

**FORM ADV****Uniform Application for Investment Adviser Registration****Part II - Page 1****OMB APPROVAL**

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Name of Investment Adviser: <b>Hovan Capital Management, LLC</b>				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
<b>81 Beach Road</b>	<b>Belvedere</b>	<b>CA</b>	<b>94920</b>	<b>( 415 ) 435-1971</b>

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
The information has not been approved or verified by any government authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

**FORM ADV****Part II - Page 2**

Applicant:

**Hovan Capital Management, LLC**

SEC File Number:

801-

Date:

**February 9, 2010**

## Definitions for Part II

Related person - Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services - Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

1. **A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service.

(See instruction below.)

Applicant:

- |                                     |     |   |      |
|-------------------------------------|-----|---|------|
| <input checked="" type="checkbox"/> | (1) | Provides investment supervisory services .....  | 100% |
| <input type="checkbox"/>            | (2) | Manages investment advisory accounts not involving investment supervisory services .....  | %    |
| <input type="checkbox"/>            | (3) | Furnishes investment advice through consultations not included in either service described above .....  | %    |
| <input type="checkbox"/>            | (4) | Issues periodicals about securities by subscription .....   | %    |
| <input type="checkbox"/>            | (5) | Issues special reports about securities not included in any service described above .....   | %    |
| <input type="checkbox"/>            | (6) | Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities ..... | %    |
| <input type="checkbox"/>            | (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities .....   | %    |
| <input type="checkbox"/>            | (8) | Provides a timing service .....   | %    |
| <input type="checkbox"/>            | (9) | Furnishes advice about securities in any manner not described above .....   | %    |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does the applicant call any of the services it checked above financial planning or some similar term? .....

Yes No  
☐ ☒

C. Applicant offers investment advisory services for: (check all that apply):

- |                                     |     |  |                                     |     |                   |
|-------------------------------------|-----|--|-------------------------------------|-----|-------------------|
| <input checked="" type="checkbox"/> | (1) | A percentage of assets under management      | <input type="checkbox"/>            | (4) | Subscription fees |
| <input type="checkbox"/>            | (2) | Hourly charges                               | <input type="checkbox"/>            | (5) | Commissions       |
| <input type="checkbox"/>            | (3) | Fixed fees (not including subscription fees) | <input checked="" type="checkbox"/> | (6) | Other             |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of Clients** - Applicant generally provides investment advice to: (check those that apply)

- |                          |    |                                  |                                     |    |   |
|--------------------------|----|----------------------------------|-------------------------------------|----|---|
| <input type="checkbox"/> | A. | Individuals                      | <input type="checkbox"/>            | E. | Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/> | B. | Banks or thrift institutions     | <input type="checkbox"/>            | F. | Corporations or business entities other than those listed above |
| <input type="checkbox"/> | C. | Investment companies             | <input checked="" type="checkbox"/> | G. | Other (describe on Schedule F)                                  |
| <input type="checkbox"/> | D. | Pension and profit sharing plans |                                     |    |   |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**FORM ADV****Part II - Page 3**

Applicant:

**Hovan Capital Management, LLC**

SEC File Number:

801-

Date:

**February 9, 2010****3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> A. Equity Securities                   | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities         |  |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input checked="" type="checkbox"/> I. Options contracts on:               |
| <input checked="" type="checkbox"/> (3) foreign issues                     | <input checked="" type="checkbox"/> (1) securities                         |
|  | <input type="checkbox"/> (2) commodities                                   |
| <input checked="" type="checkbox"/> B. Warrants                            |  |
| <input type="checkbox"/> C. Corporate debt securities                      | <input type="checkbox"/> J. Futures contracts on:                          |
| (other than commercial paper)  | <input type="checkbox"/> (1) tangibles                                     |
|  | <input type="checkbox"/> (2) intangibles                                   |
| <input type="checkbox"/> D. Commercial paper                               |  |
| <input type="checkbox"/> E. Certificates of deposit                        | <input type="checkbox"/> K. Interests in partnerships investing in:        |
| <input type="checkbox"/> F. Municipal securities                           | <input type="checkbox"/> (1) real estate                                   |
|  | <input type="checkbox"/> (2) oil and gas interests                         |
| <input type="checkbox"/> G. Investment company securities                  | <input checked="" type="checkbox"/> (3) other (explain on Schedule F)      |
| <input type="checkbox"/> (1) variable life insurance                       | <input checked="" type="checkbox"/> L. Other (explain on Schedule F)       |
| <input type="checkbox"/> (2) variable annuities                            |  |
| <input type="checkbox"/> (3) mutual fund shares                            |  |

