



# ACI Bull Harbor Fund, LP



Operator-led hedge fund targeting **15%+** 📈 via behavioral, long fundamental/short tactical, momentum strategy that returned **47.1%** 🚀 on GP capital in 2024.



“We’re an operator-led hedge fund targeting **15%+** returns through long fundamental/short tactical, momentum and behavioral strategies.”



### Our Vision



In 2024, we returned **47.1%** on our own capital — **100%** of our liquid and retirement assets are committed to the fund.

 Click here  
to Play

# Most hedge funds have delivered ~5% returns for 25 years — we're **built to break** that pattern.



Time Period	Compounded Return
August 2000 – August 2025	5.6%
August 2015 – August 2025	5.8%
August 2020 – August 2025	5.8%
2024	8.4%
2025 YTD	6%
<b>ACI Bull Harbor Compounded Target</b>	<b>12%+</b> (strategy delivered <b>47.1%</b> on GP Capital in 2024)

**Source:** Center for International Securities And Derivatives Market Morningstar CISDM Database  
[https://umass-my.sharepoint.com/:x/g/personal/cisd\\_m\\_umass\\_edu/EQ6rRSNuKIJdQZnQ2DgmYRsBroXwmC08GYRvDjg9Lipabw?rttime=uss8tPdH20g](https://umass-my.sharepoint.com/:x/g/personal/cisd_m_umass_edu/EQ6rRSNuKIJdQZnQ2DgmYRsBroXwmC08GYRvDjg9Lipabw?rttime=uss8tPdH20g)

Market's oldest hedge fund database tracking over 12,000 Active Hedge Funds and 13,000 inactive funds. Strategy performance provided by Interactive Brokers, LLC reporting. Not Audited.

## WHY most hedge funds underperform?



Committees kill returns — risk-averse teams focus on **not losing** vs. winning



Lack of conviction leads to over-diversification and benchmark hugging



Academic strategies, no operator experience — most PMs have never built or run businesses



Crowded trades, slow moves, diluted alpha — little ability to navigate volatility effectively



# Why the Hedge Fund Model Broke — and How We're Restoring What Made the Greats Legendary



Before the DotCom crash, hedge funds regularly delivered double-digit annual returns throughout the 1980s and 1990s. After the crash, institutions demanded large investment teams to manage risk — and performance dropped dramatically. The **ACI Bull Harbor Fund** is modeled after the nimble, high-conviction, small-team approach that powered legendary investors like: **Stanley Druckenmiller, Ken Griffin, Ray Dalio, Daniel Loeb, Warren Buffett, Charlie Munger, Julian Robertson, and John Griffin.**



**"You can't make outsized returns with consensus thinking and committee decisions...investment decisions should be made by individuals, not committees."**

