ALPHA GROWTH MANAGEMENT

Alpha Alternative Assets Fund Due Diligence Report

"A truly alternative asset interval fund"

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Executive Summary

The Alpha Alternative Assets Fund (AAAF) is a continuously offered, closed-end interval fund advised by Alpha Growth Management, LLC.. AAAF seeks to deliver income and capital appreciation through a diversified portfolio of esoteric and longevity-based alternative assets. By allocating capital across life settlements, litigation finance, structured settlements, and royalty streams, the Fund aims to generate attractive, uncorrelated returns. Quarterly liquidity windows, disciplined risk management, and rigorous asset valuation underscore AAAF's investor alignment and operational robustness.

Since September 2022, Alpha Growth Management LLC. has been the investment adviser of AAAF. Prior to that AAAF f/k/a [A3 Alternative Credit Fund] operated under different management and strategy.

Alpha Growth has seeded AAAF with a $15 million investment.

FUND SNAPSHOT

Fund Name	Alpha Alternative Assets Fund (AAAF or Fund interchangeably)
Structure	Registered 1940 Act Closed-End Interval Fund
Share Classes and Symbols	Class I (AAACX), Class A (AACAX)
Adviser	Alpha Growth Management, LLC. (Adviser and AGM interchangeably)
Current AUM	$19,342,942 million (as of March 31, 2025)
Inception	September 2019; Alpha Growth Management, LLC. since October 2022
Investment Minimum	$5,000 (Class I), $2,500 (Class A)
Liquidity	Quarterly Repurchases (min. 5% NAV)
Distribution Policy	Quarterly (Reinvestable)
Management Fee	1.50% annualized
Tax Reporting	Form 1099 (no K-1s)
Subscription Access	Direct, via Custodians, and NSCC selling agreements

1. Investment Strategy & Philosophy

STRATEGY SUMMARY

AAAF employs a multi-strategy approach focused on esoteric, longevity-based, and alternative credit assets that are largely independent of public market fluctuations. Core holdings include life insurance settlements, legal/litigation finance contracts, structured legal settlements, royalty streams, and similar non-traditional assets. The Fund maintains roughly equally weighted allocations between debt and equity instruments to optimize risk-reward—meaning about half the portfolio is in income-generating credit assets (e.g. secured notes or receivables) and half in growth-oriented equity investments or participation interests. This balanced allocation is central to the Fund's philosophy: capture the upside potential of equity-like positions in high-growth niche markets, while deriving steady income and principal protection from debt investments.

UNCORRELATED ALTERNATIVE ASSETS

The Fund's underlying thesis is that less trafficked markets offer superior alpha and diversification. Assets such as life settlements, structured settlements, litigation finance, and royalties have little to no correlation with interest rate fluctuations, stocks and bonds. These assets' performance is driven by idiosyncratic factors—e.g. actuarial life expectancies, legal case settlements—rather than economic cycles. By targeting such uncorrelated return streams, AAAF seeks to provide a natural hedge against market volatility and macroeconomic stress. AGM's view is that traditional markets have become highly efficient and competitively traded; in contrast, these esoteric asset classes are often less crowded and less efficiently priced, creating opportunities for skilled managers to extract excess returns.

INVESTMENT PHILOSOPHY AND EDGE

AGM's philosophy emphasizes rigorous due diligence and structural edge in these niche markets. The team leverages specialized expertise in evaluating life expectancies, legal claim merits, and royalty valuation, often partnering with industry-specific experts (actuaries, legal underwriters, etc.) to assess each opportunity. Investments are pursued only after careful analysis of risk factors and downside mitigation mechanisms. The Fund also benefits from proprietary sourcing networks: as a focused player in longevity and legal finance, the manager can access off-market deals and co-investments that generalist investors might miss. For example, AAAF has relationships with life settlement providers and litigation finance originators that feed a pipeline of potential investments. Overall, the Fund's strategy is opportunistic within its mandate—allocating capital across various alternative asset classes based on relative value and risk, to balance stability and growth.

TARGET MARKETS AND ASSET TYPES

The following are the primary asset categories in AAAF's portfolio, each chosen for their return potential and low correlation characteristics:

Life Settlements (Longevity Assets): AAAF invests debt equity securities that are backed by life settlements and issued by entities that are operated by experienced managers. These entities purchase life insurance policies from policyholders (typically seniors) at a discount to face value, becoming the beneficiary and paying any remaining premiums. Upon the insured's passing, the investment entity collects the death benefit. Returns depend on accurate life expectancy assessments and efficient premium management. Life settlements typically offer stable cash flows and capital appreciation uncorrelated to the market.

Structured Settlements: These are court-awarded or insurance settlements (often from personal injury or litigation) that pay out to claimants over many years. AAAF will invest in securities that are collateralized with either whole structured settlement payments or securitized pools of such receivables, often at a discount. The credit quality hinges on the payer (usually highly rated insurers), so these assets behave like fixed-income annuities with predictable cash flows. They are largely insensitive to interest rate and market fluctuations, instead providing steady income backed by insurance obligations. They align with the Fund's income objective and typically carry low default risk when purchased from reputable counterparties.

Litigation Finance: This includes investing in investment funds that finance legal claims and lawsuits in exchange for a portion of any settlement/judgment. AAAF may also invest via promissory notes to legal finance companies or co-invest in direct claim participation. Returns depend on case outcomes rather than economic conditions, giving true diversification and no correlation to interest rate or market factors. The Fund targets portfolios of cases with strong legal merit and favorable risk/reward.

Royalties: The AAAF acquires rights to a percentage of future revenue generated by assets such as entertainment royalties (music/film) or other intellectual property. Royalties typically produce steady cash flows that are uncorrelated with stock market performance. For example, AAAF recently made co-investments in two royalty deals that entitle it to revenue streams from products with strong fundamentals. These investments can yield attractive income (often linked to predictable sales success of the underlying asset) without traditional market exposure. The AAAF favors royalties in sectors with durable demand—such as media and entertainment—to mitigate volatility in payout streams.

Other Esoteric Assets: AAAF remains opportunistic in exploring additional niche assets that meet its risk/return criteria. This may include specialty private credit (e.g. loans to premium finance lenders or asset-backed facilities for life settlements), Special Purpose Vehicles, or stakes in private alternative funds (up to 15% of assets) to gain diversified exposure.