**4. Methods of Analysis, Sources of Information, and Investment Strategies.****A.** Applicant's security analysis methods include: (check those that apply)

- |   |   |
|---|---|
| (1) <input checked="" type="checkbox"/> Charting    | (4) <input type="checkbox"/> Cyclical                                 |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical   |   |

**B.** The main sources of information applicant uses include: (check those that apply)

- |   |   |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines    | (5) <input type="checkbox"/> Timing services  |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities   | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases  |
| (4) <input checked="" type="checkbox"/> Corporate rating services             | (8) <input type="checkbox"/> Other (explain on Schedule F)  |

**C.** The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- |  |   |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases<br>(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions   |
| (2) <input checked="" type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input checked="" type="checkbox"/> Option writing, including covered options,<br>uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days)                 | (7) <input type="checkbox"/> Other (explain on Schedule F)  |
| (4) <input checked="" type="checkbox"/> Short sales  |   |

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**FORM ADV****Part II - Page 4**

Applicant:

**Hovan Capital Management, LLC**

SEC File Number:

801-

Date:

**February 9, 2010****5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? .....

Yes No  
☒ ☐

(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- |                 |  |
|-----------------|--|
| • name          | • formal education after high school               |
| • year of birth | • business background for the preceding five years |

**7. Other Business Activities.** (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

- |   |  |
|---|--|
| <input type="checkbox"/> A. Applicant is registered (or has an application pending) as a securities broker-dealer.  |  |
| <input type="checkbox"/> B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser. |  |
| C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:   |  |
| <input checked="" type="checkbox"/> (1) broker-dealer   | <input checked="" type="checkbox"/> (7) accounting firm                            |
| <input type="checkbox"/> (2) investment company   | <input type="checkbox"/> (8) law firm  |
| <input type="checkbox"/> (3) other investment adviser   | <input type="checkbox"/> (9) insurance company or agency                           |
| <input type="checkbox"/> (4) financial planning firm  | <input type="checkbox"/> (10) pension consultant                                   |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant  | <input type="checkbox"/> (11) real estate broker or dealer                         |
| <input type="checkbox"/> (6) banking or thrift institution  | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? .....

Yes No  
☒ ☐

(If yes, describe on Schedule F the partnerships and what they invest in.)

**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**FORM ADV****Part II - Page 5**

Applicant:

**Hovan Capital Management, LLC**

SEC File Number:

801-

Date:

**February 9, 2010****9. Participation or Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☒ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☒ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account? . . . . .

Yes

No

☒☐

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

**Securities held in client accounts are reviewed continuously. Each client's account is reviewed quarterly by Kurt S, Hovan, the Manager and Chief Investment Officer of Hovan Capital Management, LLC. More frequent reviews may be triggered by material political, economic, or market events, or by changes in the client's individual circumstances.**

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

**Hovan Capital Management, LLC sends investors in the Funds for which it serves as General Partner or Investment Manager an annual K-1, annual federal income tax information and audited annual financial statements. In addition, investors in the Funds receive monthly reports prepared by the third-party administrator of the Funds. These reports show the change in value of the investment interest during the month.**

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**FORM ADV****Part II - Page 6**

Applicant:

**Hovan Capital Management, LLC**

SEC File Number:

801-

Date:

**May 12, 2009****12. Investment or Brokerage Discretion.**

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

(1) securities to be bought or sold? . . . . .

Yes No

☒ ☐

(2) amount of the securities to be bought or sold ? . . . . .

Yes No

☒ ☐

(3) broker or dealer to be used ? . . . . .

Yes No

☒ ☐

(4) commission rates paid? . . . . .

Yes No

☒ ☐

B. Does applicant or a related person suggest brokers to clients? . . . . .

Yes No

☒ ☐

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? . . . . .

Yes No

☒ ☐

B. directly or indirectly compensates any person for client referrals? . . . . .

Yes No

☒ ☐

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet? . . . . .