- Stanley Druckenmiller



**"Superior returns come from non-consensus insights."**

- Howard Marks



**"You make the big money by being right when others are wrong, not by being one of many who are right."**

- David Tepper



**"Consensus is often the path to average. You must be willing to bet against the consensus."**

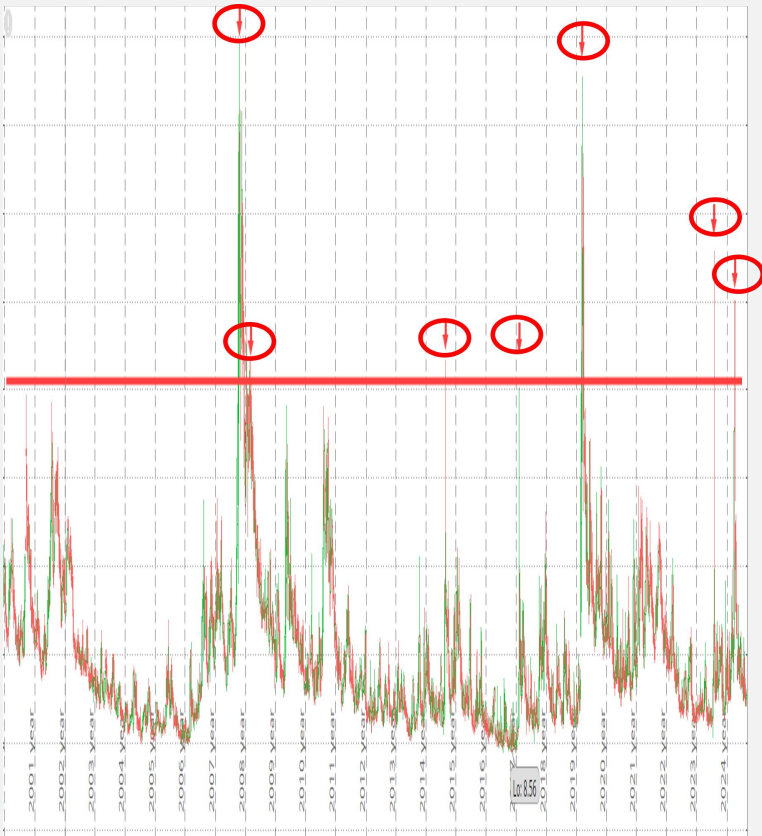
- Ray Dalio

Winning in markets  
is not a committee sport.

Our edge is  
**conviction, agility,  
and independent  
thinking** — just  
like the legends.



# Why Now is the Time to Act?



- **Market volatility swings** are at a multi-decade high — and shows no signs of normalizing
- **5 of the 7 highest monthly VIX spikes** in the last 25 years have occurred in the last 10 years
- **AI-powered trading** is accelerating price action — often independent of fundamentals or macro
- **Markets react faster than ever before**, creating exploitable micro-dislocations
- **Breakdown between fundamentals & price** → high conviction, non-consensus alpha opportunities
- **Retail sentiment and media headlines** are influencing flows — opportunities for a behavioral strategy to arbitrage time and emotion

## Early Investor Incentive

The **first \$20M** of LP capital will receive discounted fees:

- \$1M+ investors: **0.5%** admin fee
- \$500k+ investors: **0.75%** admin fee
- Industry Standard is 2%

This incentive is capped at \$20M to reward our earliest, highest-conviction investors.





# Our Unfair Advantage - 3 Engines of Outperformance

# AI Insight + Operator Edge + Cognitive Science Overlay



## Powerful data analysis capabilities of AI

- Recession Probability Indicator (93% historical accuracy)
- Inflation Stress Indicator (early warning for RPI)
- Rapid Screening of candidate stocks and momentum opportunities
- 1 Fund providing access to flexible strategic toolset for rising, falling or neutral market conditions
- **47.1% return on GP capital in 2024** – this isn't theory, it's execution



## Operator led, not analyst run

- Real World Operating experience in business, public markets, and private equity with 100% of liquid personal and retirement capital at risk
- More than a decade of direct Portfolio Construction & Management
- Cognitive Science Overlay adds an edge data analysis can't replicate
- Decisive, agile conviction built on real world experience, not theory
- Volatility is an opportunity, not a Risk

# 10-Year Net Prior PM Performance

# Real Client Capital Across Market Cycles



Main Market Indexes	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
S&P 500 Index	24.4%	26.2%	-18.2%	26.9%	18.4%	28.8%	-6.2%	21.7%	12.0%	1.3%	13.5%
iShares Core US Aggregate Bond	1.3%	5.7%	-13.0%	-1.7%	7.5%	8.5%	-0.9%	2.2%	2.7%	0.5%	6.0%

ACI Private Client Portfolios	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Core Equity	16.2%	14.9%	-15%	13.4%	-0.7%	32.1%	-4.8%	25.8%	4.1%	2.4%	20.3%*
Market Income	7.8%	12.8%	-8.2%	8.5%	-10.8%	19.7%	-6.6%	11.2%	10.1%	9.8%	4.2%*
Full Cycle	9.5%	12.6%	-13.9%	5.9%	14.2%	21.2%	-3.3%	7.0%	4.7%	-5.3%*	6.6%
Durable Opportunities	13.8%	27.1%	-16.3%	15.9%	5.2%	23.0%	1.4%	13.9%	20.5%	-5.5%	3.0%*