In summary, AAAF's strategy is defined by diversification across multiple alternative asset classes, each chosen for unique return drivers and low correlation. The Fund actively adjusts allocations as opportunities evolve—for instance, in the past year, management increased exposure to longevity assets and litigation-related settlements in light of their strong fundamentals and resilience to interest rate changes. This flexible, multi-pronged approach—underpinned by deep sector expertise—aims to deliver consistent returns independent of stock and bond market swings, fulfilling the Fund's role as an alternative income and growth source in investors' portfolios.

2. Performance & Asset Growth

PERFORMANCE TRACK RECORD

Under the Adviser, the Alpha Alternative Assets Fund has delivered positive returns with low volatility, reflecting its uncorrelated strategy. As of the most recent semi-annual reporting period (March 31, 2025), the Fund reported a 1-year total return of +6.56% (Class I shares) and +6.21% (Class A). This solid performance was driven primarily by steady cash yields and valuation gains in the Fund's life settlements and esoteric credit holdings, which continued to generate returns despite turbulence in broader markets. The Fund's consistent quarterly dividend distributions contributed to these returns. For context, AAAF's income-focused strategy resulted in a net investment income yield of around 3% in FY2024 (Class I) after expenses, which was paid out to investors via quarterly dividends and a year-end "true-up" distribution. The remainder of the return came from gradual appreciation in asset values and successful resolutions of certain investments. The performance overview below illustrates the Fund's recent performance since AGM became Manager. The value of AAAF shares has trended upward steadily, with only modest interim fluctuations, supported by the Fund's stable income streams and active risk management.

PERFORMANCE OVERVIEW: SEPTEMBER 2022–SEPTEMBER 2024

2022 (Post-Transition Partial Year):
Following the management change, AAAF returned -1.24% for the period ending September 30, 2022, outperforming the Bloomberg Barclays Global Aggregate Index, which returned -5.14% in the same period.

- The Bloomberg Barclays Global Aggregate Index is a flagship benchmark that measures the performance of global investment-grade, fixed-rate debt markets. It includes bonds from both developed and emerging markets, encompassing government, corporate, and securitized debt, and is denominated in multiple currencies. This index serves as a broad representation of the global bond market and is used as a core component in fixed income portfolios.

2023: The fund achieved a positive annual return of 1.99% for the full year 2023, marking a turnaround from prior declines and reflecting early benefits of the revised investment approach.

2024: AAAF continued its positive momentum, posting a 5.85% return year-to-date as of December 31, 2024. This performance outpaced its benchmark, which returned 3.60% during the same period.

Trailing Twelve Months (1 year) as of 5/31/2025: AAAF continued its positive momentum, posting a 7.44% net return.

Past performance is not indicative of future results

Notably, AAAF's returns have shown low volatility and minimal correlation to traditional asset classes. During periods of equity market stress or rising interest rates, the Fund's NAV has remained relatively stable—a testament to the idiosyncratic nature of its holdings. For example, in 2023 and 2024 a sharp rise in interest rates created mark-to-market pressure on many bond portfolios, but AAAF's life settlements and legal assets were largely unaffected by rate movements (their value is driven by longevity and legal outcomes, not prevailing yields).

INVESTMENT AVAILABILITY

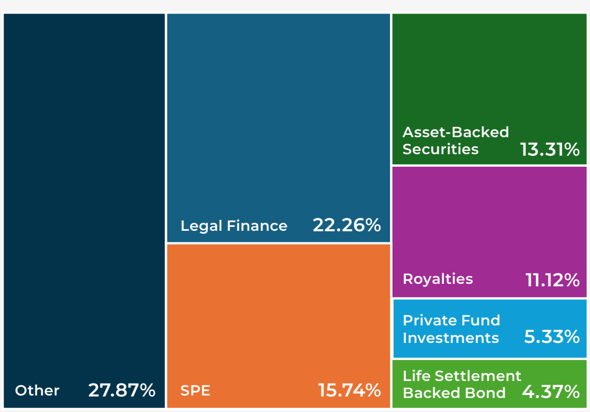
Investment into the Fund is available through multiple channels for investing client assets. Investors may subscribe directly by completing the Fund's subscription documents and submitting them to the transfer agent, with transaction processing facilitated through ALPS Distributors, Inc., the Fund's distributor. Selling agreements may be entered into with ALPS to streamline onboarding and allow for seamless participation across platforms. Additionally, the Fund is tradable via the NSCC and is currently accessible through key custodial platforms, including Schwab and Pershing.

In summary, AAAF has established a credible track record. We believe, the combination of its performance in a difficult market environment and the increasing recognition of its unique strategy has positioned the Fund well for continued expansion. The management team remains focused on sustaining this performance momentum—aiming for high single digit annual returns with low correlation—as AUM scales up. All performance data is reported on net of fees, and the Fund will continue its practice of full transparency in performance reporting, with audited annual results and semi-annual updates provided to investors.

3. Portfolio Composition & Risk

AAAF's portfolio is broadly diversified across multiple alternative asset classes, each with distinct risk characteristics and liquidity profiles. At a high level, the Fund's assets can be grouped into: longevity-linked assets (life settlements and related insurance interests), legal finance assets (structured settlements and litigation claims/loans), royalty streams, and other alternative investments, along with a modest allocation to short-term liquid holdings for cash management. The exact allocation shifts over time as new opportunities are funded, and others pay off. As of the latest semi-annual report (March 31, 2025), the portfolio was allocated approximately as follows (by fair value) across major asset categories:

FIGURE 2:
PORTFOLIO ALLOCATION BY ASSET CLASS—ESOTERIC ASSETS IN ALPHA ALTERNATIVE ASSETS FUND
***AS OF 4/8/2025**



IMPORTANT DEFINITIONS

Litigation Finance, also known as third-party litigation funding, is a financial arrangement where a third party provides capital to a plaintiff or defendant in a lawsuit, in exchange for a share of any resulting settlement or judgment.

A **Life Settlement** is the sale of an existing life insurance policy to a third party for a lump-sum payment, typically more than the policy's cash surrender value but less than the death benefit, with the buyer becoming the new policy owner and beneficiary.

