, financial planning firm, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships that are material to its advisory services or its clients.

VCM has and will continue to develop relationships with professionals who provide services it does not provide, including legal, accounting, banking, tax preparation, insurance brokerage, investment management services and other personal services. None of these relationships, however, creates a material conflict of interest with any of VCM’s clients.

David Sternberg, one of VCM’s principals, is an indirect owner of the general partner to Structured Portfolio Management, LLC. VCM has from time to time recommended investments into this private investment fund to eligible clients. Should VCM solicit a client for a private investment in which Mr. Sternberg is involved, VCM explicitly discloses Mr. Sternberg’s relationship to the client prior to providing any such clients with materials related to the fund. Furthermore, when VCM’s investment committee meets, Mr. Sternberg does not participate in any decisions with regards to the fund.

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<sup>4</sup> VCM shares certain of its personnel with its affiliate Vivaldi Asset Management, LLC (“VAM”). VCM’s Chief Compliance Officer Michelle M. Comella, in her capacity as the Chief Compliance Officer for VAM, is currently registered as a broker-dealer representative with Foreside Fund Services, LLC so that she can act in a supervisory capacity over VAM’s wholesalers.

## **Item 11 | Code of Ethics, Interest in Client Transactions & Personal Trading**

### **Code of Ethics**

VCM has adopted a Code of Ethics for all supervised persons describing its high standard of business conduct. The written Code of Ethics is based on principles of openness, honesty, integrity and trust. The Code of Ethics includes provisions relating to standards of business conduct, the confidentiality of client information, and a prohibition on insider trading. At least annually or at such times that the Code of Ethics is amended materially, all VCM supervised persons must acknowledge in writing the terms of the Code of Ethics and agree to be bound by it.

VCM's business may provide VCM and its employees with access to material nonpublic ("insider") information. The Code of Ethics includes a prohibition on insider trading and outlines strict policies that dictate how any such information is treated.

VCM employees who violate the Code of Ethics may be subject to disciplinary actions, including, but not limited to, profit disgorgement, fines, censure, suspension or dismissal. Personnel are also required to promptly report any violations of the Code of Ethics of which they become aware.

VCM's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting VCM's Chief Compliance Officer, Michelle M. Comella, at 312-248-8300.

### **Participation or Interest in Client Transactions**

VCM anticipates that, in appropriate circumstances consistent with clients' investment objectives, it will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which VCM, its affiliates and/or clients, directly or indirectly, have a position of interest. In such cases, VCM explicitly discloses the position of interest / relationship to the client prior to providing any such client with materials related to one of these funds. VCM and certain employees and affiliates of VCM may invest in and alongside its clients and its funds, either through the general partner, as direct investors in the fund, with outside fund managers, or otherwise.

Per policy, VCM will not affect any principal or agency cross securities transactions for client accounts without pre-approval from the client. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliate, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated fund and a client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. VCM will seek pre-approval from the broker and from the underlying investor prior to executing a cross trade.

### **Conflicts of Interest**

The investment documents provided to each client contain a description of what VCM believes to be the most significant conflicts of interest associated with a VCM recommended investment. Some of these conflicts are summarized in this Brochure; however, this summary does not attempt to describe all of the conflicts of interest associated with a prospective investment. Investors should carefully consider the conflicts of interest discussed in this Brochure, as well as those outlined in offering materials provided to them.

## **Transactions or Arrangements between Certain Related Parties**

VCM and VAM are related companies under the common control of Vivaldi Holdings, LLC. As a component of its investment strategy, VCM may utilize private funds managed by VCM or mutual funds for which VAM is the adviser (collectively, "Affiliated Funds"). (Often, Affiliated Funds will include the word "Vivaldi" or a derivation of it (e.g., "VCM") as part of their name.) VCM provides clients with specific disclosures regarding conflicts of interest when the potential for such conflicts exists. Clients should discuss any questions with, or request further information from, their adviser concerning the use of Affiliated Funds or the conflict of interest this creates.

VCM's or its affiliate(s) receive fees from the Affiliated Funds for serving as investment advisor or other service provider to the Affiliated Fund (as detailed in the Affiliated Fund's offering materials). These fees create a financial incentive for VCM to utilize Affiliated Funds so that fees and expenses charged by the fund or manager are earned by VCM or its affiliate, rather than a non-affiliate.

In the course of providing services to clients, and in our role as manager of Affiliated Funds, VCM may also enter into transactions or arrangements with or involving, and perform services for, or accept services from, other persons or companies that are related or connected to VCM. These transactions and arrangements may give rise to conflicts of interest, and VCM has adopted policies and procedures to identify and respond to these conflicts.