ACI Smart Select Portfolios	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Smart Select Pure Growth	17.8%	31.0%	-27.4%	13.4%	41.0%	31.1%	-7.3%	27.4%	4.6%	6.0%	21.8%
Smart Select 100	15.7%	21.6%	-17.4%	19.8%	22.7%	28.5%	-6.6%	23.6%	10.1%	3.2%	17.4%
Smart Select 85	14.5%	17.0%	-18.7%	16.7%	21.1%	26.4%	-7.0%	21.4%	9.7%	2.9%	16.9%
Smart Select 70	12.2%	15.3%	-17.8%	13.4%	18.8%	23.3%	-6.1%	18.4%	8.9%	2.5%	14.9%
Smart Select 60	10.8%	13.9%	-17.6%	11.3%	17.5%	21.6%	-5.6%	16.7%	8.4%	2.3%	14.1%
Smart Select 50	9.4%	12.4%	-17.5%	9.2%	16.2%	19.8%	-5.0%	15.0%	8.0%	2.0%	13.2%
Smart Select 40	7.9%	12.0%	-17.4%	7.1%	14.9%	18.1%	-4.5%	13.2%	7.6%	1.8%	12.4%
Smart Select Growth & Income	12.2%	9.8%	-14.6%	18.3%	12.2%	22.9%	-4.5%	17.2%	13.1%	0.5%	14.0%
Smart Select Blended Income	9.8%	6.9%	-13.6%	7.8%	-0.2%	17.8%	-4.7%	12.8%	10.9%	-0.2%	11.8%
Smart Select Fixed Income	5.5%	7.9%	-14.6%	1.6%	9.7%	11.2%	-2.3%	6.3%	5.9%	0.9%	9.1%
Smart Select Mostly Municipals	9.3%	13.7%	-19.1%	8.8%	11.6%	15.9%	-1.9%	13.2%	3.7%	3.5%	14.7%

Managing diverse, real-money portfolios helped shape the ACI Bull Harbor Fund — where proven strategies are now distilled, concentrated, and focused.

**+47.1%  
Return**



**on GP  
capital in  
2024.**

Performance reflects actual client accounts and model portfolios with client dollars allocated managed by Dak Hartsock at ACI Wealth Advisors. Net of fees. See final slide for full disclosures.




# Traditional Models Get Boxed in – We Adapt



## Low cost of Entry, High Alignment

- Discounted fee structure for first \$20M of LP Capital
- 5% Hurdle before incentive compensation
- 100% of GP Liquid & Retirement Capital is invested – we are aligned with our investors.
- We don't win unless you win first.

Fund Type	Breaks Down When...	 Our Approach
Quant Only	Market Breaks Algo Logic	Human + AI Tools
Long Only	Bear Markets hit	Long/Short Flexible
Asset-Specific	Rotation leaves niche behind	Market-agnostic



**ACI Bull  
Harbor  
Fund isn't  
lane locked**

- Multi-strategy, momentum, long/short, behaviorally aware, opportunistic
- Adaptive playbook across asset classes & market cycles
- We combine AI, portfolio management experience, and cognitive insight to deliver better judgment in today's chaotic markets.
- Markets have never moved faster — and they'll never be this slow again. Your investment managers must be built for change.