Structured Settlements are legal settlements paid out as an annuity rather than in a lump sum, usually with certain tax advantages for the recipient and savings for the payer.

A **Royalty Deal** is an agreement where someone receives a payment, typically a percentage of revenue or a fixed amount per unit, for the use of their property, intellectual property, or assets.

SPE or Special Purpose Entity, is a legal entity (often a limited company) created to fulfill specific or temporary objectives, often used to isolate financial risks or manage specific asset.

Risk/Liquidity: Each of the above positions are assessed case-by-case; most are illiquid and held as Level 3 assets (unless the Fund holds any publicly traded alt securities, which it currently does not—except money market funds). The Fund leverages its adviser's breadth to source unique opportunities here, but remains prudent—all such investments combined represent a limited slice of the portfolio to ensure they do not introduce outsized risk.

Cash and Equivalents (~13%): At any given time, the Fund maintains a portion of assets in high-quality short-term instruments for liquidity management. This allocation serves multiple purposes: funding quarterly redemption payments, meeting quarterly dividend distributions, and dry powder for new investments. The liquidity tier here is Level 1 (highly liquid)—these are daily-liquid assets valued at market. The Fund's policy is to keep at least 5% in liquid assets, and typically more, to comfortably handle the mandated 5% quarterly repurchase offers. During 2024, AAAF's cash percentage was higher than usual (10–15%) due to the large influx of subscriptions mid-year; the team has been deploying this cash gradually into pipeline investments. Importantly, this liquidity buffer is a key part of risk management—it prevents any need to sell illiquid assets at inopportune times for redemptions and provides flexibility to capitalize on new deals quickly.

Overall Risk Management and Diversification: The Fund's portfolio is carefully constructed to balance risks. By combining different asset types (longevity risk, legal risk, credit risk, etc.), AAAF avoids over-exposure to any single risk factor. For instance, the timing risk of life settlements (which pay off upon mortality) is offset by the fixed schedules of litigation settlements and the interest income from loans. Likewise, macroeconomic risks (inflation, recession) have limited impact on these assets, but to the extent interest rates influence valuations, the Fund's mix of shorter-duration credit (loans) and longer-duration payouts creates an internal hedge.

Valuation and Level 3 Assets: A significant portion of AAAF's investments are classified as Level 3 (fair-valued using unobservable inputs) given their illiquid, non-public nature. These valuations are determined in good faith under the supervision of the Fund's Board of Trustees. The adviser utilizes third-party valuation experts when appropriate (for example, independent pricing of life settlement policies and an external valuation committee for Hard-To-Value assets) to ensure accurate NAV calculation. The Board has adopted valuation policies consistent with SEC rules, and all Level 3 valuations are reviewed at least quarterly by the Board's valuation committee. This robust valuation process is critical, as uncertainty in valuations is a risk—the Fund acknowledges that the true realizable value of some holdings may differ from interim appraisals. To provide additional assurance, AAAF's independent auditor (Cohen & Company) audits the financial statements annually and specifically confirms the existence and valuation methodology of Level 3 holdings (including obtaining confirmations from custodians and private issuers). The auditor has opined that the Fund's valuation procedures provide a reasonable basis for the recorded values.

AAAF's portfolio is a thoughtfully diversified mix of alternative assets, with each position chosen to contribute either steady income, uncorrelated growth, or both. The risk management framework encompasses rigorous upfront due diligence, ongoing monitoring, and structural safeguards: the Fund diversifies across assets and counterparties, uses little or no leverage, keeps a liquidity cushion, and adheres to strict valuation and oversight practices.

Through these measures, the Fund aims to preserve capital and mitigate risks such as longevity variance, legal outcomes, valuation uncertainty, and illiquidity. Management continuously monitors each segment of the portfolio and will adjust exposure as needed to respond to emerging risks or opportunities—for example, if a particular subsector becomes overheated or if a new niche (like music royalties or another esoteric asset) shows compelling risk-adjusted returns, the allocation can be adjusted. This active, risk-aware approach underpins the Fund's objective of delivering consistent, stable returns independent of traditional market conditions.

4. Operational Due Diligence

INVESTMENT MANAGER

The Fund is managed by Alpha Growth Management, LLC. (the "Adviser" and "AGM") (CRD# 316760), a specialist investment advisery firm focused on alternative and longevity-linked strategies. The Adviser is registered with the U.S. SEC under the Investment Advisers Act of 1940 and was formed in November 2021. Alpha Growth Management is a wholly-owned subsidiary of Alpha Growth PLC, a publicly listed financial services company based in the United Kingdom. Alpha Growth PLC has a broad focus on the life insurance and longevity asset space, with approximately $600 million in assets under administration and management globally as of Dec 31, 2024. The parent company's substantial AUM includes life insurance portfolios, reinsurance businesses, and other alternative funds, providing a strong backbone and resource network for the Adviser. This relationship gives Alpha Growth Management deep domain expertise and operational support in managing AAAF.

LEADERSHIP AND TEAM

The management team of Alpha Growth Management comprises professionals with extensive experience in asset management, insurance, and structured finance.

Key personnel include:

- **Gobind Sahney**, CEO and Portfolio Manager member investment committee
- **Jason Sutherland**, CCO, Portfolio Manager and General Counsel member investment committee
- **Chad Schafer**, Head of Affiliated Funds, oversees investment specific and fund administration member investment committee
- **Tracy Maynier**, CIMA®, CPWA®, Director of Fund Marketing and Sales
- **Josh Horvath**, Director of Fund Marketing

The investment team, comprised of Gobind Sahney, Jason Sutherland and Chad Schafer, combines backgrounds in actuarial science, legal finance, and credit underwriting, which are crucial for sourcing and evaluating the Fund's niche assets.