When applicable, VCM aggregates and allocates investment opportunities amongst its clients by applying such considerations as it deems appropriate, including the client's relative size, amount of available capital, size of existing positions in the same or similar securities, leverage and other factors. VCM will attempt to allocate investment opportunities pro rata, when possible, amongst participating clients. VCM may, however, increase or decrease the amount of securities allocated to each account if necessary to avoid holding odd-lot or small numbers of shares for particular clients. Additionally, if VCM is unable to fully execute a batched transaction and it is determined that it would be impractical to allocate a small number of securities/investments among the participating accounts in the transaction on a pro-rata basis, VCM may allocate such securities/investments in a manner determined in good faith to be a reasonable and fair allocation.

VCM clients include persons or entities resident in various jurisdictions who may have conflicting investment, tax, and other interests with respect to their investments. The conflicting interests of each client may relate to or arise from, among other things, the nature of investments made by the client, the structuring of securities purchases, and the timing of disposition of investments. Such structuring may result in different returns being realized by different clients. As a consequence, conflicts of interest may arise in connection with decisions made by VCM that may be more beneficial for one client as opposed to another, especially with respect to certain clients' tax situations.

VCM's principals devote as much of their time to the business of VCM as in their judgment is reasonably required, but are not required to devote a particular amount of time to this business. However, the principals may currently be involved in other business ventures or may organize or become involved in other business ventures in the future. VCM clients will not share in the risks or rewards of such other ventures, which may compete with current investments made by VCM clients for the time and attention of the principals and therefore create additional conflicts of interest. (See Item 10 of this Brochure for further information about current outside business activities.)

Finally, VCM has offered ownership interest in its firm to at least one client, and may offer ownership interests to other clients in the future. VCM reserves the right to provide preferential terms, such as reduced fees, to individuals who are VCM investors or other investors on the condition that such terms do not adversely affect other clients.

## Personal Trading

VCM's employees and persons associated with VCM are required to follow VCM's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of VCM and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for VCM's clients. The Code of Ethics is designed to allow employees to invest for their own accounts while assuring that (i) material non-public information is not being used and (ii) the personal securities transactions, activities and interests of VCM's employees will not interfere with (a) making decisions in the best interest of advisory clients and (b) implementing such decisions. Our clients may request a copy of our Code of Ethics by contacting us at 312-248-8300.

## Item 12 | Brokerage Practices

### Recommending Brokerage Firms

VCM participates in the institutional adviser program (the "Program") offered by TD Ameritrade Institutional ("TD Ameritrade")<sup>5</sup> and has a relationship with the advisory services division of Charles Schwab & Co., Inc. ("Schwab"). TD Ameritrade and Schwab offer institutional platforms to advisers which include custody of securities, trade execution, clearance and settlement of transactions. By availing itself of these institutional platforms, VCM and its affiliates may receive some of the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research-related products and tools; consulting services; access to a trading desk serving VCM clients; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology and practice management products or services provided to VCM by third party vendors.

Additionally, through participation in these programs, certain products and services are offered to VCM that benefit VCM but may not directly benefit VCM's clients' accounts. Some of these other products and services assist VCM in managing and administering clients' accounts. These include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements), (ii) facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), (iii) provide research, pricing information, and other market data, (iv) facilitate payment of VCM's fees from client accounts, and (v) assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of VCM's accounts.

Both TD Ameritrade and Schwab also make available to VCM other services intended to help VCM manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, they may make available, arrange and/or pay for these types of services rendered to VCM by independent third parties. TD Ameritrade and Schwab may discount or waive fees that they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to VCM. VCM endeavors to act in its clients' best interests, however, VCM's recommendation that clients maintain their assets in accounts at these brokers may be based in part on the benefit to VCM of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the brokers.

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<sup>5</sup> TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC, an unaffiliated SEC-registered broker-dealer and FINRA member.

VCM typically recommends that clients establish brokerage accounts with TD Ameritrade or Schwab, each a registered broker/dealer, member FINRA/SIPC, to maintain custody of client assets and to affect trades for their accounts. VCM is independently owned and operated and not affiliated with either of these brokers. Each of these brokers provides VCM with access to its institutional trading and custody services, which are typically not available to their retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them, so long as a total of at least \$10 million of VCM's clients' assets are maintained in accounts at these brokers. These services are not otherwise contingent upon VCM's commitment to any specific amount of business (i.e., assets in custody or trading).

TD Ameritrade and Schwab's services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. VCM receives some benefits from TD Ameritrade through its participation in TD Ameritrade's AdvisorDirect program, as described more fully in Item 14, below.

In selecting a broker or dealer, VCM may consider, among other things, the broker or dealers execution capabilities, reputation and access to the markets for the securities being traded. Other considerations include, but are not limited to, the amount of transaction costs, the quality of execution, the expertise in particular markets, the experience and financial stability of the firm, the availability of stock loans, the quality of service, the familiarity both with investment practices generally and the techniques employed by VCM particularly, the research and analytic services, clearing and settlement capabilities. VCM generally will seek competitive commission rates but will not necessarily attempt to obtain the lowest possible commission for transactions for its client accounts, SMAs or the Highland Funds. VCM will arrange for the execution of securities transactions for client accounts, SMAs and the Highland Funds<sup>6</sup> through brokers or dealers that it reasonably believes will provide "best execution." VCM seeks to execute client transactions in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances.

