



13520 Evening Creek Dr. N, Suite 300B
San Diego, CA 92128
(858) 410-1410
www.Validusgrowth.com

Form ADV Part 2A (Brochure)
dated March 31, 2021

This brochure provides information about the qualifications and business practices of Validus Growth Investors, LLC. If you have any questions about the contents of this brochure, please contact us at (858) 410-1410 or mavnet@validusgrowth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") nor by any state securities authority.

Additional information about Validus Growth Investors, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. You may view our information on this website by searching for "Validus Growth Investors, LLC." You may also search using the Firm's CRD number, 166575.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2. Material Changes

The following material changes were made to the Brochure:

We are no longer participating in wrap fee programs.

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Item 4. Advisory Business

Introduction

In November 2012, Validus Growth Investors, LLC, doing business as Validus Investment Advisors, (“Validus”) with headquarters in San Diego, CA was established by Mark C. Scalzo, Managing Partner and Chief Investment Officer, to provide investment advisory services to a broad range of clients by implementing fundamental, bottom-up growth equity strategies with active market risk mitigation. Mr. Scalzo currently own 76.1% of the voting rights of Validus.

Principal Members

Mark C. Scalzo

As Managing Partner and Chief Investment Officer, Mark Scalzo is responsible for design, implementation, and enhancement of Validus’ investment philosophy and process, managing all of Validus’ investment strategies and overseeing day-to-day operations and research efforts.

Advisory Services Offered

Separate Account Management

Validus offers separate account investment management services to institutional clients, including public and private pension plans, endowments and foundations, independent RIAs, and high net worth individuals. All separately managed client accounts are invested according to a specific Validus model strategy, consistent with each client’s risk-profile. The Validus model strategies are composed of equities or a combination of equities and ETFs. The client accounts using a particular model strategy are similarly-managed, rebalanced to the dynamic model portfolio on a periodic basis, and subject to Validus’ trade allocation policy. All separate account clients have the opportunity to place reasonable client-specific restrictions with regard to their accounts as agreed with Validus.

Asset Allocation Services

On a limited basis, Validus provides asset allocation portfolios to existing high net worth clients whose changing risk profiles require more conservative portfolios or income over capital appreciation. These portfolios are constructed utilizing portfolio optimization at the asset class level and implemented with individually-scored mutual funds and/or ETFs. To the extent mutual funds are utilized, Validus does not charge a commission and seeks the lowest cost advisory share class available on its custody platform.

Validus Growth Investors, LLC

Model Portfolio Advisory Services

Institutional Portfolio Advisor to Third Party Investment Advisers

Validus also provides its model equity strategies to certain investment advisory firms and investment programs, including Unified Managed Account (UMA). For these relationships, Validus does not interact directly with the individual end-client, but interfaces with the third-party investment advisor. Validus provides regular management and maintenance of these model portfolio strategies, including continuous monitoring and re-balancing.

Sub-Adviser to Investment Company

Validus is engaged as the investment sub-adviser to the Destra Multi-Alternative Fund (the "Fund"), a continuously offered, diversified, closed-end registered investment company operated as an interval fund. As a sub-adviser, we provide investment advice and The Fund may serve as an investment option for our SMA clients. Therefore, investors in the Fund may also be SMA clients; however, the Fund will be open to any investor meeting the Fund's minimum investment levels.

Since Validus is the sub-adviser to the Fund and receives a management fee for its services, Validus has an incentive and inherent conflict of interest to favor the Fund. Please refer to Item 5 of this Brochure for a description of our fees. Increases in Fund assets will result in increases in the management fee paid to Validus.

Validus may determine that the Fund is a suitable alternative investment vehicle for the separate account clients. When Validus utilizes the Fund on behalf of clients, Validus does not receive a commission and will seek to utilize the institutional share class for clients, with permission from the Fund.

The Fund is the sole registered investment company client of Validus, and a closed-end interval fund domiciled in the United States. We maintain limited power of attorney to act on a discretionary basis when managing the Fund. We are responsible for investment selection, asset allocation, and asset management decisions regarding the Fund.

Research Services

On a limited basis, Validus offers investment research-only services to third party investment advisers.

