

**Part 2A of Form ADV: Firm Brochure**

**Item 1 - Cover Page**

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The date of this brochure is **March 31, 2011**

This brochure provides information about the qualifications and business practices of AM Investment Partners, LLC. If you have any questions about the contents of this brochure, please contact us at (212) 508-8900. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about AM Investment Partners, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Although AM Investment Partners, LLC is an SEC-registered investment adviser, SEC registration does not imply a certain level of skill or training.

**Item 2 - Material Changes**

*Not applicable.*

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**Item 4 - Advisory Business**

- A. AM Investment Partners, LLC ("Advisor") is a Delaware limited liability company that was formed on June 21, 2001. The Advisor's principal owners are Mark Friedman and Adam Stern.
- B. The Advisor provides discretionary investment advice to U.S.-organized and non-U.S.-organized pooled investment vehicles ("private investment funds") and certain separately managed accounts. The Advisor generally invests and trades on behalf of clients in a wide variety of securities and financial instruments, mainly of domestic issuers, in three strategies; Convertible Bond Arbitrage, Merger Arbitrage, and Event-Driven Volatility Trading. (See Item 8 "*Methods of Analysis, Investment Strategies and Risk of Loss*")
- C. The Advisor does not tailor advisory services to investors in the private investment funds. The Advisor manages separately managed accounts that may be tailored to such clients' needs. (See Item 16 "*Investment Discretion.*")
- D. The Advisor does not participate in wrap fee programs.
- E. As of December 31, 2010, we managed approximately \$133,300,000 on a discretionary basis. We do not manage any assets on a non-discretionary basis.

**Item 5 - Fees and Compensation**

- A. Our fees and compensation are described in the advisory contracts we enter into with our clients.
- B. For such services provided by Advisor, the management fee is generally 1.5% per annum, and the performance fee is generally 20% per annum. The management fee is generally calculated monthly and payable quarterly in arrears. The performance fee is generally determined and payable annually. All performance fees charged by the Advisor are consistent with Rule 205-3 under the Investment Advisers Act of 1940, as amended.
- C. Clients that are private investment funds generally bear (i) all expenses associated with the organization and ongoing administration of such private investment funds, including legal and accounting fees, (ii) all expenses incurred in connection with communications with investors and the ongoing offer and sale of interests in the private investment funds, (iii) all third party administration, accounting, tax preparation, audit, bookkeeping, governmental fees and taxes and legal and compliance fees and expenses of, or relating to, the private investment funds, (iv) certain expenses incurred for the benefit of the private investment funds related to the maintenance and procurement of information technology and data related services, systems and equipment, valuation services, proxy voting services and insurance, (v) all direct and incidental expenses relating to research and due diligence of existing and potential investments (including, without limitation, the use of consultants and attorneys) and research materials, and (vi) all trading and investment related costs and expenses (e.g., brokerage commissions, margin interest, expenses related to short sales, custodial fees and clearing and settlement charges). (See Item 12 "*Brokerage Practices*" below.)

The expenses that are charged to separately managed accounts are determined on a case by case basis.

D. Management fees are generally paid quarterly in arrears, and are not refundable if the advisory contract is cancelled prior to the end of a payment period.

E. *Not applicable.*

#### **Item 6 - Performance-Based Fees and Side-By-Side Management**

We or our affiliates receive annual performance-based fees or allocations from the private investment funds and separately managed accounts we manage, which are based on a percentage of the capital appreciation of client assets.

The terms of the performance-based fees and allocations may differ among the various private investment funds and the separately managed accounts we manage. This may result in a conflict of interest when we allocate opportunities among these accounts because we will have an incentive to favor accounts that have higher performance-based fees and allocations. To avoid such a conflict of interest we generally follow documented procedures in allocating opportunities among such accounts, which does not take into account the performance-based fees and allocations to which such accounts are subject (*see Item 12, Section A.4, "Allocation of Investment Opportunities" below*).

As the management fees and performance-based fees and allocations are based directly on the net asset value of the client accounts, we have a conflict of interest in valuing the assets held in the accounts. We will follow our documented valuation policies and consult with the third-party administrator to the accounts in order to mitigate this risk.

#### **Item 7 - Types of Clients**

The Advisor provides investment advice to, and manages the investment portfolios of, private investment funds and separate accounts. Investors in such private investment funds are generally high net worth individuals and institutional investors that qualify as "accredited investors" (as defined in Rule 501 under the Securities Act of 1933, as amended) and "qualified purchasers" (as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the "1940 Act"). The minimum investment in the private investment funds is generally \$1 million. We will determine the minimum investment for a separately managed account on a case by case basis, but it is generally at least \$15 million.

#### **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

##### *A. Methods of Analysis and Investment Strategies Generally*

*The descriptions set forth in this Brochure of specific advisory services that the Advisor offers, and investment strategies pursued and investments made by the Advisor on behalf of its clients, should not be understood to limit in any way the Advisor's investment activities. The Advisor may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that the Advisor considers appropriate, subject to each client's investment objectives and guidelines. The investment strategies the Advisor pursues are speculative and entail substantial risks.*

*Investors should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives will be achieved.*

The Advisor generally invests and trades on behalf of clients in a wide variety of securities and financial instruments, mainly of domestic issuers, in three strategies; Convertible Bond Arbitrage, Merger Arbitrage, and Event-Driven Volatility Trading.