### **Soft Dollars<sup>6</sup>**

VCM may effect transactions with broker-dealers who provide research or brokerage services meant to assist VCM in making investment and trading decisions on behalf of its clients. The negotiated commissions paid to broker-dealers supplying such research or brokerage services may not represent the lowest obtainable commission rates. Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), does however provide a "safe harbor" to investment managers like VCM who use commission dollars generated off of their advisory accounts to obtain investment research, brokerage and other services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities ("soft-dollar" arrangements), provided that the amount of any increased commission costs on account of such research or other services is reasonable relative to the value of the services so provided. VCM complies with this soft-dollar "safe harbor" afforded by Section 28(e) under the Exchange Act.

VCM utilizes allocations of commission dollars solely to pay for (i) certain expenses which would otherwise be borne by its clients (and which therefore do not involve the conflict of interest issues normally presented by "soft dollar" arrangements covered by Section 28(e)) and/or (ii) products or services that qualify as "research and brokerage services," within the meaning of Section 28(e), pursuant to arrangements that meet the other requirements of that section. Services, other than research, obtained by the use of commissions arising from client transactions will only be used for the benefit of VCM's clients, and such services will be limited to services that would otherwise constitute an expense borne by its clients.

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<sup>6</sup> NOTE: VCM clients generally pay a Management Fee quarterly that covers all investment services provided for the client's account(s) and are not, as a result, charged commissions on individual transactions within their account(s). Where reference is made within this section to commissions paid for transactions in client accounts, it is intended to cover those costs incurred for transactions taking place within the Highland Funds or one of VCM's SMAs, or for block transactions on behalf of multiple clients.

VCM may have an incentive to select or recommend a broker-dealer based on its interest in establishing soft-dollar arrangements with that firm. Further, VCM may, in its discretion, cause an account to pay one or more brokers a commission greater than another qualified broker might charge to effect the same transaction where VCM determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. Such arrangements are periodically reviewed along with the broker's execution performance to ensure that any potential conflicts of interest issues are identified and addressed.

The benefits of research and other services obtained through the use of soft-dollars are not limited to those clients who have helped to acquire the particular benefit through the payment of commissions generated off of transactions in their accounts. Rather, the research obtained through VCM's brokerage allocations may be used by VCM in connection with services rendered to all of VCM's clients, to only certain clients, or to other accounts or entities managed by VCM – and consequently it is possible that brokerage commissions paid by a particular client may be used to pay for research that is not used in managing that particular client's account.

Given that research obtained by VCM may be useful to a variety of clients, VCM will not generally attempt to allocate the relative costs or benefits of research between its clients. Accordingly, brokerage allocations from one client may have the effect of indirectly benefiting other entities and investment accounts managed by VCM or its affiliates.

### **Order Aggregation**

As a matter of general policy and practice, VCM will aggregate transactions for its advisory clients where practicable, except in the case of alternative investments. Aggregating transactions allows the trading of aggregate blocks of securities from multiple client accounts. Generally, aggregating client transactions allows VCM to execute transactions in a more timely, efficient and equitable manner and to seek best execution and/or to reduce commission charges.

VCM may not apportion shares to participating clients in equal percentage amounts, but endeavors to achieve balance where possible. Additionally, VCM may aggregate trades of its advisory personnel with those of clients so that VCM personnel participate alongside clients in such trades. In general, when managing capital, VCM will endeavor to make all investment allocations in a manner that it considers to be the most equitable to all managed entities and clients. All participants in an aggregated trade generally will be allocated securities on a pro rata, average price per share basis. VCM may, however, increase or decrease the amount of securities allocated to each account if necessary to avoid holding odd-lot or small numbers of shares for particular clients. Additionally, if VCM is unable to fully execute a batched transaction and it is determined that it would be impractical to allocate a small number of securities/investments among the participating accounts in the transaction on a pro-rata basis, VCM may allocate such securities/investments in a manner determined in good faith to be reasonable and fair based on factors such as the respective amounts of capital available for new investments, the investment programs, portfolio composition, liquidity terms and constraints, tax situation, and relevant regulatory restrictions.

### **Trade Errors**

VCM has policies and procedures in place to minimize the occurrence of trade errors and, should a trade error occur, detect and correct such trade errors in a timely manner. While the method of correction may vary depending on the nature of the error, the intent is to make the client whole.

## **Item 13 | Review of Accounts**

VCM will review each client account at least quarterly but may review them more often if investment conditions require. Accounts are reviewed by VCM's principals or chief investment officers (or their designees), who will also monitor economic, investment and market conditions that might dictate changes in strategy or portfolio holdings. VCM will attempt to contact each client at least annually but will meet with each client more often, if needed, to review investment needs and to provide economic analysis, performance review, and other pertinent information.

Clients receive copies of confirmations from the custodian for all transactions. Clients also receive monthly custodial statements providing a summary of account transactions, with the exception of qualified accounts, such as IRAs, with no activity, which will receive quarterly statements from the custodian.