Types of Investments

When managing the Fund, we will select the following general types of investments:

- Public and Private Real Estate Investment Trusts (REITs)
- Public and Private Business Development Companies (BDCs)
- Hedge Funds
- Limited Partnerships
- Private Investment Funds
- Common Stocks
- Debt Securities
- Exchange Traded Funds (ETFs), mutual funds, and closed-end funds
- Master Limited Partnerships (MLPs)

Assets Under Management / Advisement

As of December 31, 2021, September 2, 2020, Validus Growth Investors has \$3,456,466 in discretionary assets under management and \$215,711,431 in non-discretionary assets under management. Total assets under management are \$219,167,897 .

Item 5. Fees and Compensation

Separate Account Management

Fee Rates

The fee rates for separate account management by strategy are as follows:

		<u>Fees</u>		<u>Optional Performance-Based Fee</u>
Separate Account Management	Less than \$1m in AUM	1.25%	or	0.70% Base Fee
	\$1m in AUM or greater	Negotiated		plus 20% of gains in excess of an annual hurdle
Asset Allocation Portfolios	Less than \$1m in AUM	1.00%		
	\$1m in AUM or greater	Negotiated		
Institutional Sub-Advisory		Negotiated		
Research Services		Negotiated		

Billing

Validus generally deducts fees from separately-managed client accounts in arrears on a quarterly basis based upon the average assets under management during the period. If Client elects a performance-based fee, it is calculated on an annual basis as a share of gains in excess of an annual hurdle as agreed with the Client. Clients may also elect to be billed directly. For Model Portfolio Advisory Services, fees are received subject to a separate advisory agreement with timing consistent with client's billing policies.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30-day written notice. In the event of a new account opening or termination intra-period, fees will be calculated on a pro rata basis using the average assets under management during the shortened period.

Other Expenses and Additional Costs

Other services providers are compensated for providing services for your account. The Custodian and Broker-Dealer, among others, will charge fees for providing account services such as custody, margin interest, taxes, transactions, and trading. Clients are billed separately for all custody and transaction costs. In addition, Validus may utilize ETFs and/or mutual funds to implement its portfolios, especially with respect to asset allocation strategies. These ETFs and mutual funds have their own internal management fees and trading costs.

Model Portfolio, Portfolio Advisory

We provide model portfolio management and portfolio services according to a negotiated fee schedule with program sponsors based on assets under management or based upon a negotiated fixed fee.

Research Services

Research services are provided typically on a fixed fee basis.

Sub-Adviser to an Investment Company

Validus is paid an annual fee of 0.675% based on the amount of assets held in the Fund. The annual fee is paid monthly in arrears based on the daily net assets of the Fund. Validus believes that its fees are competitive with those fees charged by other investment advisers for

comparable services; however, Validus' fees may be higher or lower than fees charged by other investment advisers. In addition to Validus' management fee, shareholders will pay other annual fund operating expenses such as shareholder servicing fees, acquired fund fees and expenses, and certain other fees ("Net Annual Fund Operating Expenses").

As we have selected Interactive Brokers, to serve as broker to the Fund, they are responsible for executing securities transactions. As broker, Interactive Brokers receives commissions for its services. We do not lower or offset our management fee by the amount of compensation received by Interactive Brokers.

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

Validus engages in side-by-side management.

For Separate Account Management, at the client's election, Validus offers the option of a lower base fee combined with a share of gains above an agreed hurdle (as indicated above).

Item 7. Types of Clients

Validus offers separate account investment management services for institutional clients, including public and private pension plans, endowments and foundations, independent RIAs, and high net worth individuals. Generally, Validus' minimum account size for separate account management is \$1,000,000; however, Validus reserves the right to accept smaller accounts at its discretion.

Validus also offers model portfolio advisory services to certain investment advisory firms, investment companies and investment programs, including Unified Managed Accounts (UMA). Minimum investment amounts are established in the terms of the model portfolio advisor agreement between us and the program sponsor.

Validus also acts as the sub-adviser to the Fund, a closed-end management investment company registered under the Investment Company Act of 1940.

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

Investment Philosophy

Validus is predominantly a research-focused, bottom-up, fundamentally driven growth equity manager. Validus will consider the growth prospects of any company in the investable universe independent of its “label” by evaluating specific characteristics and prospects to determine whether or not a growth trajectory exists.

All of Validus’ equity strategies employ the same philosophy and process. We identify positive buying behaviors — and we seek company-specific growth wherever it leads and no matter how it is defined by the market.

Our Investment Philosophy is driven by the following key concepts:

- An active growth strategy with an appropriate investment horizon, stock-specific focus and market risk mitigation deserves a place in every portfolio;
- Consistent excess returns result from benchmark agnostic process;
- Fundamentals determine stock performance over time, sentiment matters in the short-term;
- Evidence validated through experience drives decisions.