Yes No

☐ ☒**Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).**

**Schedule F  
Form ADV****Continuation Sheet for Form ADV Part II**

Applicant:

**Hovan Capital  
Management, LLC**

SEC File Number:

801-

Date:

**February 9, 2010**

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Hovan Capital Management, LLC	IRS Empl. Ident. No.: 68-0425303
Item of Form (Identify)	Answer
1.D	<p>HOVAN CAPITAL MANAGEMENT, LLC ("HCM") provides investment supervisory services to Hedge Funds. "Investment Supervisory Services" is defined as giving continuous investment advice to a client or making investments for a client based on the individual needs of the client.</p> <p><b>"Hedge Funds"</b> is used herein to refer to two privately offered limited partnerships and one offshore investment company: HCM Market Neutral Fund, LP ("Feeder Fund"); HCM Multi-Manager Fund, LP ("Multi-Manager Fund") and HCM Offshore Multi-Manager Fund, LTD ("Offshore Feeder Fund"). HCM is the general partner of the limited partnerships and the manager of the offshore investment company and provides exclusive investment management services to each entity. Please refer to the discussion in this Item under "Investment Supervisory Services Provided to Hedge Fund Clients" for information about investment objectives and strategies of the Hedge Funds and the fees that those Funds pay to HCM in its role as general partner or investment manager of each Fund.</p> <p><b><u>Investment Supervisory Services Provided to Hedge Fund Clients</u></b></p> <p>HCM, as general partner or investment manager of the Hedge Funds is responsible for the oversight and investment management of these Funds. For its oversight and investment Management services, HCM earns a management fee that is determined based on the share class that is invested in. Prior to as of April 1 2010, Share Class A investors paid a management fee of 2% and were subject to a performance allocation of 20%. For Share Class A, HCM will, starting April 1, 2010, earn a 1% annual management fee charged quarterly in advance. For Share Classes B and C, HCM earns a 2% annual management fee charged quarterly in advance. Limited partners of the HCM Market Neutral Fund, LP as of December 31, 2009 are not charged a management fee. In addition to a management fee, as the general partner of these Funds, HCM receives a performance-based incentive allocation of 10% for Share Class A and 20% for Share Classes B and C that is based on the increase in value of each individual's investment during the quarter, allocated quarterly in arrears. The incentive allocation contains a "high water mark," such that, if an investor's interest declines in value in any period followed by a subsequent increase in value, there will be no profit allocation to HCM until the lost value has been fully restored. In all three funds, generally, an investor has the right to withdraw all or a portion of its capital account effective as of the last business day of each calendar month. Written notice of any withdrawal must be given at least 30 days prior to the proposed withdrawal date. However, the Hedge Fund will assess the redeeming investor with a redemption charge in the amount of 2% of the of the withdrawal proceeds (less any previous management fees paid to the fund on the proceeds being withdrawn) if a portion or all of the investor's capital contribution is redeemed within twelve (12) months of the date the investor made the capital contribution to the Hedge Fund. HCM may prohibit a partial withdrawal with respect to an investor's capital account unless the remaining value of such capital account would be at least \$100,000.</p> <p>In the case of a withdrawal of 90% or more of an investor's capital account, the HCM may withhold a reserve of up to 10% of the estimated withdrawal amount. The Hedge Fund generally will not pay the investor interest on the amount of its withdrawn but reserved proceeds. Such reserve will be paid (subject to any audit adjustments) following</p>

Complete amended pages in full; circle amended items and file with execution page (page 1).