Clients with assets in the VCM Core Funds receive a quarterly report reflecting the estimated NAV net asset value of the investor's capital account as of the end of the quarter<sup>7</sup>. In addition, VCM or its third party administrator will distribute on behalf of VCM Core Funds a copy of the VCM Core Funds' annual audit within one hundred and twenty (120) days from fiscal year end. All reports sent by VCM to investors are delivered electronically or by regular mail.

## **Item 14 | Client Referrals & Other Compensation**

As disclosed in Item 12 above, VCM participates in TD Ameritrade's institutional customer program and Schwab's advisory services. VCM may recommend TD Ameritrade or Schwab to clients for custody and brokerage services. There is no direct link between VCM's participation in these programs and the investment advice it gives to its clients, although VCM receives benefits through its participation in these programs that are typically not available to retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research-related products and tools; consulting services; access to a dedicated trading desk; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from VCM accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology and practice management products or services provided to VCM by third party vendors. Some of the products and services may benefit VCM but may not benefit its client accounts. These products or services may assist VCM in managing and administering client accounts, including accounts not maintained at TD Ameritrade or Schwab. Other services made available by TD Ameritrade are intended to help VCM manage and further develop its business enterprise. The benefits received by VCM or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade or Schwab. As part of its fiduciary duties to clients, VCM endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of benefits by VCM or its related persons in and of itself creates a potential conflict of interest and may indirectly influence VCM's choice of TD Ameritrade or Schwab for custody and brokerage services.

VCM may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, VCM may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with VCM and there is no employee

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<sup>7</sup> Clients may, upon request, receive a monthly statement.

or agency relationship between the firms. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisers. TD Ameritrade does not supervise VCM and has no responsibility for VCM's management of client portfolios or VCM's other advice or services. VCM pays TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to VCM ("Solicitation Fee"). VCM will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by VCM from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired VCM on the recommendation of such referred client. VCM will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

VCM's participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisers that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, to obtain client referrals from TD Ameritrade, VCM may have an incentive to recommend to clients that the assets under management by VCM be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, VCM has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when required to do so. VCM's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

## **Item 15 | Custody**

### **Wealth Management Services**

As noted elsewhere within this Brochure, VCM does not maintain physical custody of its clients' assets, opting instead to direct clients to maintain accounts with firms like TD Ameritrade and Schwab. Further, while VCM may, with client consent, arrange to have its quarterly advisory fees paid directly from a client's account(s), it generally does not have the ability to move client assets for such purposes on its own.

Clients receive copies of confirmations from the custodian for all transactions. Clients also receive monthly custodial statements providing a summary of account transactions, with the exception of qualified accounts, such as IRAs, with no activity, which will receive quarterly statements from the custodian. Clients should carefully review their account statements promptly upon receipt and are urged to compare the account statements received from their qualified custodian with the periodic reports received from VCM.

### **Private Funds**

In its capacity as the managing member to the VCM Core Funds and the Highland Funds, VCM is deemed to have custody of client funds and securities under the Custody Rule, even where it does not have physical custody of the assets, because of its ability to effect transactions in and deduct fees from client accounts.

VCM is exempt from many of the Custody Rule provisions because the VCM Funds and the Highland Funds are subject to an annual audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. Each investor receives audited financial statements within 120 days (or 180 days for "fund of funds") of the Fund's fiscal year end. In addition, the third-party administrator for the VCM Core Funds and the Highland Funds distributes statements at least quarterly to each of the funds' investors.

## **Item 16 | Investment Discretion**

### **Discretionary Trading Authority**

Generally, VCM is retained on a fully discretionary basis and is authorized to determine and direct execution of portfolio transactions pursuant to the terms of the investment management agreement and other documents executed between VCM and each investor. The terms upon which VCM serves as an adviser are established at the time each client retains VCM as their investment manager. Unless otherwise set forth in writing between VCM and the client, VCM is not required to contact a client prior to transacting any business once such client executes these documents.

NOTE: VCM or a VCM client may opt not to have certain assets managed on a discretionary basis. Those assets must be identified at the onset of the relationship and will be held and reported upon as non-discretionary assets. VCM may not buy or sell a non-discretionary asset without first contacting the client and receiving the client's explicit approval to move forward with a particular transaction affecting those assets.

### **Limited Power of Attorney**

Clients who have granted discretionary trading authority to VCM are required to grant a "limited power of attorney" to VCM over clients' custodial account(s) for purposes of trading and fee deduction.

### **VCM Core Funds & the Highland Funds**

VCM's agreement with the VCM Core Funds and the Highland Funds generally grants VCM complete discretionary authority in the relevant organizational documents and/or advisory agreements to manage the funds' investment portfolios, without any specific limitations. VCM does not however take discretion over individual client accounts' investments within the VCM Core Funds and the Highland Funds – i.e. it is up to each client to determine whether and how much to invest and, in the case of the VCM Core Funds, in which class(es) to participate.