Buy Discipline

Validus’ method utilizes an iterative process to uncover key characteristics of individual portfolio candidates.

- We construct individual investment mosaics for companies that possess certain key attributes (investment “Pillars”) including Buying Behaviors, an identifiable Growth Thesis, sufficient Financial Capacity, reasonable Valuation while accounting for Specific Risks.
- We evaluate using **S.C.O.R.E. Proprietary Ranking** (Systematic, Customized Oppportunity and Risk Evaluation).

Risk Management

Employing a portfolio and risk management approach is an important part of Validus’ investment process. After proprietary research efforts lead to a S.C.O.R.E. ranking of growth

opportunities, we use several tools seeking to reduce risk and enhance diversification across a range of portfolio perspectives. This would include risk budgeting, portfolio guidelines, market exposure and exit / entry awareness.

Sell Discipline

Validus believes that a well-defined sell discipline is crucial to a repeatable investment process. Validus' sell discipline seeks to identify fundamental breakdowns before they are reflected in a company's stock price. This requires us to be pro-active in identifying material changes in the growth thesis, financial strength, or knowledgeable investor commitment on a company-by-company basis.

Specifically, a sale is triggered when there is a material fall in a portfolio holdings' S.C.O.R.E. ranking caused by any of the following circumstances (usually a combination of circumstances):

- Significant selling behavior;
- Growth thesis does not materialize within investment horizon, or substantially breaks-down along the way;
- Achievement of earnings goal with no new growth thesis;
- Significant and prolonged P/E compression that suggests earnings are being materially revalued;
- Technical analysis that suggests material negative headwinds that can overwhelm positive long-term fundamentals; and/or
- Identification of a previously unknown and/or unidentified material risk.

Investment Strategies

Validus is predominantly an equity manager that invests in growth companies while actively seeking to control risk.

Fundamental Strategies employ proprietary fundamental research and utilize a combination of qualitative and quantitative analysis to evaluate the strength and quality of each investment opportunity.

Global Growth

Validus' Global Growth strategy seeks growth and capital appreciation by investing in 35 global equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets and attractive valuations while implementing stock-specific and portfolio risk management tools.

International Growth

Validus' Classic International Growth strategy seeks growth and capital appreciation by investing in 35 international equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets and attractive valuations combined with stock-specific and portfolio risk management tools.

Growth & Income

Validus' Growth & Income strategy seeks growth and income by investing in 30 U.S. equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets, attractive valuations, larger market capitalizations (\$20 billion or greater at time of original investment), and sustainable, growing dividends while implementing stock-specific and portfolio risk management tools.

Systematic Strategies employ a factor-based quantitative framework to evaluate the strength and quality of each investment opportunity.

U.S. All Cap

Validus' Systematic US All Capitalization strategy seeks growth and capital appreciation by investing in 35 U.S. equities with market capitalizations ranging from \$2 billion and up, compelling growth stories, convincing positive buying behaviors, and stock-specific risk management tools.

Mid Cap Growth

Validus' Mid Cap Growth strategy seeks growth and capital appreciation by investing in 20 U.S. equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets, attractive valuations and medium-sized market capitalizations (between \$2-10 billion at time of original investment) while implementing stock-specific risk management tools.

Small Cap Growth

Validus' Systematic Small Cap Growth strategy seeks growth and capital appreciation by investing in 20 U.S. equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets, attractive valuations and smaller market capitalizations (between \$1-2 billion at time of original investment) while implementing stock-specific risk management tools.

Micro Cap Growth

Validus' Systematic Micro Cap Growth strategy seeks growth and capital appreciation by investing in 20 U.S. equities with compelling growth stories, convincing positive buying behaviors, sound balance sheets, attractive valuations and very small market capitalizations (less than \$1 billion at time of original investment) while implementing stock-specific risk management tools.

Alternative Investment Strategy

As the sub-adviser to the Fund, Validus focuses on finding, analyzing, and ultimately selecting investments from the investment universe of publicly listed, public non-listed, private non-listed, and institutional alternative strategies, with a concentration on institutional alternative strategies. Generally, opportunities are sourced through the relationships and networks of the portfolio managers. Validus' publicly-traded investments are typically covered by analysts; non-publicly traded/private ("illiquid securities" or "illiquid products") strategies utilized by us generally are not. In such cases, Validus supplements its own research with that of third-party due diligence providers. The research process includes the gathering of financial and non-financial information, initial management interviews, and discussions with third-parties including due diligence providers and other industry and non-industry relationships, in order to determine if the product potentially meets the Validus investment strategy.