PORTFOLIO MANAGER BIOS

Gobind Sahney
Mr. Sahney has served as portfolio manager of the Fund since September 2022. Mr. Sahney is a principal of the Adviser, and Founder, Chairman and CEO of Alpha Growth PLC and Director of Alpha Longevity Management Limited, an investment management company regulated and licensed by the Financial Services Commission of the British Virgin Islands. He has performed at a senior executive level within multiple organizations that specialize in distressed debt and discounted assets totaling in excess of $750m across North America, Europe, and the UK. Prior to founding Alpha Growth PLC in 2015, Mr. Sahney was the Chairman of Stratmin Global Resources PLC from 2011 to 2014. His involvement began with its investment and turnaround which consisted of £2 million in distressed assets. As Chairman, he organized and executed a turnaround, through the liquidation of those assets and the identification and reverse takeover of a mining company and the associated multi-million pound fundraise. As principal of GO Services LLC., a multi-national distress debt asset manager from 1998 to 2015, he has spoken as a subject matter expert on distressed debt and discounted asset investing at ACA International conferences in the U.S. and at Credit Services Association conferences in the UK. Mr. Sahney is a graduate of Babson College, Wellesley, Massachusetts, and holds a Bachelors Degree in Accounting and Finance. He also served on the board of trustees of Babson College from 2001 to 2010.

Jason Sutherland
Mr. Sutherland has served as portfolio manager of the Fund since September 2022 and is the founder and Senior Partner of Citadel Legal Services LLC., and represents clients across North America, Europe, and Asia, predominantly within the insurance backed assets industry. Additionally, since 2013, Mr. Sutherland has served as the Senior Vice President of Capital Markets and Senior Counsel for DRB Financial Solutions, which is majority-owned by the Blackstone Tactical Opportunities Group. Since joining DRB in 2015, Mr. Sutherland has negotiated and structured multiple warehousing facilities of up to $600m. He also launched the first ever AAA-rated placements of mortality-backed linked annuity receivables totaling $151m. Mr. Sutherland recently ran $3bn of policies under the Lamington Road Fund in Dublin, Ireland which was acquired by Emergent Capital, ran Citadel's London office at the same time, and was Managing Director of DLP funding group out of London under Peach Holdings LLC., with $1.5bn under management. Prior to that Mr. Sutherland spent 12 years with the Peach Holdings Group, most recently as Managing Director of Legal and operations for Peachtree Asset Management based in London and Luxembourg, a Global leader in uncorrelated investments for institutional clients, where he obtained FCA approval, guiding the fundraising efforts, and coordinating with regulatory bodies in UK, U.S., Cayman Islands, Luxembourg and Ireland. Mr. Sutherland received his Juris Doctorate in Boston in 1999 and was subsequently admitted to the State Bar of Georgia. Mr. Sutherland is also a member of the New York Bar, United States Supreme Court, and Georgia Supreme Court, among others, and maintains an FCA CF1, CF3, CF10, and CF11.

FIRM APPROACH

Alpha Growth Management's culture emphasizes a structured and disciplined investment process. Every potential asset goes through a multi-stage due diligence: initial screening, detailed modeling of cash flows, third-party expert opinions (if needed), investment committee approval, and legal review. It's worth noting that while the Adviser itself is relatively new (formed in 2021), the broader Alpha Growth organization has a longer history in managing life insurance assets and has successfully operated in this arena.

FIRM STRUCTURE

Alpha Growth Management, LLC. is based in Delray Beach, Florida, with its principal executive office at 1615 South Congress Avenue, Suite 103, Delray Beach, FL 33445. It operates as the investment adviser under a contractual Investment Advisery Agreement with the Fund's trust. The Adviser's duties include asset selection, portfolio management, and day-to-day decision making for AAAF. The Adviser reports to and operates under the oversight of the Fund's Board of Trustees. The Adviser is compensated via a management fee (described in the Fees section) but has also agreed to subsidize expenses above a cap, which shows its commitment to the Fund's success. In addition to AAAF, Alpha Growth Management and its affiliates focus on longevity assets (the PLC parent engages in life insurance acquisitions, etc.), meaning the firm's core competency is fully aligned with the Fund's strategy. This specialization is advantageous in sourcing unique deals and navigating complex asset classes. Furthermore, the firm upholds strict ethical standards—as a registered adviser, it maintains a Code of Ethics requiring all employees to place client interests first and to avoid any conflicts of interest or misuse of information.

5. Governance, Oversight & Compliance

Fund Structure and Governance: The Alpha Alternative Assets Fund is organized as a Delaware statutory trust (registered under the 1940 Act as a closed-end fund) with an independent Board of Trustees overseeing its activities. The Board is responsible for protecting shareholder interests and providing governance of the Fund's operations. It approves the Fund's investment advisery contract, monitors performance, and reviews policies such as valuation, compliance, and risk management. The Board comprises a majority of independent trustees (individuals unaffiliated with the Adviser), ensuring robust oversight. Additionally, the Fund has appointed a Chief Compliance Officer (CCO), as required by SEC rules, who regularly reports to the Board on the Fund's adherence to its compliance program. The governance framework includes standard protections such as an Audit Committee (which liaises with the auditor on financial reporting) and a Nominating and Governance Committee (overseeing Trustee nominations and governance best practices). Importantly, to maintain interval fund status, the Board must satisfy certain fund governance standards under the 1940 Act (Rule 0-1(a)(7)), which it does.

Valuation and NAV Oversight: As mentioned, because a large portion of AAAF's portfolio is illiquid, the Board plays a critical role in fair valuation. The Board has adopted policies consistent with SEC Rule 2a-5 on fair valuation. Under these, management provides valuation reports each quarter (and more frequently if needed) detailing the methodologies and inputs for each Level 3 asset. The Board requires conservative valuation approaches to avoid overstating NAV. NAV is calculated daily by the Fund's administrator (ALPS Fund Services) based on these valuations. The Board periodically reviews the NAV calculation process, especially for the interval repurchase pricing, to ensure shareholders' transactions occur at fair prices. There have been no material valuation errors or restatements reported, indicating the controls are effective.

Compliance Program: AAAF operates under a comprehensive Compliance Program pursuant to Rule 38a-1 of the 1940 Act, which the Board has approved. This program covers all key aspects: portfolio management, trading practices, valuation, conflicts of interest, custody, AML (anti-money laundering), and more. The Fund's CCO conducts an annual review of the program and provides a written report to the Board, which includes any material compliance matters and any needed improvements. The Adviser, as a registered adviser, also has its own compliance policies (e.g., personal trading policies, insider information protocols, etc.)—these are reviewed by the Board and the CCO to ensure synergy with the Fund's policies. The Fund's investment restrictions (both fundamental and non-fundamental) are monitored by the administrator and reported to the Board. For example, the Fund must invest at least 80% of its net assets in "alternative assets" as defined in its prospectus.