# The ACI Bull Harbor Playbook



## Core Strategy Pillars

- **Long Fundamental**
  - Sustainable business models / Strong potential for continued earnings growth / Substantial ROIC / Low Debt / Hard to Replicate / Durable margins
- **Short Tactical**
  - Install hedges when market overbought, market leadership becomes too narrow, or US enters Recession
- **Momentum**
  - Liquid Sector / Index Opportunities to allow rapid hedging or exit
- **Asymmetrical Return Opportunities**
  - May include stand-alone options or leveraged positions where return potential meaningfully outweighs risk



## Navigating Markets

- **AI Data + Real Operator Experience + Cognitive Overlay = Qualitative Conviction with Quantitative Signal**
  - ACI Tools create clarity in noisy environments -- AI Built Recession Probability Indicator + Inflation Stress Warning Indicator



This framework drove a **47.1% return** on GP Capital in 2024, a year of rapid, Algo driven swings, retail investor driven sentiment changes, and macro uncertainties.

# ACI Bull Harbor Team



**Dak Hartsock**

(Managing Partner/Portfolio Manager)

Dak brings decades of experience **building, advising, and investing** in companies through corporate governance, private equity, entrepreneurship, and capital markets.

He has founded and exited multiple businesses, served as Vice Chairman of a \$3B correspondent lender, and has been the Market Strategist & Portfolio Manager for ACI Wealth Advisors since 2011.

He lives in Texas with his wife, two kids, two dogs, a cat, and a gym habit.



**Kane O'Brien**

(Cognitive Analyst / Co-Portfolio Manager)

Kane's background in Cognitive Science (M.S) and deep interest in the investment markets have shaped a **career focused on high-conviction projects** that align with his intellectual and strategic interests.

He brings expertise in behavioral finance, data-informed decision making, and the application of both quantitative and qualitative insights to uncover opportunity. Kane has real world experience in operating and owning businesses including manufacturing and real estate and has been an active market investor for over a decade.



**Alicia Yong**

(Engagement and Communication)

Alicia has spent her career building and streamlining operations across multiple industries, **primarily supporting executive teams and driving organizational change.**

Known for her adaptability and precision, Alicia thrives in fast-moving environments and brings a proactive, focused mindset to all support and investor-facing operations. A skilled and candid communicator, she's at her best when engaging with Fund LPs — bringing clarity, responsiveness, and warmth to every interaction.

# Designed for Investor Success



## Management Fees

**Lower than industry average – by design**

First \$20M in LP Investors\*

- \$1MM+ investors: **0.5%** management fee
- \$500K+ investors: **0.75%** management fee
- Industry standard is **2%**



## Performance Hurdle

**No fees until you get a 5% win**

We do not collect performance fees on the first 5% of returns – that belongs entirely to you, our investors



## Incentive Split

**You keep more. We earn only after you win**

15% Performance incentive for first \$10M in LPs  
20% thereafter



## Sustainable Operations Strategy

**Infrastructure is lean, scalable, and fully capitalized internally.**

No investor capital required to support operations.

**100% of GP Liquid Capital and Retirement Accounts **invested**  in Fund.**

# Risk Management



## Multi-Step Risk Management

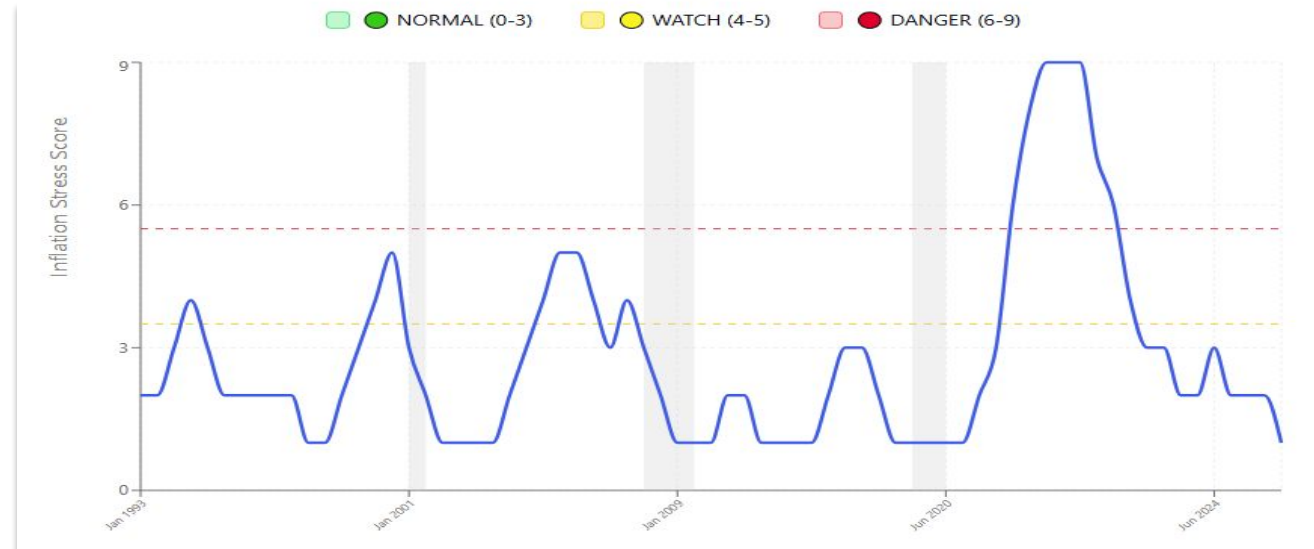
"Volatility is Opportunity"