Validus maintains a pipeline of products in its investment universe. Each investment is compared against other available investment options on a risk-return basis. This process is completed using a proprietary 15-factor scoring methodology. Once investment products have passed the initial research component and have been initially scored ("Phase 1"), the portfolio management team prioritizes investments that they believe are best suited to complement the existing portfolio, based on various factors. Next, the portfolio management team begins a process of analyzing the investment opportunity in "Phase 2" and "Phase 3" of the process, during each of which the opportunities are re-scored. During the analysis, the portfolio management team will gather more detailed information on the sponsor, management or

advisory team, product, investment portfolio, structure, sector, competition, intangibles, and other areas. Validus dissects an array of relevant quantitative and qualitative information about the product and manager, including track record, current financials, financial projections, and information about investment processes. Portfolio Managers hold management interviews where they gather specific answers to questions, discuss risks of the investment, and talk about the competitive landscape, among many other pertinent items. Often times, the portfolio management team will make site visits to the company's headquarters office to meet their team and perform additional interviews. The 3-Phase approach can range anywhere from several weeks to several months or even years to complete.

Investments that pass the Analysis phases are then proposed to the investment committee of Validus for a vote. If approved, the portfolio managers determine the target allocation percentage and update the model(s) accordingly. Investments are executed at the discretion of the portfolio managers as cash is raised, with the use of a credit facility to enhance cash management techniques. Execution for most non-listed products includes completing subscription documents, trade blotters, wiring funds, and coordinating the parties accordingly. We perform ongoing analysis of each non-listed investment by reviewing SEC filings, reviewing ongoing third-party due diligence reports, conducting regular interviews with management teams and their representatives, and conducting fair valuation reviews monthly with the fair valuation committee, amongst other processes. As "legacy" non-listed products experience liquidity, often via events such as public listings, we will evaluate and determine whether that security should be held, rebalanced, or sold. Validus may also redeem shares of legacy assets as redemption programs open in order to reduce issuer risk and/or further diversify the overall portfolio. The investment team has relationships throughout the industry across varying levels of this space, which they believe can benefit the investors. The team seeks to find what they believe to be best-in-class investments and focus on investments for the Fund that will add value to the investors.

Other Information Regarding Alternative Investment Strategy

Many of our recommendations and decisions as well as those of the Fund's portfolio manager are subjective. We may, from time to time, take defensive positions that are inconsistent with the Fund's principal investment strategy in attempting to respond to adverse market, economic, political, or other conditions. During such times, we may determine that the Fund should invest up to 100% of its liquid assets in cash or cash equivalents including money market instruments; prime commercial paper; repurchase agreements; Treasury bills; and other short-term obligations of the U. S. Government, its agencies, or instrumentalities. In these and in other cases, the Fund may not achieve its investment objective. We may invest the Fund's cash balances in any investments we deem appropriate. We expect that such investments will be

made, without limitation and as permitted under the 1940 Act, in money market funds, repurchase agreements, U.S. Treasury and U.S. agency securities, municipal bonds, and bank accounts. Any income earned from such investments is ordinarily reinvested by the Fund in accordance with its investment program.

We may enter into hedging transactions through the purchase of securities or through other mediums in order to mitigate certain risks such as an increase in interest rates or a decrease in commodity prices. We may also use leveraging strategies through lines of credit to efficiently manage cash and increase investment exposure.

The frequency and amount of portfolio purchases and sales (known as the "portfolio turnover rate") will vary from year to year. It is anticipated that the Fund's liquid sleeve portfolio turnover rate will ordinarily be between 25% and 75%. The portfolio turnover rate is not expected to exceed 100% but may vary greatly from year to year and will not be a limiting factor when we deem portfolio changes appropriate. Although the Fund generally does not intend to trade for short-term profits, the Fund may engage in short-term trading strategies, and securities may be sold without regard to the length of time held when, in our opinion, investment considerations warrant such action. These policies may have the effect of increasing the annual rate of portfolio turnover of the Fund. Higher rates of portfolio turnover would likely result in higher brokerage commissions and may generate short-term capital gains taxable as ordinary income. If securities are not held for the applicable holding periods, dividends paid on them will not qualify for the advantageous federal tax rates.