Transparency and Reporting: AAAF is committed to transparent communication with investors. Shareholders receive audited Annual Reports and unaudited Semi-Annual Reports, which include the financial statements, a detailed Schedule of Investments, and a Shareholder Letter from management (discussing performance and portfolio updates). These reports disclose returns, portfolio composition, and any material events. The Fund also files Form N-PORT and N-CSR with the SEC, providing quarterly portfolio holdings and certified shareholder reports, respectively, which are publicly available. Additionally, AAAF's website makes available key documents (prospectus, SAI, annual/semiannual reports) to prospective and current investors. The reporting frequency includes: daily NAV publishing (to platforms like Morningstar, YCharts, and NASDAQ for tickers (AAACX/AACAX), quarterly portfolio holdings updates (posted on the website 60 days after quarter-end), quarterly repurchase offer notifications, and periodic commentary. This regular flow of information aligns with the Fund's goal of operational transparency.

Independent Auditor: The Fund's financial statements are audited annually by Cohen & Company, Ltd., an independent registered public accounting firm. In its most recent audit report (for FY2024), the auditor issued an unqualified (clean) opinion that the financial statements present fairly, in all material respects, the financial position and results of operations of the Fund in conformity with U.S. GAAP. The auditor also evaluates the Fund's internal controls over financial reporting as part of its procedures and communicates any findings to the Audit Committee of the Board. The continuity of having a reputable auditor instills confidence in the accuracy of the Fund's NAV and financial disclosures.

Service Provider Oversight: The Board and Adviser also oversee the Fund's key service providers (Administrator, Custodian, Transfer Agent, Distributor—see next section) through regular reports and certifications. For instance, the administrator provides the Board with compliance reports and error reporting; the custodian provides asset safekeeping reports and undergoes annual internal control audits (SOC1 reports) which the CCO reviews. This oversight ensures all operational workflows (trade processing, cash management, share transactions, etc.) are functioning properly and in shareholders' best interests.

Regulatory Compliance: As a registered fund, AAAF complies with all relevant regulations: the 1940 Act (interval fund rules, anti-dilution provisions, etc.), Securities Act (registration of shares), Securities Exchange Act (reporting and disclosure), and applicable state laws. The Fund has no leverage or complex derivatives that would trigger additional cover requirements; it operates a straightforward portfolio within the confines of standard closed-end fund regulations. The interval fund rule (23c-3) is central—AAAF strictly adheres to the requirements of making regular repurchase offers, filing necessary notifications (Form N-23c-3 filings are made with the SEC for each offer), and limiting its activities so as not to compromise its ability to honor repurchases. The Board formally adopted an Interval Fund Repurchase Policy which is disclosed in the prospectus and summarized in the SAI.

Insurance and Bonding: The Fund maintains fidelity bond coverage as required by the 1940 Act (to protect against larceny or embezzlement by officers/employees) and the Adviser carries Errors & Omissions (E&O) insurance. These risk management measures are standard but
crucial backstops.

In summary, AAAF's governance and compliance infrastructure is robust and investor-centric. An independent Board of Trustees, aided by a professional CCO and external auditor, provides multi-layered oversight. The Fund's policies aim for transparency, fairness, and regulatory adherence in all operations—from how NAV is struck, to how conflicts are managed, to how shareholders are kept informed. Investors in AAAF can take comfort that a strong system of checks and balances is in place, with the Fund's long-term integrity and compliance as top priorities.

6. Key Service Providers and Operational Setup

The Fund has engaged leading third-party service providers to handle its operations, under the oversight of the Board and Adviser. This outsourced service model is typical for registered funds and ensures that experts in fund administration, custody, and distribution are supporting AAAF. The key service providers are:

Administrator & Fund Accountant: ALPS Fund Services, Inc. serves as the Fund's administrator and accounting agent. ALPS is a well-known fund administration firm with significant experience in interval funds and alternative assets. In this role, ALPS coordinates all back-office functions: maintaining the Fund's books and records, calculating the daily NAV, producing shareholder reports, monitoring expense accruals, and providing administrative support to the Fund and Board. ALPS also assists in regulatory filings (preparing reports like N-PORT, N-CEN, etc.). The administrator ensures that the Fund's complex asset valuation policies are implemented consistently each day—for example, it will apply the Board-approved fair values for Level 3 assets and incorporate any income accruals from settlements or loans, then strike the NAV. By having ALPS handle the fund accounting, AAAF benefits from an independent calculation of NAV and a rigorous control environment (ALPS undergoes annual SSAE 18/SOC audits on its processes). ALPS is headquartered in Denver and is a subsidiary of SS&C Technologies, a global fund services provider. Notably, ALPS also serves as the Fund's Distributor via an affiliate (discussed below), which provides seamless integration between accounting and distribution functions.

Transfer Agent: SS&C GIDS, Inc. (a division of SS&C Technologies) acts as the Fund's transfer agent and shareholder servicing agent. SS&C GIDS handles maintaining the shareholder registry, processing subscriptions and redemptions, distributing dividends, and issuing shareholder statements/confirms. Essentially, they ensure that when investors purchase or redeem AAAF shares (through the interval process), all transactions are processed correctly and records are kept of ownership. The transfer agent also facilitates the Fund's quarterly repurchase offers by mailing offer notifications and processing tender forms from investors. With SS&C's systems, AAAF shareholders can be confident that share transactions and account records are accurate. SS&C is an industry leader in transfer agency, which adds to operational reliability.

Custodian: UMB Bank, N.A. serves as the Custodian of the Fund's assets. UMB is a large national bank with a specialized custody division for investment funds. As custodian, UMB holds all cash and securities of AAAF in segregated accounts, providing safekeeping. For illiquid securities (like policy interests or promissory notes), UMB holds either physical documents or maintains records of the Fund's ownership rights and also settles the Fund's transactions.