## **Item 17 | Voting Client Securities**

VCM does not vote proxies for its clients on any matters regardless of whether its investment authority is discretionary or non-discretionary. Each client retains sole and absolute authority and responsibility to vote proxies at its own expense with respect to its investments.

Clients will receive their proxies or other solicitations directly from their custodian. Clients are free to contact VCM about a particular solicitation and VCM personnel may provide them with assistance.

In the event that VCM's policy regarding proxy voting changes, VCM will adopt a Proxy Voting Policy as required by Rule 206(4)-6 under the Advisers Act to ensure that it votes proxies in the best interests of its clients, and will amend this Item 17 accordingly.

## **Item 18 | Financial Information**

Registered investment advisers are required to provide certain financial information or disclosures about VCM's financial condition. VCM has no financial commitment that impairs its ability to meet contractual or any other obligations to clients, and has not been the subject of a bankruptcy proceeding.

## **PART ADV PART 2B—BROCHURE SUPPLEMENT**

This Brochure Supplement provides information about Vivaldi Capital Management, LLC (“VCM”) that supplements the Brochure. You should have received a copy of that Brochure. Please contact Michelle M. Comella, VCM’s Chief Compliance Officer, at [mcomella@vivaldicap.com](mailto:mcomella@vivaldicap.com) if you did not receive VCM’s Brochure or if you have any questions about the contents of this supplement.

Additional information about VCM is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Executives**

**David Alan Sternberg**  
Co-Founder & Chief Executive Officer  
225 West Wacker Suite 2100  
Chicago, Illinois 60606  
312-248-8300

### **Educational Background and Business Experience**

Mr. Sternberg received a Bachelor of Arts degree in Marketing from the University of Iowa.

Mr. Sternberg has served as a Principal of Vivaldi Capital Management, LLC, since December 2011. Prior to co-founding VCM, from February 2009 until January 2011 Mr. Sternberg served as a Partner of FGМК/Preservation Capital Partners, LLC. From September 1999 until December 2008, Mr. Sternberg served as a Portfolio Manager for Iron Partners, LLC.

### **Disciplinary Information**

Mr. Sternberg has never been the subject of any legal or disciplinary event, proceeding or action.

### **Other Business Activities**

Mr. Sternberg is an indirect owner of an entity that acts as the general partner to a private fund, Structured Portfolio Management, LLC ("SPM"). He assisted the firm in raising capital for the private fund and in compensation receives a percentage of the net income in the general partner entity as an equity owner. Mr. Sternberg is not involved in the day-to-day operations of the fund. Clients of VCM may be solicited to invest in SPM; however, prior to providing any such client with materials relating to the fund, Mr. Sternberg's role as an owner of the general partner will be fully disclosed to such client.

**Michael Peck, CFA**  
President & Co-Chief Investment Officer  
225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

### **Educational Background and Business Experience**

Mr. Peck received a Bachelor of Science degree in Accountancy from Lehigh University. Mr. Peck received a Masters of Business Administration in Real Estate Analysis and Financial Analysis and a Masters of Arts in Finance from DePaul University.

Mr. Peck is a Chartered Financial Analyst (CFA). The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute, the largest global association of investment professionals. To earn the CFA charter, candidates must: (1) pass three sequential, six-hour examinations; (2) have at least four years of qualified professional investment experience; (3) join the CFA Institute as a member; and (4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). The three levels of the CFA Program test proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

Mr. Peck, Vivaldi Capital Management, LLC's President and Co-Chief Investment Officer, joined VCM in February 2012. From March 2010 through December 2011, Mr. Peck served as a Portfolio Manager at Coe Capital, LLC. From June 2007 through March 2009, Mr. Peck was a paid consultant at various real estate and investment companies. From August 2006 through October 2008, Mr. Peck served as a Senior Financial Analyst and Risk Manager at The Bond Companies. Prior to that, Mr. Peck was a Risk Analyst at Wells Fargo Bank.

### **Disciplinary Information**

Mr. Peck has never been the subject of any legal or disciplinary event, proceeding or action.

### **Other Business Activities**

Mr. Peck is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

### **Chad Eisenberg, CPA**

Chief Operating Officer

225 West Wacker, Suite 2100

Chicago, Illinois 60606

312-248-8300

### **Educational Background and Business Experience**

Mr. Eisenberg received a Bachelor of Science degree in Accountancy from the University of Illinois Urbana Champaign, College of Business. Mr. Eisenberg also received a Masters of Science in Accountancy with a Specialization in Taxation from the University of Illinois Urbana Champaign. Mr. Eisenberg is a CPA, a certified public accountant. The CPA designation is the statutory title of qualified accountants in the United States who have passed the Uniform Certified Public Accountant Examination and have met additional state education and experience requirements for certification as a CPA. Eligibility to sit for the Uniform CPA Exam requires a U.S. bachelor's degree, which includes a minimum number of qualifying credit hours in accounting and business administration with an additional one-year study. CPAs are required to take continuing education courses in order to renew their license, and most states also require its CPAs to take an ethics course during every renewal period.