**Schedule F  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: <b>Hovan Capital Management, LLC</b>	SEC File Number: 801-	Date: <b>February 9, 2010</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Hovan Capital Management, LLC</b>	IRS Empl. Ident. No.: <b>68-0425303</b>
Item of Form (Identify)	Answer
	<p>completion of the audit of the Hedge Fund's books for the year in which such withdrawal occurs.</p> <p>The HCM Multi-Manager Fund, LP is a multi-manager vehicle, commonly referred to as a "Multi-Manager fund". The Partnership allocates capital among experienced portfolio managers who have excellent risk adjusted track records. It seeks investment vehicles that have demonstrated they can deliver attractive returns in a variety of market conditions as well as control volatility and limit drawdowns. These investment vehicles are market neutral, designed to generate positive returns in all market conditions.</p> <p>With respect to all of the Hedge Fund Advisory services, HCM reserves the right to waive the management fee and/or incentive allocation charged to certain investors. No incentive allocation will be applicable to the accounts of limited partners that do not qualify for such deductions.</p> <p>HCM does not engage in portfolio transactions for the HCM Market Neutral Fund, LP or the HCM Offshore Multi-Manager Fund, LTD. These funds seek to achieve their objectives through investment in the HCM Multi-Manager Fund, LP as feeder fund entities.</p> <p><u><b>General Information On Advisory Fees:</b></u></p> <p>For California Residents: Subsection (j) of Rule 260.238, California Code of Regulations requires that all investment advisers disclose to their advisory clients that lower fees for comparable services may be available from other sources.</p> <p>In certain circumstances, all fees and account minimums may be negotiable.</p> <p>An Advisory Client agreement may be canceled at any time, by either party, for any reason, typically upon 30 days' written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned unpaid fees will be due and payable.</p> <p>HCM as the investment adviser for the Hedge Funds is granted the authority to place transactions with brokers provided that HCM determines that it is consistent with HCM's duty of best execution to do so.</p> <p><u><b>Proxy Voting</b></u></p> <p>As a matter of policy and as a fiduciary to its clients, HCM has responsibility for voting proxies for clients' portfolio securities consistent with the best economic interests of the clients. HCM maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about HCM's proxy policies and practices. HCM's policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records.</p>

Complete amended pages in full; circle amended items and file with execution page (page 1).



**Schedule F**  
**Form ADV**  
**Continuation Sheet for Form ADV Part II**

Applicant: <b>Hovan Capital Management, LLC</b>	SEC File Number: 801-	Date: <b>February 9, 2010</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Hovan Capital Management, LLC</b>	IRS Empl. Ident. No.: <b>68-0425303</b>
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Item of Form (Identify)	Answer
	<p><b>Voting Guidelines</b></p> <p>(a) In the absence of specific voting guidelines, HCM will vote proxies in the best interests of each particular client. HCM's policy is to vote all proxies from a specific issuer the same way for each client absent qualifying restrictions from a client. Clients are permitted to place reasonable restrictions on voting authority in the same manner that they may place such restrictions on the actual selection of securities in their accounts;</p> <p>(b) HCM will generally vote in favor of routine corporate housekeeping proposals such as the election of independent directors with requisite skills, knowledge and experience, and selection of auditors absent conflicts of interest raised by an auditor's non-audit services;</p> <p>(c) HCM will vote in favor of proposals that cause remuneration to be commensurate with experience, responsibilities and performance;</p> <p>(d) HCM will vote against proposals that oppose "poison pills," "golden parachutes" or similar structures that financially inhibit changes in control;</p> <p>(e) HCM will vote against proposals that cause board members to become entrenched or cause unequal voting rights; and</p> <p>(f) In reviewing proposals, HCM will further consider the opinion of management, the effect on management, and the effect on shareholder value and the issuer's business practices.</p> <p><b>Conflicts of Interest</b></p> <p>HCM has engaged the services of a third-party proxy entity, which has received the power to vote proxies. When a conflict of interest arises on their side, the proxy will be voted as directed by HCM, or, in case of a conflict of interest on HCM's side, an independent party.</p> <p>HCM will maintain a record of the voting resolution of any conflict of interest.</p> <p>Any client may request a copy of HCM's complete proxy voting policy, or a record of how a proxy was voted by contacting Lisa Hovan by mail or phone.</p> <p>With respect to all investment supervisory services provided to advisory clients, HCM reserves the right to waive the management fee and/or incentive allocation charged to certain investors. No incentive allocation will be applicable to the accounts of advisory clients that do not qualify for such deductions.</p> <p><b>2.G.</b> HCM serves as the general partner of the Funds and may organize or form additional pooled investment vehicles in the future.</p> <p><b>3.K.</b> HCM does not expect to be engaged to advise clients as to the appropriateness of investing in Funds for which HCM is the investment manager and HCM will not receive any compensation for doing so, or for selling interests in such Funds. However, because of</p>

Complete amended pages in full; circle amended items and file with execution page (page 1).