Distributor: ALPS Distributors, Inc. is the principal underwriter and distributor of the Fund's shares. ALPS Distributors is affiliated with ALPS Fund Services and is a FINRA-member broker-dealer. Although AAAF is a continuous offering (not exchange-listed), having a distributor means there's a firm responsible for managing the sale process of new shares, including supervising the selling agreements with other brokers or financial advisers, and ensuring compliance with marketing rules. ALPS Distributors, for example, handles the review of the Fund's marketing materials, ensures that subscription procedures are in line with AML/KYC regulations, and coordinates any upfront sales load payments for Class A (if those were applicable). The distributor effectively acts as the "wholesaler" for the Fund, but since AAAF is often purchased through fee-based platforms, much of the distribution is done through registered investment advisers and direct channels. ALPS Distributors' involvement gives additional assurance that share issuance and distribution comply with all securities laws and FINRA rules.

Legal Counsel: The Fund has retained Thompson Hine as legal counsel for ongoing regulatory and corporate matters. Counsel ensures the prospectus, SAI, and shareholder communications meet legal requirements, and advises the Board on fiduciary duties and governance.) Legal counsel also would assist in specialized contract negotiations for some investments if needed.

Independent Trustees and Other Service Providers: The Fund's independent Trustees, while not "service providers" in the contractual sense, are a crucial part of operations. They are listed in the SAI along with the Fund's Officers (which include the Treasurer, Secretary, etc., often provided by the administrator).

Technology and Controls: Each service provider brings robust systems. The Fund's records are maintained on ALPS/SS&C's fund accounting and transfer agency platforms, which have built-in checks (for example, preventing the Fund from breaching investment limits or alerting if liquidity falls too low). The custodian has controls to ensure assets aren't moved without proper authorization from designated people at the Adviser. The distributor monitors that only eligible investors (meeting minimums, etc.) buy in. Combined, these create a secure operational environment.

Expense Management: Engaging third-party providers does add costs, but those are accounted for in the Fund's expense structure (and currently capped—see Fees section). The Adviser has negotiated competitive fees with each provider and, under the Expense Limitation Agreement, often subsidizes any excess so that shareholders don't bear higher costs than promised. Each service provider is paid a fee from Fund assets (e.g. admin fee might be based on AUM, custodian on transaction volume, transfer agent per account or transaction). These fees are part of the Fund's "Other Expenses" discussed later and are subject to regular review by the Board for reasonableness relative to industry benchmarks.

AAAF's operations are in the hands of experienced, high-quality service partners, with clear segregation of duties and multiple layers of oversight. This operational setup is a strength of the Fund: it means the Adviser can focus on portfolio management while fund administration, accounting, and shareholder servicing are handled by specialists operating with institutional-grade controls. The result is a reliable, transparent operational process—investors can expect accurate NAVs, timely statements, and efficient handling of subscriptions/redemptions. The involvement of firms like ALPS, SS&C, and UMB (all leaders in their roles) indicates that AAAF's operational risk is well-managed, despite the complexity of the underlying assets.

7. Fees & Expenses

Management Fee: The Fund pays the Adviser a management fee of 1.50% per annum of the Fund's average daily net assets. This fee is calculated daily with the NAV and paid monthly. The 1.50% advisery fee is all-inclusive for investment management services—the Adviser uses it to cover portfolio management, research, and its overhead. Importantly, this management fee is charged on assets without leverage (the Fund currently has no borrowings), so it equates to 1.50% of net assets annually. No separate performance or incentive fee is charged at the Fund level—the Adviser's compensation is solely this asset-based fee, aligning its incentive to grow the Fund steadily.

Operating Expenses/Expense Limitation Agreement: In addition to the management fee, the Fund bears other operating expenses such as administration, custody, transfer agency, legal, audit, registration, Board fees, and other typical fund costs. Given AAAF's modest size historically, some fixed costs can loom large as a percentage of assets. However, the Adviser has in place an Expense Limitation and Reimbursement Agreement (an "expense cap") to protect investors. Under this agreement, the Adviser contractually waives or reimburses expenses to ensure that total annual fund operating expenses do not exceed 2.40% of the Fund's average net assets (for both Class I and Class A). This cap is in effect through at least January 31, 2026, and may continue thereafter. The Adviser is permitted to recoup waived expenses within three years if the Fund's expenses fall below the cap and the Board approves, but only to the extent it doesn't cause expenses to exceed the cap in the period of recoupment. This ensures that as the Fund grows and actual expenses per asset drop, the Adviser might recapture some subsidies—a fair arrangement that also incentivizes the Adviser to keep expenses in check.

CURRENT EXPENSE PROFILE	Class A Shares	Class I Shares
Shareholder Transaction Expenses		
Maximum Sales Load (as a percent of offering price)	5.00%	None
Annual Expenses (as a percentage of net assets attributable to shares)		
Management Fees	1.50%	1.50%
Distribution and Shareholder Servicing Fees	0.25%	0.00%
Other Expenses	3.66%	2.89%
Acquired Fund Fees and Expenses[(1)(2)]	0.06%	0.06%
Total Annual Expenses	5.47%	4.45%
Fee Waiver and Reimbursement[(3)]	(2.76)%	(1.99)%
Total Annual Expenses (after fee waiver and reimbursement)	2.71%	2.46%

1 Acquired Fund Fees and Expenses are the indirect costs of investing in other investment companies, including business development companies. These indirect costs may include performance fees paid to the acquired fund's adviser or its affiliates. It does not include brokerage or transaction costs incurred by the acquired funds. The operating expenses in this fee table will not correlate to the expense ratio in the Fund's Financial Highlights because the financial statements include only the direct operating expenses incurred by the Fund. Therefore, amounts may not agree with the Financial Highlights due to the inclusions in this table of Acquired Fund Fees and Expenses and certain other adjustments.

2 Acquired Fund Fees and Expenses may include an incentive allocation or other fee based on income, capital gains and/or appreciation (a "performance fee") payable to the acquired fund's adviser or its affiliates. While the amount of such incentive allocation or other fees vary by acquired fund, performance fees, if charged, are commonly 20% of the acquired fund's profits. Future acquired funds' fees and expenses may be substantially higher or lower because certain fees are based on the performance of the acquired funds, which may fluctuate over time.