- Position sizing
- Overbought markets create hedge & income opportunities
- Oversold markets create long & momentum opportunities
- Is inflation bleeding out the Expansion?
- Has the Expansion shifted to Contraction?
- In Contraction, hedges installed, weak positions reduced or eliminated, high conviction, high margin-of-safety positions added to or opened.
- Monitor "Fear" prepare for transition to Expansion

## Inflation Stress Warning Indicator (1993-2025)

Historical Total Scores Complete 32.5 Year Analysis Period





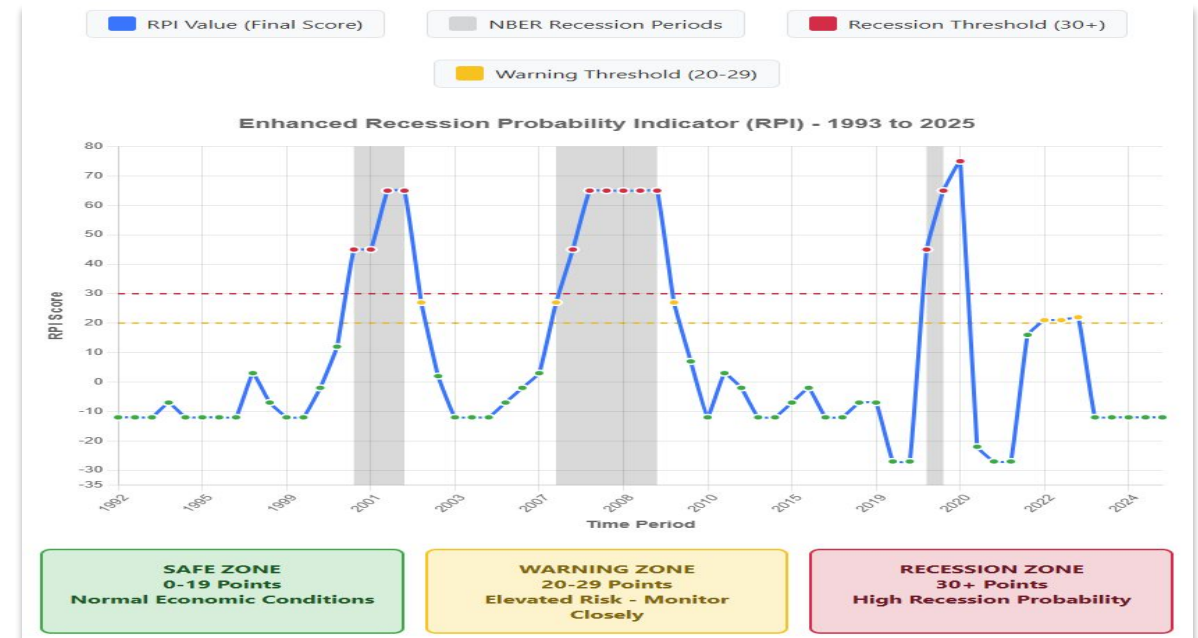
# Risk Management



## AI Augmented Data Tools

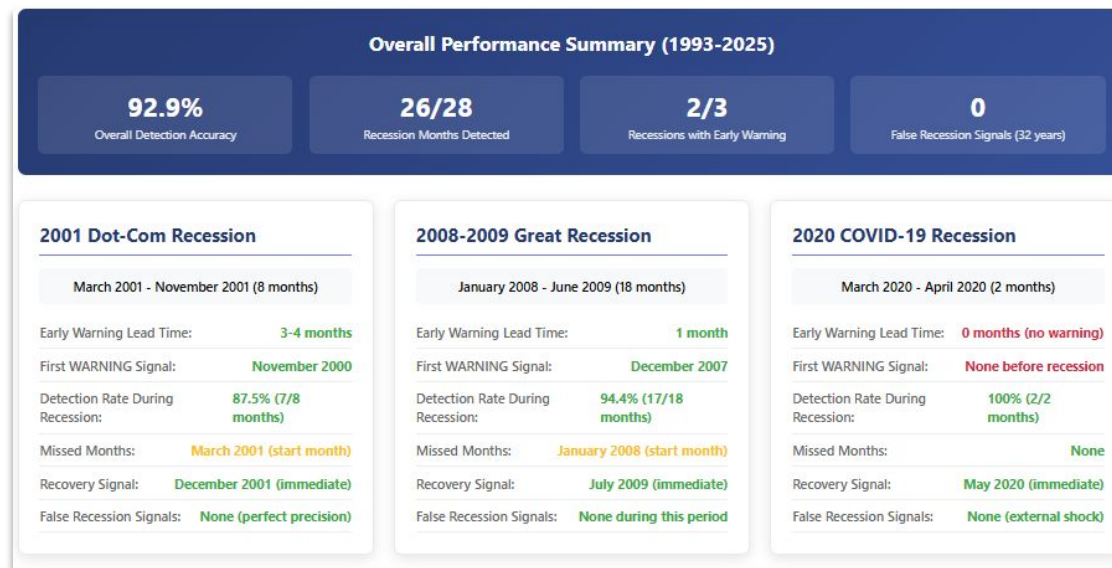
- **Inflation Stress Warning Indicator:** tracks inflation data across multiple data points and calculates risk to expansion using historical impact on Recession Probability data sets. Early warning for the early warning. **Key Policy Change Indicator**
- **Recession Probability Indicator:** tracks economic data across the economy to establish whether US is currently in Expansion, Recession Warning, Recession, or Transition to Expansion.  
**92.9% Accuracy Rate in identifying recession months.**

\*Data sourced at Federal Reserve Bank of St. Louis, Federal Reserve Bank of Philadelphia. Indicators built with assistance of Claude.AI Pro





# The Power of ACI Enhanced Risk Management



## Key Performance Insights

- **Perfect recession precision:** 0% false recession rate – tool only signals RECESSION during actual recessions
- **Conservative warning system:** WARNING signals appropriately indicate elevated risk without false recession calls
- **Outstanding detection accuracy:** 92.9% rate during actual recession periods places tool in the top tier of recession indicators
- **Reliable early warning:** Successfully provided advance WARNING signals for traditional recent recessions (2001, 2008)
- **Immediate recovery recognition:** Tool quickly identifies recession endings and returns to SAFE status
- **Limitation:** External shock recessions (like COVID) occur too rapidly for economic indicator-based prediction
- **Superior performance:** Zero false recession signals over 32 years with 92.9% detection accuracy significantly exceeds typical recession models (70%-85%) and matches Federal Reserve internal research benchmarks (88%-93%)

\*Data sourced at Federal Reserve Bank of St. Louis, Federal Reserve Bank of Philadelphia. Recession Probability Indicator built with assistance of Claude.AI Pro