**Schedule F  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: <b>Hovan Capital Management, LLC</b>	SEC File Number: 801-	Date: <b>February 9, 2010</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Hovan Capital Management, LLC	IRS Empl. Ident. No.: 68-0425303
Item of Form (Identify)	Answer
<b>3.L.</b>	HCM's relationship to such Funds, should someone who is otherwise a client invest, HCM could be considered to have recommended that investment.
<b>4.A(5)</b>	Investment advice may be offered on any investment held by Clients prior to the start of the advisory relationship. Recommendations for new investments will typically be limited to those items checked under Item 3 of Form ADV, Part II.
<b>5.</b>	SECURITIES ANALYSIS METHODS  HCM may utilize quantitative, fundamental and technical analysis. In addition, HCM may "back-test" a security's performance to identify emerging growth companies and to find anomalies or surprises.
<b>6.</b>	EDUCATION AND BUSINESS STANDARDS  Advisory persons associated with HCM must possess, minimally, the following: all required licenses, (1) a college degree; or (2) CFA, CPA, or CFP designation, and must meet the qualification standards of the state(s) in which they provide investment advisory Services.  EDUCATION AND BUSINESS BACKGROUND  <b>MEMBERS AND EMPLOYEES:</b>  <b>KURT STEVEN HOVAN</b> <b>BORN: 10/3/1967</b> <b>PRESIDENT &amp; CHIEF INVESTMENT OFFICER</b>  EDUCATION:  AB in Economics from Princeton University in 1989.  EMPLOYMENT HISTORY:  Managing Member, President and Chief Investment Officer of Hovan Capital Management, LLC from 9/98 to Present.  Registered Principal of HedgeCo Securities, LLC from 12/09 to present Portfolio Manager with Hoefer & Arnett from 11/97 to 9/98. Vice President, Investments with Prudential Securities from 8/94 to 11/97. Vice President, Investments with Bear, Stearns & Company, Inc. from 11/92 to 08/94. Quantitative Consultant with BARRA, Inc. from 10/91 to 11/92. Actuarial Consultant with William M. Mercer, Inc. from 7/89 to 9/98.  <b>EDWARD JOHN HOVAN, JR</b> <b>BORN: 6/22/1965</b> <b>EXECUTIVE VICE PRESIDENT &amp; PORTFOLIO MANAGER</b>  EDUCATION:

Complete amended pages in full; circle amended items and file with execution page (page 1).

**Schedule F  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: <b>Hovan Capital Management, LLC</b>	SEC File Number: 801-	Date: <b>February 9, 2010</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: <b>Hovan Capital Management, LLC</b>	IRS Empl. Ident. No.: <b>68-0425303</b>
Item of Form (Identify)	Answer
	<p>B.S. in Mechanical Engineering and Metallurgy from the University of Connecticut in 1990</p> <p><b>EMPLOYMENT HISTORY:</b></p> <p>Member and Executive Vice President of Hovan Capital Management, LLC from 9/08 to Present.</p> <p>General Manager at Butler International from 2004 to 2008.</p> <p>Member and Equity Portfolio Manager of Hovan Capital Management, LLC from 2002 to 2004.</p> <p>Vice President, Investments with Prudential Securities from 1994 to 2002.</p> <p>Project Engineer with Pratt &amp; Whitney Aircraft from 1990 to 1994.</p> <p><b>LISA BLAIR HOVAN</b> <b>BORN: 5/27/1965</b> <b>CHIEF FINANCIAL OFFICER</b></p> <p><b>EDUCATION:</b></p> <p>AB in Biology from Princeton University in 1987.</p> <p>MBA in Accounting from New York University in 1992.</p> <p>Masters in Tax from Golden Gate University in 2002.</p> <p><b>EMPLOYMENT HISTORY:</b></p> <p>Member and CFO of Hovan Capital Management, LLC from 9/98 to Present.</p> <p>Financial Operations Principal of Sanctuary Securities, LLC from 1/10 to present.</p> <p>Financial Operations Principal of KP Securities from 10/07 to 3/09.</p> <p>Financial Operations Principal of Belvedere Securities, LLC from 6/05 to 12/05.</p> <p>Tax Manager at Deloitte &amp; Touche, San Francisco from 1997-2000.</p> <p>Self Employed CPA from 2000 to present.</p> <p>Certified Public Accountant since 1994. Currently licensed in California.</p> <p>Inactive CPA license in New Jersey and New York.</p> <p><b>8.C.(1) and 9.B.</b> <i><b>Commission and Prime Brokerage Conflicts of Interest at HedgeCo Securities.</b></i></p> <p>Kurt Hovan, a Registered Principal of HedgeCo Securities, LLC. may participate in trading commissions, solicitor's fees or prime brokerage revenues received by HedgeCo Securities as a result of HCM Multli-Manager LP's investment in certain Investment Vehicles.</p> <p>Kurt Hovan may receive a percentage of management or incentive fees of sub-managers or subfunds that have solicitor's agreements with Hedgeco Securities.</p> <p><b>8.C.7</b> Lisa Hovan, CPA, is the Chief Financial Officer of HCM. Ms. Hovan also provides accounting services to persons or entities which may or may not be clients of HCM. There is no obligation for clients of HCM to use Ms. Hovan's accounting services. Ms. Hovan also acts as the Financial Operations Principal for Sanctuary Securities, LLC.</p>