Mr. Eisenberg, the Vivaldi Capital Management, LLC's Chief Operating Officer, started with VCM in January 2012. From March 2009 through November 2011, Mr. Eisenberg served as a Director for Longevity Research & Trading, LLC and Director of Business Development for Intrinsic Edge, LLC. From June 2007 through March 2009, Mr. Eisenberg served as a Director at Key Bank Real Estate Capital. Prior to that, Mr. Eisenberg was a Regional Manager at LaSalle Bank.

### **Disciplinary Information**

Mr. Eisenberg has never been the subject of any legal or disciplinary event, proceeding or action.

### **Other Business Activities**

Mr. Eisenberg is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**Scott Hergott**  
Director of Research & Co-Chief Investment Officer  
225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

### **Educational Background and Business Experience**

Mr. Hergott received a Bachelor of Arts degree in Business from Northeastern Illinois University.

Mr. Hergott joined Vivaldi Capital Management, LLC, in January 2013 as its Director of Research. From 2010 to 2012, Mr. Hergott worked for Citadel as a Derivatives Analyst focused on Risk Management inside Citadel LLC's Surveyor group. Prior to Citadel LLC, from 2003 to 2010, Mr. Hergott was a Portfolio Manager of Iron Partners, LLC, a Chicago-based fund of funds. From 1987 to 2003, Mr. Hergott was a Member and Market Maker at the Chicago Board of Options Exchange.

### **Disciplinary Information**

Mr. Hergott has never been the subject of any legal or disciplinary event, proceeding or action.

### **Other Business Activities**

Mr. Hergott is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

## **Portfolio Managers**

**Dan Lancz**  
Portfolio Manager  
225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

### **Educational Background and Business Experience**

Mr. Lancz received a Bachelor of Science degree from Miami University.

Mr. Lancz has served as Portfolio Manager for Vivaldi Asset Management, LLC since November 2014. Prior to joining Vivaldi Asset Management, LLC, Mr. Lancz was the Chief Compliance Officer, Director of Research and Member of the General Partner of Glenfinnen Capital LLC since 2003. Mr. Lancz was also the Director of Research at Augusta Capital Management L.P. from 2000 until 2003.

### **Disciplinary Information**

Mr. Lancz has never been the subject of any legal or disciplinary event, proceeding or action.

### **Other Business Activities**

Mr. Lancz also serves as a Portfolio Manager for VCM's affiliate, Vivaldi Asset Management, LLC. Mr. Lancz is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**Brian Murphy**  
Portfolio Manager  
225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

**Educational Background and Business Experience**

Mr. Murphy received a Bachelor of Science degree in Finance from Miami University.

Mr. Murphy joined Vivaldi Capital Management, LLC, in March 2014 as a Portfolio Manager. From 2010 to 2014, Mr. Murphy worked for Voyager Management, a Los Angeles based fund of funds as their Director of Investor Relations. Prior to Voyager Management, from 2009 to 2010, Mr. Murphy was Derivatives Product Specialist at Analytic Investors, specializing in quantitative derivative hedge fund strategies. From 2007 to 2009, Mr. Murphy was an Analyst at Iron Partners, LLC, a Chicago-based fund of funds, where he was primarily responsible for covering hedged equity, equity trading, derivative and structured product services. Mr. Murphy has also held research positions at FSI Group, UBS O'Connor, Kovitz Investment Group and Marco Consulting.

**Disciplinary Information**

Mr. Murphy has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Mr. Murphy is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**Jeff O'Brien**  
Portfolio Manager  
225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

**Educational Background and Business Experience**

Mr. O'Brien received a Bachelor of Science degree in Finance from Indiana University.

Mr. O'Brien has served as a Portfolio Manager to Vivaldi Asset Management, LLC since November 2014. Mr. O'Brien served as the Managing Member and Portfolio of Glenfinnen Capital LLC from 1998 until he joined Vivaldi Asset Management, LLC.

**Disciplinary Information**

Mr. O'Brien has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Mr. O'Brien also serves as a Portfolio Manager for VCM's affiliate, Vivaldi Asset Management. Mr. O'Brien is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

## **Wealth Management**

### **Stephen Bergman**

#### **Portfolio Specialist**

225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

### **Educational Background and Business Experience**

Mr. Bergman received a Bachelor of Science degree in Economics with a minor in Art History from Ohio State University.

Mr. Bergman joined Vivaldi Capital Management, LLC as a Portfolio Specialist in June 2017. Prior to working for VCM, Mr. Bergman worked as a research analyst at Hengehold Capital. He started with Hengehold in September 2013 and remained there until joining VCM.

### **Disciplinary Information**

Mr. Bergman has never been the subject of any legal or disciplinary event, proceeding or action.

### **Other Business Activities**

Mr. Bergman is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

### **Tedman Breiter**

#### **Member & Wealth Adviser**

225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

### **Educational Background and Business Experience**

Mr. Breiter received a Bachelor of Science degree in Finance from the University of Maryland.