- **Fund Administrator:** Yulish & Associates Oxnard, CA
- **Auditor:** Summit, LLC Certified Public Accountants Denver, CO
- **Counsel to General Partner:** The Investment Law Group  
Atlanta, GA
- **Prime Broker:** Interactive Brokers, LLC
- **Fund Structure:** Delaware LP
- **Launch Target / AUM Goal:** Fund launch October 1 with current committed funds (approx. \$2MM) AUM Goal \$100MM

Full DDQ with compliance documentation and including Risk Metrics, Attribution, Performance (via IBKR's reporting suite, statements and trade logs) available upon request for qualified LPs.

We will conduct a formal audit once the Fund surpasses \$20M in committed capital or achieves three full years of track record. We prioritize lean infrastructure, full alignment with LPs, and efficient use of capital at this early stage.



## Fund Infrastructure & Due Diligence Readiness



# Invest with Managers **Ready** for What's Next

## Hedge Fund Investing Reimagined



- Next Gen Tools.
- Real operational experience.
- A cognitive-science edge.
- A fee structure built to prioritize you.

## Why Now:

- Volatility creates dislocations – and opportunity for adaptive investors
- Our adaptive, multi-strategy playbook is built for long-term success — while capitalizing on near-term volatility
- Lean, scalable infrastructure already deployed
- 100% of GP liquid capital and retirement funds invested in Fund
- 47.1% return on GP Capital in 2024

## Next Steps:

- Schedule a 1-on-1 meeting with the GP Team
- Review PPM & Subscription Docs
- Join the first \$20MM in LPs to access preferential terms



**Built with the care and structure we'd  
want if our families were investing.**

**And they are.**

**Dak Hartsock** – Managing Partner/Portfolio Manager  
**Kane O'Brien** – Co-Portfolio Manager  
**Alicia Yong** – Operations

# Disclosures



This presentation is for ACCREDITED INVESTORS ONLY.

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The listed performance history may or may not be relevant to your specific situation. ACI utilizes the above portfolios to build custom portfolios for each client. ACI clients typically have exposure to multiple portfolios to best manage risk and address specific client objectives, tolerance for risk, and income needs. As such, no specific portfolio listed above should be identified as specifically & individually relevant to ACI clients or prospects. Existing client results vary based on portfolio mix, timing of investment, assets available for investment and other factors. The above results are included as examples of how ACI strategies have fared in the past to assist in evaluating the overall effectiveness of ACI portfolios strategies and risk management. Past performance is no guarantee of future results. Investing involves risk, including loss of principal. ACI Portfolios with asterisks ( \* ) were live as distinct portfolios for only a portion of the year in the heading. Performance prior to 2015 based on historical backtested results in models and is therefore hypothetical. Please see important disclosures regarding models and performance at [www.aciwealth.com](http://www.aciwealth.com). Private Client Portfolio results are on a consolidated basis and net of fees. Individual accounts may experience different results due to a range of factors including account size and variations in allocation and timing of investment within the portfolio model.

Consolidated Private Client performance results provided by 3rd party independent custodian. SS Model performance by Portfolio Visualizer.

Notes on Market Income: MI may have open positions that may report as negative until expiration. These then flip to a gain at close/expiration and may positively impact returns. It is important to note Smart Select model results do NOT include any risk reduction strategies - the model illustrates the results of maintaining investment.

Smart Select results are net model results and include total 1.5% in management and transaction fees. All listed returns exclude any cash held in portfolios and only reflect performance of underlying stock, fund or ETF holdings. Past performance is no guarantee of future results. Investing involves risk, including loss of principal. Please see additional disclosures at [www.aciwealth.com](http://www.aciwealth.com). Offered early investor management fees do not apply to LP's introduced by brokers and broker fee disclosures and agreements required for LPs introduced by brokers. Discounts to management and incentive fees may be discontinued without warning at sole discretion of GP/Advisor to the Fund.