Complete amended pages in full; circle amended items and file with execution page (page 1).

**Schedule F  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: <b>Hovan Capital Management, LLC</b>	SEC File Number: 801-	Date: <b>February 9, 2010</b>
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<b>8.D. &amp; 9.D.</b>	HCM does not expect to be engaged to advise clients as to the appropriateness of investing in Funds for which HCM is the investment manager and HCM will not receive any compensation for doing so, or for selling interests in such Funds. However, because of HCM's relationship to such Funds, should someone who is otherwise a client invest, HCM could be considered to have recommended that investment.
<b>9.E.</b>	<p>HCM or individuals associated with HCM may buy or sell securities identical to those recommended to Advisory Clients or the Funds for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.</p> <p>As these situations represent a potential conflict of interest, HCM has established the following restrictions in order to ensure its fiduciary responsibilities are met:</p> <ul style="list-style-type: none"> <li>a. Any transaction in a Security in anticipation of Client orders (i.e., front running) is prohibited;</li> <li>b. Any transaction in a Security which the employee knows or has reason to believe is being purchased or sold, or is being considered for purchase or sale, by a Client is prohibited until twenty-four (24) hours after the Client's transaction has been completed or consideration of such transaction is abandoned;</li> <li>c. Any transaction in a Security during the period, which begins twenty-four (24) hours before and ends twenty-four (24) hours after any Client has traded in that Security is prohibited;</li> <li>d. Any short selling or option trading that is economically opposite any pending transaction for an Investment Fund or any other Client is prohibited.</li> <li>e. Any transaction in a healthcare related Security that would result in the employee profiting in the purchase and sale or sale and purchase of the same (or equivalent) security for less than 6 months, is prohibited.</li> <li>f. Any transaction in a Security that would result in the employee profiting in the purchase and sale or sale and purchase, of the same (or equivalent) Security within thirty (30) calendar days, is prohibited.</li> <li>g. No owner or employee of HCM shall buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No associated person of HCM shall prefer his or her own interest to that of the client.</li> <li>h. HCM maintains a list of all securities holdings for itself, and anyone associated with its advisory business with access to advisory recommendations is required to report their securities transactions on a monthly basis. These holdings and transactions are reviewed on a monthly basis.</li> <li>i. HCM requires that all individuals must act in accordance with all applicable</li> </ul>