Mr. Breiter has served as an Investment Adviser Representative at Vivaldi Capital Management, LLC, since February 2015. Prior to joining VCM, from June 2009 until December 2014, Mr. Breiter was a nominee for CMZ Trading LLC, where he was a responsible for trading options and futures.

### **Disciplinary Information**

Mr. Breiter has never been the subject of any legal or disciplinary event, proceeding or action.

### **Other Business Activities**

Mr. Breiter is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

## **Ron Bremen**

Member & Wealth Adviser  
225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

### **Educational Background and Business Experience**

Mr. Bremen received a Bachelor of Science degree in Business Administration as well as a Juris Doctorate degree from Indiana University.

Mr. Bremen has served as an Investment Adviser Representative at Vivaldi Capital Management, LLC since February 2017. Prior to joining VCM, he served as an Investment Adviser Representative at Ausdal Financial Partners (from September 2009 to February 2017) and at Waterstone Financial Group (from June 2006 to September 2009).

### **Disciplinary Information**

Mr. Bremen has never been the subject of any legal or disciplinary event, proceeding or action.

### **Other Business Activities**

Mr. Bremen is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

## **Randal Golden**

Co-Founder, Member & Wealth Adviser  
225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

### **Educational Background and Business Experience**

Mr. Golden received a Bachelor of Arts degree in Liberal Arts and Sciences from the University of Illinois Urbana Champaign, College of Liberal Arts & Sciences. Mr. Golden is a CPWA®, a certified private wealth adviser. The CPWA designation signifies that an individual has met initial and on-going experience, ethical, education and examination requirements for the professional designation, which is centered on private wealth management topics and strategies for high-net-worth clients. Prerequisites for the CPWA designation are: a Bachelor's degree from an accredited college or university or one of the following designations or licenses: CIMA®, CIMC®, CFA®, CFP®, ChFC® or CPA license; an acceptable regulatory history as evidenced by FINRA Form U-4 or other regulatory requirements; and five years of professional client-centered experience in financial services or a related industry. CPWA designees have completed a rigorous educational process that includes self-study requirements, an in-class education component and successful completion of a comprehensive examination. CPWA designees are required to adhere to IMCA's Code of Professional Responsibility and Rules and Guidelines for Use of the Marks. CPWA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification.

Mr. Golden has been a Principal of Vivaldi Capital Management, LLC, since December 2011. Prior to co-founding VCM, Mr. Golden served as Managing Director for FGМК/Preservation Capital Partners, LLC.

### **Disciplinary Information**

Mr. Golden has never been the subject of any legal or disciplinary event, proceeding or action.

### **Other Business Activities**

Mr. Golden is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

### **Brandon Intrater**

Member & Wealth Adviser

104 Tiburon Boulevard – Suite 200  
Mill Valley, California 94941  
415-321-2950

### **Educational Background and Business Experience**

Mr. Intrater received a Bachelor of Science degree in Business Administration from the University of Denver, Daniels College of Business, a Certificate in Financial Management for the Family Office from Pepperdine University, and completed graduate studies in Finance at the University of California - Berkeley.

Mr. Intrater joined Vivaldi Capital Management, LLC in January 2017. Prior to joining VCM, Mr. Intrater was a Managing Director and Portfolio Manager with LTS Capital Advisors, LLC for over ten years.

### **Disciplinary Information**

In February 2015, while employed by LTS Capital Advisors, LLC (“LTS”), Mr. Intrater was named as one of several respondents in a Demand for Arbitration in which a former client (“Claimant”) alleged breach of fiduciary duty, breach of contract, professional negligence, and various unspecified breaches of the Adviser’s Act of 1940. LTS, on behalf of Mr. Intrater and others, denied the substantive allegations and filed a counterclaim for unpaid fees and expenses. In March 2016, the parties entered into a settlement agreement through which the parties mutually released all claims and causes of action against each other, Claimant agreed to pay all past due fees and expenses, and LTS agreed to make a payment to Claimant. Mr. Intrater did not individually contribute to the settlement.

### **Other Business Activities**

Mr. Intrater is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

### **Richard Intrater**

Member & Wealth Adviser

104 Tiburon Boulevard – Suite 200  
Mill Valley, California 94941  
415-321-2950

### **Educational Background and Business Experience**

Mr. Intrater holds a Bachelor of Arts degree in Finance from the University of Arizona and completed graduate work at the University of Missouri.

Mr. Intrater has been in the investment banking and financial services industry for over 35 years. Before merging his firm into Vivaldi Capital Management, LLC in early 2017 and joining their ranks as a Member and Managing Director, he was Founder, President and CEO of LTS Capital Advisors, a San Francisco-based RIA. LTS assisted families of significant worth with their complex investment, financial, philanthropic, and administrative needs. He also managed LTS Capital Partners which provides venture funding to select early and growth stage companies. He has founded, managed and merged other RIA firms over the past 20 years.