3 The Adviser and the Fund have entered into an Expense Limitation Agreement under which the Adviser has agreed, until at least January 31, 2026, to waive its management fees and to pay or absorb the ordinary annual operating expenses of the Fund and the organizational and offering expenses of the Fund (excluding interest, dividends, amortization/accretion and interest on securities sold short, brokerage commissions, acquired fund fees and expenses, distribution and shareholder servicing fees, and extraordinary expenses), to the extent that its management fees plus the Fund's expenses exceed 2.40% and 2.40% per annum of the Fund's average daily net assets attributable to Class I Shares and Class A Shares, respectively. Such Expense Limitation Agreement may not be terminated by the Adviser, but it may be terminated by the Board of Trustees, upon 60 days written notice to the Adviser. Any waiver or reimbursement by the Adviser is subject to repayment by the Fund within the three (3) years from the date the Adviser waived any payment or reimbursed any expense, if the Fund is able to make the repayment without exceeding the lesser of the expense limitation in place at the time of the waiver or the current expense limitation and the repayment is approved by the Board of Trustees. See "Management of the Fund."

Performance Fee and Incentives: To reiterate, AAAF does not charge any performance or incentive fees at the Fund level. The adviser's incentive to maximize performance is indirect—by delivering good returns, the Fund's NAV grows and more investors may come in, thereby increasing the 1.50% fee base. This structure avoids any potential conflicts where a manager might take excessive risk to earn a performance fee. It also ensures that investors keep all the upside beyond normal expenses.

Other Fees: The Fund does not impose any redemption fees or repurchase fees on shareholders. Under interval fund rules, a fund could charge up to a 2% repurchase fee to compensate for expenses of repurchases, but AAAF's policy is not to charge any repurchase fee. So when you participate in a quarterly redemption, you receive full NAV (no haircut).

8. Liquidity & Redemption Terms

Interval Fund Structure: The Alpha Alternative Assets Fund is structured as an "interval fund," meaning that, unlike open-end mutual funds, investors cannot redeem their shares on any day at will. Instead, the Fund offers to repurchase shares at set intervals—specifically on a quarterly basis—thereby providing periodic liquidity in an otherwise illiquid portfolio. This design strikes a balance between giving investors some access to cash and allowing the Fund to commit capital to long-term, illiquid assets without fear of sudden large redemptions. By rule, AAAF must adhere to the interval fund requirements under Rule 23c-3 of the 1940 Act.

Quarterly Repurchase Offers: The Fund conducts repurchase offers every quarter in March, June, September, and December of each year. The Fund will offer to repurchase a specified percentage of its outstanding shares, known as the "Repurchase Offer Amount." By default, AAAF has committed to a minimum of 5% of outstanding shares. The Board of Trustees sets a "Repurchase Request Deadline"—the date by which shareholders must tender their shares if they wish to redeem that quarter (see below for 2025 Repurchase Schedule). If shareholders offer more shares for repurchase than the Fund's stated 5% Repurchase Offer Amount, the Fund will repurchase shares on a pro rata basis from all tendering shareholders.

REPURCHASE OFFER SCHEDULE		
Notification of Repurchase Order	Repurchase Offer Deadline	Repurchase Offer Pricing Date
2/18/2025	3/17/2025	3/31/2025
5/16/2025	6/16/2025	6/30/2025
8/15/2025	9/16/2025	9/30/2025
11/17/2025	12/17/2025	12/31/2025

DISTRIBUTION CALENDAR		
Record Date	Distribution Ex-Date	Payment Date
3/27/2025	3/28/2025	3/31/2025
6/26/2025	6/27/2025	6/30/2025
9/26/2025	9/29/2025	9/30/2025
12/30/2025	12/30/2025	12/31/2025

Investor Considerations: It is crucial for prospective investors to understand that AAAF's interval structure means illiquidity between repurchase dates and possible partial liquidity even at repurchase. Therefore, the Fund is suitable for the portion of an investor's portfolio that can be locked up long-term. On the positive side, the interval mechanism allows the Fund to invest in illiquid, higher-yielding assets without fear of sudden massive outflows, which ultimately benefits investors through potentially higher returns and lower correlation. It also protects investors as a group; in traditional open-end funds, a rush of redemptions can force sales at fire-sale prices, harming remaining investors. In AAAF, the 5% limit prevents that scenario and ensures an orderly exit process. Additionally, if repurchases are oversubscribed and investors only get part of their request, they have priority to try again next quarter (and the Fund could choose to increase the % that next quarter if feasible). Over time, investors can exit fully, just not all at once.

No Repurchase Fee: As stated, AAAF charges no fee to shareholders for repurchasing their shares. All costs of the process (mailings, custodial transaction fees for raising cash, etc.) are borne as part of Fund expenses (already accounted for in the expense ratio). So investors do not have to worry about a penalty for using the quarterly liquidity, aside from the opportunity cost that if they tender, they might miss future gains if the Fund performs well afterwards on the shares they sold.

9. Continuity and Consistency

AAAF's management will continue to focus on execution and prudent growth. We will carefully deploy new capital into the best opportunities across our alternative asset spectrum, maintain rigorous risk management, and ensure the Fund's operations support its growth (potentially adding more expertise or analytical tools as assets increase). The macroeconomic and financial landscape is likely to remain uncertain, which actually strengthens the case for our lower-correlation, yield-focused strategy. Whether the broader markets boom or bust, AAAF will keep doing what it does best: sourcing uncommon assets that produce reliable income and returns. Our investors can expect continued transparent communication—we will report on new investments and any material developments in our Annual and Semi-Annual Reports, and provide interim updates as needed.

10. Where Does AAAF Fit within a Balanced Investment Portfolio?

Interval funds allow investors who are uncomfortable with the long lock-ups usually associated with traditional private market investments to access private market investments with limited liquidity through the quarterly repurchase facility.

The Alpha Alternative Assets Fund can provide a portfolio with access to alternative assets like private credit and private equity, which are often inaccessible through mutual funds or ETFs. The Fund is easy to access and does not require accreditation or subscription documents associated with Limited Partnership Private Market investments. The alternatives the Fund invests in may deliver higher returns and offer a crucial benefit of lower correlation with traditional public markets, thereby improving overall performance and diversification in our opinion.