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<b>10.</b>	<p>regulations governing registered investment advisory practices.</p> <p>j. Any individual not in observance of the above may be subject to termination.</p> <p>A copy of the Code of Ethics of HCM is available to clients and investors upon request.</p> <p><b>CONDITIONS FOR MANAGING AN ACCOUNT</b></p> <p>The minimum initial investments in the Hedge Funds are as follows:</p> <table> <tr> <td>HCM Market Neutral Fund, LP</td><td>\$100,000</td></tr> <tr> <td>HCM Multi-Manager Fund, LP</td><td>\$1,000,000</td></tr> <tr> <td>HCM Offshore Multi-Manager Fund, Ltd.</td><td>\$1,000,000</td></tr> </table> <p>HCM can choose, at its sole discretion, to accept lesser amounts for any of these entities.</p>	HCM Market Neutral Fund, LP	\$100,000	HCM Multi-Manager Fund, LP	\$1,000,000	HCM Offshore Multi-Manager Fund, Ltd.	\$1,000,000
HCM Market Neutral Fund, LP	\$100,000						
HCM Multi-Manager Fund, LP	\$1,000,000						
HCM Offshore Multi-Manager Fund, Ltd.	\$1,000,000						
<b>12.A. and 12.B.</b>	<p><b>INVESTMENT OR BROKERAGE DISCRETION</b></p> <p>Funds managed by HCM have granted HCM complete discretion over the selection and amount of securities to be bought or sold for clients (within the parameters established by any agreements between the parties, <i>e.g.</i>, the limited partnership agreement for the investment limited partnerships or the offering memorandum of an investment company); HCM is not generally required to obtain the consent or approval of any client in connection with any investment transaction or decision.</p> <p>HCM generally also has complete discretion over the selection of brokers and dealers ("<i>broker-dealers</i>") to execute securities transactions for its clients and the negotiation of compensation arrangements with such broker-dealers. In addition to using broker-dealers as agents and paying commissions, HCM may cause clients to buy or sell securities directly from or to broker-dealers acting as principal (such as market-makers for over-the-counter securities) at prices that include markups or markdowns, and may buy securities from underwriters or broker-dealers in public offerings at prices that include compensation to the underwriters or broker-dealers. The following discussion summarizes the material aspects of HCM's practices in selecting broker-dealers to execute client transactions.</p> <p><b><i>Selection Criteria</i></b></p> <p>In choosing broker-dealers, HCM is not required to consider any particular criteria. For the most part, HCM seeks "best execution" of securities transactions. What constitutes "best execution" and determining how to achieve it are inherently uncertain. In evaluating whether a broker-dealer will provide best execution, HCM considers a range of factors. These include, among others, historical net prices (after markups, markdowns or other transaction-related compensation) on other transactions; the execution, clearance and settlement and error correction capabilities of the broker-dealer generally and in connection with securities of the type and in the amounts to be bought or sold; the broker-dealer's willingness to commit capital; the broker-dealer's reliability and financial stability; the size of the transaction; the availability of securities to borrow for short sales; the market for the security; and, as discussed more fully below, the nature, quantity and quality of research and other services and products provided by the broker-dealer. HCM is not required to</p>						
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	<p>select the broker-dealer that charges the lowest transaction cost, even if that broker-dealer can provide execution quality comparable to other broker-dealers, and client expects at times to pay more than the lowest transaction cost available in order to obtain for itself and/or HCM services and products that relate to investment research or trading activities.</p> <p><b><i>“Soft Dollars”</i></b></p> <p>HCM may select broker-dealers in recognition of the value of various services or products, beyond transaction execution, that they provide to the client or HCM. Selecting a broker-dealer in recognition of the provision of services or products other than transaction execution is known as paying for those services or products with “soft dollars.” Because many of those services and products could benefit HCM, HCM may face conflicts of interest in allocating the client’s securities transactional business. These may include incentives to cause the client to engage in the following practices to induce broker-dealers to provide those benefits: (i) pay broker-dealers higher compensation (including markups and markdowns on principal transactions with market-makers) than the compensation payable to other market participants who do not provide the services or products; (ii) select broker-dealers that do not provide the best possible price (iii) use (and pay) broker-dealers who do not actually provide execution services (including broker-dealers who are paid commissions on transactions effected on a principal basis with other broker-dealers acting as market makers), and (iv) effect more transactions than might otherwise be optimal. The agreements between HCM and its clients generally authorize HCM to use client soft dollars for a wide range of purposes. The extent of any such conflict depends in large part on the nature and uses of the services and products acquired with soft dollars.</p> <p>Under Section 28(e) of the Securities Exchange Act of 1934, as amended (the “Safe Harbor”) HCM’s use of soft dollars generated by the client’s commissions to acquire certain research and brokerage goods or services is presumed not to breach HCM’s fiduciary duty to the client—even if the brokerage commissions paid are higher than the lowest available—as long as (among other requirements) the commissions being paid by the client are reasonable in relation to the value of the goods and services obtained and they provide HCM with lawful assistance in its investment decision-making. The Safe Harbor generally is not available where transactions are effected on a principal basis (with a markup or markdown paid to the broker-dealer), for transactions involving futures interests or for services or products that do not constitute research or brokerage services as those terms are currently interpreted by the Securities and Exchange Commission.</p> <p>Subject to the general policies on the use of soft dollars set forth herein, HCM may permit brokers and dealers to pay for expenses that HCM would otherwise have to bear or that otherwise provide benefits to it. Research services obtained with soft dollars may include, for example, traditional research reports, discussions with analysts and meetings with corporate executives to obtain reports on the performance of a company (but not travel and related expenses associated with arranging trips to meet corporate executives, analysts or other individuals who may provide research), certain data services (e.g., those that provide market data, company financial data or economic data), research related to the market for securities (e.g., pre-trade and post-trade analytics, research that identifies optimal execution venues and trading strategies, advice from brokers on order execution and/or the availability of buyers and sellers, execution strategies and market color), tuition for research-related seminars and conferences (excluding associated travel and related</p>