Mr. Intrater began his career as a financial analyst at the US Export-Import Bank, in Washington, DC, spent 13 years as a Senior Vice President of Lehman Brothers in New York and San Francisco and managed the San Francisco practice of Mullin Consulting an executive compensation and benefits, recently sold to Prudential.

### **Disciplinary Information**

In February 2015, while employed by LTS Capital Advisors, LLC (“LTS”), Mr. Intrater was named as one of several respondents in a Demand for Arbitration in which a former client (“Claimant”) alleged breach of fiduciary duty, breach of contract, professional negligence, and various unspecified breaches of the Adviser’s Act of 1940. LTS, on behalf of Mr. Intrater and others, denied the substantive allegations and filed a counterclaim for unpaid fees and expenses. In March 2016, the parties entered into a settlement agreement through which the parties mutually released all claims and causes of action against each other, Claimant agreed to pay all past due fees and expenses, and LTS agreed to make a payment to Claimant.

### **Other Business Activities**

In his capacity as a General Partner or Managing Member of several private funds formed prior to joining Vivaldi Capital Management, LLC, Mr. Intrater serves a member of the board of directors of BIO2 Technologies and Fallbrook Technologies, each a private company. Members of VCM’s management team have reviewed each of these activities and ascertained that neither poses a conflict of interest to either Mr. Intrater’s role with VCM or VCM’s clients.

### **Andrew Lindblom**

Research Strategist

225 West Wacker, Suite 2100

Chicago, Illinois 60606

312-248-8300

### **Educational Background and Business Experience**

Mr. Lindblom received a Bachelor of Science degree in Accountancy and Finance from the University of Illinois at Urbana-Champaign. Mr. Lindblom is a CFA® charterholder and is a member of the CFA Institute as well the CFA Society Chicago where he serves on both the Education Seminars and Annual Dinner advisory groups.

Mr. Lindblom has served a Research Strategist at Vivaldi Capital Management, LLC, since April 2017. In his role, he works with advisors and clients in determining appropriate asset allocations and understanding investment strategies. Prior to joining VCM, Mr. Lindblom served as an analyst for a Private Wealth Management team at UBS and Morgan Stanley Smith Barney, where he was focused on client allocations and managing discretionary strategies. Prior to that he served as a research analyst providing security selection across distressed debt and small-cap equities for two hedge funds.

### **Disciplinary Information**

Mr. Lindblom has never been the subject of any legal or disciplinary event, proceeding or action.

### **Other Business Activities**

Mr. Lindblom is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**Lilian Lo**

Member & Wealth Adviser

2010 Crow Canyon Place – Suite 100  
San Ramon, CA 94583  
925-395-4589

**Educational Background and Business Experience**

Ms. Lo received a Bachelor of Science degree in Actuarial Science from the University of Toronto.

Ms. Lo has served as a Wealth Adviser for Vivaldi Capital Management, LLC, since July 2017. Prior to coming to VCM, Ms. Lo managed her own wealth management practice, Affinity Wealth Planning and prior to that, she worked for Fidelity Investments from 2005 to 2015 and for A.G. Edwards from 2003-2005.

**Disciplinary Information**

Ms. Lo has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Ms. Lo is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**David Snyder**

Wealth Adviser

225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

**Educational Background and Business Experience**

Mr. Snyder received a degree in General Studies from Miami Dade College.

Mr. Snyder has served as a Wealth Adviser for Vivaldi Capital Management, LLC, since November 2016. Prior to coming to VCM, Mr. Snyder founded and operated an options trading firm doing business on the Chicago Board Options Exchange and Chicago Board of Trade for twenty-five years. Mr. Snyder was one of the original US 30 yr. Treasury Bond futures permit holders and as a Designated Primary Market Maker (DPM), designed and implemented multiple hedging strategies to manage risk and market volatility.

**Disciplinary Information**

Mr. Snyder has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Mr. Snyder is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

**Ilya Zlotnik**

Member & Wealth Adviser

225 West Wacker, Suite 2100  
Chicago, Illinois 60606  
312-248-8300

**Educational Background and Business Experience**

Mr. Zlotnik received a Bachelor in Science degree in Finance from the Kelley School of Business at Indiana

University and is currently finishing up his MBA with concentrations in Finance and Entrepreneurship from the Booth School of Business at the University of Chicago. He is a candidate for the Chartered Alternative Investment Analyst (CAIA) designation.

Mr. Zlotnik is an Investment Advisor at VCM with a particular focus on clients in the TD Ameritrade Advisor Direct referral program. Prior to joining VCM, Mr. Zlotnik worked as an Investment Consultant at TD Ameritrade where he advised high net worth families. He also spent a period of time as a Senior Client Associate in the Private Wealth Group at RMB Capital Management.

**Disciplinary Information**

Mr. Zlotnik has never been the subject of any legal or disciplinary event, proceeding or action.

**Other Business Activities**

Mr. Zlotnik is not actively engaged in any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.