Risk of Loss

Past performance is not indicative of future results. Therefore, investors should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, ETFs, and bonds) involves risk of loss. Further, depending on the different types of investments, there may be varying degrees of risk. Investors should always be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, we are unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate investors from losses due to market corrections or declines.

Client performance varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

The material risks associated with the investment strategies discussed above will include, but are not limited to, one or more of the following:

Return on Capital. There can be no assurance that clients will be able to achieve their investment objectives or that investors will receive a return of their capital. Validus may not be able to execute a client's investment objectives or generate returns to investors commensurate with the risk of investing in the types of transactions described herein. Through human error, oversight or operational weaknesses, mistakes could occur in executing a client's investment strategies which could lead to significant trading losses. A client may be required to bear losses resulting from trading errors and similar human error.

Equity Securities. Investments may include common stock and equity securities. Market prices of equity securities generally, and of certain companies' equity securities in particular, frequently are subject to greater volatility than prices of fixed-income securities. In addition, actual or perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or that are rumored to be experiencing irregularities. Common stock and similar equity securities generally represent the most junior position in an issuer's capital structure and, as such, generally entitle holders to an interest in the assets of the issuer, if any, remaining after all more senior claims to such assets have been satisfied. Holders of common stock generally are entitled to dividends only if and to the extent declared by the governing body of the issuer out of income or other assets after making interest, dividend and any other required payments on more senior securities of the issuer.

Debt instruments and Fixed-Income Securities. Investments may include debt instruments and fixed-income securities. The value of such instruments and securities changes in response to fluctuations in interest rates and in the perceived credit risk associated with a particular instrument/security and its issuer.

REIT Risks. The performance of REITs is generally dependent upon the quality of internal management, most REITs are not diversified and may be concentrated by region and/or property type. REITs are also subject to heavy cash flow dependency, defaults by borrowers and self-liquidation. In addition, REITs could possibly fail to qualify for pass-through of income under applicable tax law if they are not managed correctly. Other factors may also adversely affect a borrower's or a lessee's ability to meet its obligations to the REIT. In the

event of a default by a borrower or lessee, the REIT may experience delays in enforcing its rights as a mortgagee or lessor and may incur substantial costs associated with protecting its investments which may have a negative impact on the share price of the security.

Risks Related to Investments in ETFs, Open-End and Closed-End Funds. Certain Validus investment strategies may invest in shares of ETFs, open-end funds and closed-end funds or similar products (“Underlying Funds”). ETFs and closed-end funds may trade at prices that vary from their net asset value, sometimes significantly. Performance of an ETF pursuing a passive index-based strategy may diverge from the performance of the index. Investments in Underlying Funds are subject to the risks of such Underlying Fund’s investments, and investors will bear not only the management fees and operating expenses charged by Validus but also their proportional share of the management fees and operating expenses of the Underlying Funds. Clients can invest directly in Underlying Funds without incurring additional fees by investing through Validus.

Master Limited Partnership (MLP) Risk. An investment in MLPs involves risks that differ from a similar investment in other equity securities, such as common stock of a corporation. Holders of equity securities issued by MLPs have the rights typically afforded to limited partners in a limited partnership. As compared to common shareholders of a corporation, holders of such equity securities have more limited control and limited rights to vote on matters affecting the partnership. There are certain tax risks associated with an investment in equity MLP units. MLPs are subject to interest rate risk. Rising interest rates could increase the costs of capital thereby increasing operating costs and reducing the ability of MLPs to carry out acquisitions or expansions in a cost-effective manner which could negatively affect the financial performance of MLPs.

Business Development Company (BDC) Risk. BDCs invest primarily in debt and equity securities of smaller and developing companies, as well as financially troubled companies, most of which are privately held and lack publicly available information. As a result, investments in BDCs tend to be risky and speculative. Such risks include but are not limited to portfolio company credit and investment risk, leverage risk, market and valuation risk, price volatility risk, liquidity risk, capital markets risk, interest rate risk, dependence on key personnel, and structural and regulatory risk.

Item 9. Disciplinary Information

There have been no disciplinary proceedings or actions against Validus Growth Investors, LLC, or any of its Members.

Item 10. Other Financial Industry Activities and Affiliations

There are no other financial industry activities or affiliations.