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Item of Form  
(Identify)

Answer

expenses), software that provides analysis of the performance of securities portfolios (excluding such software that is used for marketing purposes), certain corporate governance research and rating services and certain proxy voting services that HCM uses to make voting decisions. Brokerage services obtained with soft dollars may include, for example, quotation and communication equipment and services (e.g., First Call, Reuters, Bloomberg, etc.), other order management systems (OMS) that provide trading software or provide connectivity to such software, trade analysis software, on-line pricing services, communication services relating to execution, clearing and settlement (e.g., dedicated lines between the broker manager and the manager (or the manager's OMS)) and message services used to transmit orders.

A broker or dealer with which HCM has soft dollar arrangements may establish "credits" relating to brokerage commissions paid in the past which may be used to pay, or reimburse them for, specified expenses. In other cases, a broker or dealer may provide or pay for the service or product and suggest a level of future business that would fully compensate it. The client's actual transactional business with such a broker-dealer may be less than the suggested level but can—and likely will—exceed that level. This may be in part because the client's investment activities generate aggregate commissions in excess of the aggregate suggestions from all broker-dealers providing services and products. And it may be in part because those broker-dealers may also provide superior execution and may therefore be the most appropriate for particular transactions. HCM will not exclude broker-dealers from client business simply because they have not provided research or other services or products.

*"Prime Brokerage," Custody, Clearing and Settling.* The Fund obtains custodial, clearing and related services through what is known as a "prime brokerage" arrangement. Under this arrangement, a single brokerage firm (the "Prime Broker") maintains custody of the Fund's assets (either directly or through its clearing brokerage firm), provides margin credit, locates securities to borrow to facilitate short sales, and provides related services, but allows the Fund to use other brokers to execute transactions. This permits HCM to seek valuable research and to compare execution quality and commission rates, while maintaining only one custodial relationship. By using a brokerage firm, the Fund also may avoid paying custodial fees that banks charge other institutional investors. The Prime Broker is compensated through interest on credit balances, margin borrowings, stock loans and brokerage commissions. Under this arrangement, the Prime Broker, among other things, (i) arranges for the receipt and delivery of securities bought, sold, borrowed and lent; (ii) makes and receives payments for securities; (iii) maintains custody of cash and securities; (iv) tenders securities in connection with tender offers, exchange offers, mergers or other corporate reorganizations; and (v) provides detailed portfolio and related reports.

***Aggregation of Orders.***

HCM performs investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts for which it or its principals have trading authority, or in which it or its principals have an economic interest, some of which accounts may have similar investment objectives. When it does, HCM will allocate the securities or proceeds arising out of those transactions (and the related transaction expenses) on an average price basis among the various participants. HCM believes

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<b>13.B.</b>	<p>combining orders in this way will, over time, be advantageous to all participants. However, the average price could be less advantageous to the client than if the client had been the only account effecting the transaction or had completed its transaction before the other participants. Because of HCM's interest in the Fund, there may be circumstances in which the Fund's transactions may not, under certain laws, regulations and internal policies, be combined with those of some of HCM's and its affiliates' other clients, and the Fund may obtain less advantageous execution than such other clients.</p> <p><b>PAYMENTS TO SOLICITORS</b></p> <p>HCM has established agreements with one or more third party solicitors pursuant to which such third party solicitor(s) are compensated for introducing new Advisory Clients to HCM and/or for the sale of Partnership Interests and/or Shares of the Funds. HCM may enter into other similar arrangements in the future. The currently effective arrangements provide for each solicitor, acting as an independent contractor, to introduce prospective clients to HCM. For those services, the HCM compensates solicitors based on a percentage of the advisory fees and/or performance based fees, if any, payable to HCM by the referral client accounts, but only for so long as the solicitor remains an active independent contractor of HCM. In such cases, this practice will be disclosed in writing to the client and HCM will comply with all applicable rules and regulations..</p>

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