- **Lower Correlation with Traditional Markets:** Incorporating alternative investments within a balanced interval fund may reduce overall portfolio volatility by decreasing the correlation with traditional stock and bond markets.

- **Disciplined Investment Approach:** The limited liquidity of interval funds can limit frequent trading, helping investors maintain a long-term perspective and avoid emotional, market-driven decisions.

In summary, AGM believes the outlook for AAAF is positive as the Fund enters this period with solid momentum (growing AUM, strong recent performance). We are excited about the opportunities we see in the longevity and specialty finance space—from an expanding life settlements market to a burgeoning litigation finance industry—and we are confident that by adhering to our disciplined strategy and proactive risk management, we will continue to work to deliver lower-correlated returns to our investors while safeguarding their capital. The Alpha Alternative Assets Fund remains committed to its mission of accelerating esoteric and longevity opportunities for the benefit of our shareholders, and we look forward to the coming year as we build on that mission in a dynamic market environment.

Appendices & Sources

Alpha Alternative Assets Fund SAI *(Jan 31, 2025)*

Alpha Alternative Assets Fund Prospectus *(Jan 31, 2025)*

Alpha Alternative Assets Fund Annual Report *(Sept 30, 2024)*

Alpha Alternative Assets Fund Semi-Annual Report *(Mar 31, 2025)*

Alpha Alternative Assets Fact Sheet

Alpha Alternative Assets Subscription Agreement

IMPORTANT DISCLOSURE

THIS IS NEITHER AN OFFER TO SELL NOR A SOLICITATION TO PURCHASE ANY SECURITY. INVESTORS SHOULD CAREFULLY CONSIDER THE INVESTMENT OBJECTIVES, RISKS, CHARGES AND EXPENSES OF THE ALPHA ALTERNATIVE ASSETS FUND.

IMPORTANT RISK INFORMATION

Investing in **esoteric assets** involves unique risks, distinct from those associated with traditional asset classes. These risks may include, but are not limited to, **liquidity risk, market risk, regulatory risk, and valuation risk.** Investors should be aware that the value of esoteric assets may fluctuate, and there is a possibility of partial or total loss of investment. Investors should be aware that these assets may not align with traditional risk models, leading to increased volatility and heightened sensitivity to external factors. Before engaging in esoteric asset investments, it is advisable for investors to thoroughly understand the associated risks, seek professional guidance, and stay informed about market developments. Due diligence is crucial, as thorough research and expert advice are essential to navigating the complexities associated with esoteric assets. Past performance is not indicative of future results, and the unique characteristics of esoteric assets require careful consideration and a well-informed investment strategy.

Investing in the Fund's shares involves risks, including the following: The Fund's shares have limited pricing or performance history. Shares of the Fund will not be listed on any securities exchange, which makes them **inherently illiquid**. There is no secondary market for the Fund's shares, and it is not anticipated that a secondary market will develop. The shares of the Fund are not redeemable. Although the Fund will offer to repurchase at least 5% of outstanding shares on a quarterly basis in accordance with the Fund's repurchase policy, the Fund will not be required to repurchase shares at a shareholder's option nor will shares be exchangeable for units, interests or shares of any security. The Fund is not required to extend, and shareholders should not expect the Fund's Board of Trustees to authorize, repurchase offers in excess of 5% of outstanding shares.

Regardless of how the Fund performs, an investor may not be able to sell or otherwise liquidate his or her shares whenever such investor would prefer and, except to the extent permitted under the quarterly repurchase offer, will be unable to reduce his or her exposure on any market downturn. If and to the extent that a public trading market ever develops, shares of closed-end investment companies, such as the Fund, may have a tendency to trade frequently at a discount from their NAV per share and initial offering prices. An investment in the Fund's shares is not suitable for investors who cannot tolerate risk of loss or who require liquidity, other than liquidity provided through the Fund's repurchase policy. **Alternative investment**s are highly speculative and involve a great degree of risk and are not suitable for all investors. Full loss of principal is possible. The fund may engage in the use of leverage and other speculative investment practices, such as short sales, options, derivatives, futures and illiquid investments that may increase the risk of investment loss. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost.

IMPORTANT DEFINITIONS

Alpha: a measure of an investment's performance compared to a benchmark, indicating its ability to "beat the market".

True Up Distribution: A true-up distribution, in a general sense, refers to an adjustment made to a previous distribution or payment to account for differences between estimated and actual amounts. This adjustment ensures that the final payment is accurate and reflects the agreed-upon terms or calculations.

Esoteric Assets: Esoteric Assets refers to debts or other financial instruments that have complex structure that is properly understood by only a few people with specialized knowledge.

Non-Bid: A contract awarded or executed without seeking bids or proposals from any other potential bidder or offerer.

Non-Flow: Unlike equities that may pay out no cash flows to investors, or variable-income securities, where payments can change based on some underlying measure—such as short-term interest rates—the payments of a fixed-income security are known in advance and remain fixed throughout.

Non-Market: Not relating to or influenced by the demand of people to buy certain things or the supply of things to be bought.

Non-Auctioned: Do not participate in a formal auction for the securities but instead accept the market price set by other participants.

Non-Brokered: A company sells the security directly to investors. By doing this, the company can forgo the fees and hassle of hiring a broker (often an investment bank) and maintains more control over the selling process.

ABOUT ALPHA GROWTH MANAGEMENT

Alpha Growth Management LLC. is the investment manager for the Alpha Alternative Assets Fund—an interval fund with tickers AAACX and AACAX.

DIVERSIFICATION DOES NOT GUARANTEE AGAINST A LOSS. BEFORE INVESTING YOU SHOULD CAREFULLY CONSIDER THE FUND'S INVESTMENT OBJECTIVES, RISKS, CHARGES AND EXPENSES. THIS AND OTHER INFORMATION IS IN THE PROSPECTUS, A COPY OF WHICH MAY BE OBTAINED FROM ALPHAGROWTHMGT.COM. PLEASE READ THE PROSPECTUS CAREFULLY BEFORE YOU INVEST. Distributed by ALPS DISTRIBUTORS INC.

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