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

Underlying all of our services and processes is an understanding that we are functioning as a fiduciary, a trusted agent, for our clients' assets. Our goal is not only to provide exceptional investment returns, but also to provide these services with the highest standards of ethical conduct. In addition, we place a high value on educating our clients within our sphere of expertise.

With this mission as our foundation, Validus has adopted a Code of Ethics that states that all its partners and employees must adhere to the highest standards of ethical conduct, including acting in the best interest of our clients at all times.

Our supervised persons may buy or sell securities or have an interest or position in a security for their personal account which we also hold for our clients, including funds that we sub-advise. This presents a conflict of interest between our client's investment interests and the interests of our personnel. Therefore, we have formed the following procedures to help monitor for and control conflicts of interest arising from our personal trading policies:

- Validus is and shall continue to comply with The Insider Trading and Securities Fraud Enforcement Act of 1988.
- No associated person shall prefer his or her own interest to that of a client.
- No person employed by Validus may purchase or sell the same security prior to a transaction or transactions being implemented for a client.
- Our personnel must obtain written approval from our Chief Compliance Officer prior placing trades in their own account.
- Associated persons shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of his/her employment unless the information is also available to the investing public upon reasonable inquiry.
- As part of the Code of Ethics (summarized above), supervised persons must provide personal transaction reports on a quarterly basis which are reviewed on a regular basis by a principal of the firm.

Protection of Material, Non-Public Information

Validus has controls in place to ensure that client information is protected electronically and accessed only by authorized individuals or organizations. Employees are required to safeguard clients' information as a condition of employment. Employees are under obligation to refrain from discussing client matters in any way with family, friends, or acquaintances. Client matters include, but are not limited to, business names, identity, and facts that are unique to the client's business.

Privacy Policy

Our role as a fiduciary requires that we hold in strictest confidence the nonpublic information we obtain from and about our clients. Our privacy policy applies to both current and former clients. We, as a firm, safeguard the information as follows:

- We do not and will not sell any client or personal information to any other entity for any reason; and
- We require authorization from the client to share information with third-parties outside of the firm.

Validus retains the right to make disclosures where it is required or permitted under law, to cooperate with regulatory or law enforcement authorities, actual or threatened litigation actions, or ethics/disciplinary related claims or proceedings.

Our Code of Ethics is available to any client or prospective client upon request.

Item 12. Brokerage Practices

Individual Separate Account Clients

In placing trades for our separately managed client accounts, we have the discretion to determine the amount and type of securities to be bought and sold. We effect portfolio transactions in a fair and reasonable manner based on our duties of best execution and fiduciary responsibilities. Validus seeks best execution for its separately managed account clients within the constraints imposed by the amount of our total discretionary assets under management, which may result in higher transaction costs.

Validus Growth Investors, LLC

When providing model portfolio advisory services, trades are executed according to the policies and procedures of the investment adviser who contracts with us for these services.

Sub-Adviser for Fund

We are given authority by the Fund's Board to select the broker/dealer arrangements for the Fund. Currently, we use Interactive Brokers to execute investment transactions made by Validus on behalf of the Fund. All Fund securities and assets are held with a third-party qualified custodian.

There are some investment advisors that use multiple broker/dealers. Validus has considered the positive factors to this approach which include the ability to better negotiate brokerage costs such as transaction fees, the ability to better analyze speed of execution, and the ability to compare and negotiate services. However, Validus has determined that the use of one brokerage platform (Interactive Brokers) allows Validus to provide more streamlined operational and trading services. Validus considers the fact that allowing multiple brokerage arrangements would increase the need for additional internal staff and technology which may increase the overall fees charged by Validus. By selecting one brokerage platform, Validus is able to avoid additional compliance, recordkeeping, staffing, and technological costs that may be associated with implementing procedures designed to work with multiple brokerage platforms.

Accordingly, while Validus will consider competitive rates, it may not necessarily obtain the lowest possible commission and brokerage rates for Fund transactions. Therefore, the overall services provided by Interactive Brokers are evaluated to determine the level of best execution provided to clients. However, Validus may be unable to achieve the *most* favorable execution of Fund transactions and therefore Validus' practice of using Interactive Brokers may cost the Fund more money compared to other arrangements.

Soft Dollars / Client Referrals

We do not engage in soft dollar practices, nor do we use client brokerage to compensate brokers for client referrals.

Directed Brokerage

Not all investment advisers require their clients to direct brokerage. In certain cases, we may permit a separately managed account client to direct brokerage; however, in doing so, the client

must recognize that we may be unable to achieve the best execution of a client's transaction, which may result in additional costs from higher brokerage commissions or prices.

Trade Aggregation / Rotation

We do not currently engage in trade aggregation. Our trade allocation policy utilizes a rotation queue to ensure that all client trades are executed in a fair and equitable manner over time, without preferential treatment for any account.

When providing model portfolio advisor services, trades are executed according to the policies and procedures of the investment adviser who contracts with us for these services. In the case where Validus contracts with multiple investment advisers or platforms, model allocations are sent based on a rotation queue to ensure that all trades are executed in a fair and equitable manner without preferential treatment for any investment adviser or platform.

For Institutional Model Portfolio Advisory clients, Validus provides trade instructions, but is not responsible for timing or execution of trades.

Item 13. Review of Accounts

The Chief Investment Officer will periodically review separately managed client accounts, in order to ensure that investment guidelines are being met and investment restrictions, if any, have been adequately implemented. In addition, these client accounts will be rebalanced periodically to the dynamic model for each strategy in order to ensure that individual positions reflect the latest research and investment considerations. In all cases, Validus will consider overall transaction costs in determining the appropriate adjustments to individual positions.

Validus periodically provides written investment commentary to clients and individual client returns for separately managed client accounts.

In addition, and upon request, clients may have access to account information through a password protected client portal maintained by Validus' executing broker/dealer or custodian.

When providing model portfolio advisor services and sub-advisory services, strategies are reviewed no less than quarterly. We will adjust our strategies based upon our outlook with respect to the market as a whole and the individual securities held in each strategy.

The Fund's allocation is managed and reviewed on an ongoing basis (at least weekly) by the portfolio managers and the research team. The calendar is the main triggering factor for all reviews, although other triggering factors may include, but are not limited to, the following: changes in the Fund's objectives, major market changes, and major political or economic events.

On a quarterly basis, we will provide written reports regarding the performance of the Fund to the Fund's Board and will also have meetings with the Board regarding Fund performance.

Item 14. Client Referrals and Other Compensation

Validus does not participate in any client referral compensation arrangements.

Item 15. Custody

Validus does not hold custody of client assets.

Item 16. Investment Discretion

Validus exercises discretion in managing portfolio accounts on behalf of clients' subject to the terms of their investment management agreement, any reasonable restrictions that the client has placed upon their account by agreement with Validus, and the requirements under the Investment Advisor's Act of 1940.

When providing model portfolio sub-advisory services, Validus does not have discretion over client assets, and does not execute any trades for client accounts.

With respect to the Fund, as provided in the Fund's offering documents and our sub-advisory agreement with the Fund, Validus maintains discretionary trading authorization over Fund assets. Discretionary authority allows us to determine the type of securities and the amount of securities that can be bought or sold for the Fund without obtaining consent from the Fund's Board prior to each transaction.

Although we manage Fund assets on a discretionary basis, our investment decisions are made in accordance with the Fund's objectives and any restrictions on the types of investments that may be purchased in Fund.

Item 17. Proxy Voting Client Securities

For separately managed accounts, we will not accept authority to vote client securities. Clients will receive their proxies or other solicitations directly from their custodian, or a transfer agent. Clients may contact us with questions about a particular solicitation.

For the Fund, Validus has adopted Proxy Voting Policies and Procedures (“Proxy Voting Policies”) which provide that proxies on securities will be voted for the exclusive benefit of and in the best economic interest of the Fund, as determined by Validus in good faith. Such voting responsibilities will be exercised in a manner that is consistent with the general anti-fraud provisions of the Investment Advisers Act of 1940, as amended, as well as Validus’ fiduciary duties under federal and state law to act in the best interest of the Fund.

On certain routine proposals (for example, those which do not change the structures, bylaws, or operations of a company), Validus will generally vote in the manner recommended by management. Non-routine proposals (such as those affecting corporate governance, compensation, and other corporate events) and shareholder proposals will generally be reviewed on a case-by-case basis. Validus will generally vote such proxies based upon the recommendations of an independent third-party proxy voting service, such as Glass Lewis.

Investors may obtain a copy of Validus’ complete proxy voting policies and procedures upon request. Investors may also obtain information from Validus about how Validus voted any proxies on behalf of the Fund through the Fund’s regulatory filings.

Item 18. Financial Information

Not applicable.