We use many methods to analyze securities including charting, fundamental analysis, technical analysis, cyclical analysis, quantitative analysis and qualitative analysis. The main sources of information we rely on are research material prepared by other firms, corporate rating services, annual reports, prospectuses, and filings with the Securities and Exchange Commission, company press releases, inspection of corporate activities, financial newspapers and other publications.

We implement our three investment strategies usually using long-term purchases (securities held at least a year) short-term purchases (securities sold within a year), trading (securities sold within 30 days) short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

*B. Certain Risks Associated with Methods of Analysis and Investment Strategies*

*Investment and Trading Risk Generally.* All securities investments risk the loss of capital. The use of leverage is likely to cause net assets to appreciate or depreciate at a greater rate than if leverage were not used. The investment program may include the use of short sales, the purchase and sale of put and call option contracts, the use of other derivative instruments, such as swaps and forward agreements, and limited diversification, which in practice can, in certain circumstances, substantially increase the impact of adverse price movements on an investment portfolio. In addition, investments are subject to the risk that changes in the general level of interest rates may adversely affect returns. No guarantee or representation is made that the Advisor's investment strategies will be successful.

*Methods of Analysis Risks.* Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

*Convertible Arbitrage Trading Risk.* Convertible securities generally trade at a premium above their conversion value, which premium is primarily based on the terms of the convertible security, the volatility of the underlying security, the price of the underlying equity into which the convertible security is convertible, market perceptions of underlying value, dividend rates and other factors. The Advisor's convertible arbitrage strategy generally will be to utilize leverage to generate profits from the cash flows arising from the long and short positions. Although the Advisor will attempt to hedge market risk and will adjust its hedged positions to address market movement, it may not be possible for the Advisor to hedge against rapid changes in the market value of securities. There can be no assurance that the Advisor will be able to successfully hedge against any of the market moves that are likely to impact the Advisor's investment portfolio.

*Merger Arbitrage Trading Risk.* If, contrary to the expectations of the Advisor when an investment is made, either the transaction is not consummated as expected or is delayed in circumstances where the Advisor expected it to be consummated within a certain period of time, or the transaction is consummated in circumstances in which the Advisor did not expect it to be consummated, or an anticipated announcement of a transaction is either not forthcoming or does not fulfill expectations, the strategy may incur substantial losses. In view of the premium (over the price which would otherwise prevail) which can be attracted by securities of companies involved in corporate or capital reorganizations where risk arbitrage opportunities occur, the level of profit or loss can be greater than would normally be expected in the case of a typical equity investment.

*Volatility Trading Risk.* The Advisor's volatility trading strategy generally will be to utilize leverage to generate profits from all market movements and volatility arbitrage opportunities. Although the Advisor will strive to remain market neutral, at times the portfolios will employ hedged positions that express market directionality. Although the Advisor will attempt to hedge market risk and will adjust its hedged positions to address market movement, it may not be possible to hedge against rapid changes in the market value of securities. There can be no assurance that the Advisor will be able to successfully hedge against any of the market moves that are likely to impact its investments. The cash flows upon which the strategy depends can be eroded or impeded by a variety of factors. In such circumstances, the relationship between the Advisor's long and short positions combined with the market prices of those positions may result in losses to investors.

**The above risk factors do not purport to be a complete list or explanation of the risks involved in an investment advised by the Advisor. A more detailed discussion of risks is set out in the Offering Memoranda for the private investment funds.**

*C. Not applicable.*

#### **Item 9 - Disciplinary Information**

*Not applicable.*

#### **Item 10 - Other Financial Industry Activities and Affiliations**

*A. Not applicable.*

*B. Not applicable.*

*C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.*

- 1. broker-dealer, municipal securities dealer, or government securities dealer or broker**

*Not applicable.*

2. **investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)**

We and our related persons manage a number of pooled investment vehicles which are deemed to be our related persons. These vehicles include AM Investment D (QP) Fund, L.P., AM Investment E Fund, Ltd, AM Investment MA Ericott Fund, L.P. and AM Investment MA Ericott Offshore Fund, Ltd. (collectively, the “Affiliated Funds”). Advisor or an affiliate of Advisor may manage additional pooled investment vehicles that may be organized by Advisor or an affiliate of Advisor in the future and in which existing and prospective clients may be solicited to invest.

The management of these pooled investment vehicles may result in conflicts of interests when we and our related persons allocate their time and investment opportunities among the Affiliated Funds and other clients. In addition, the compensation earned by us and our related persons from each of the Affiliated Funds may differ from one another and other clients. Also, our Principals (and/or other related persons) may have a greater portion of their personal assets invested in certain of the Affiliated Funds than in the others. We and our related persons will generally follow documented procedures in allocating trades among such Affiliated Funds and other clients (*see Item 12, Section A.4, “Allocation of Investment Opportunities” below*).

Subject to applicable law, we may effect transactions (generally for rebalancing purposes and to correct misallocations of trades) among client accounts (including the Affiliated Funds) in which one client account will purchase securities from or sell securities to another client account (including Affiliated Funds in which we or our related persons may have a significant interest). This may result in a conflict of interest because a potential transaction may result in benefits to one transacting party that may be greater than the benefits to the other transacting party. In order to mitigate such conflicts, we effect such transactions only when we believe that such transactions are in the best interests of the applicable clients. Such transactions shall be effected for cash consideration, generally at the closing price of the particular security, and no brokerage commission or transfer fee shall be paid to us or our related persons in connection with any such transaction.

3. **other investment adviser or financial planner**

AM Investment General Partner, LLC and AM Investment General Partner II, LLC serve as the general partner to certain of the Affiliated Funds. There are no material conflicts of interest resulting from the relationship between us and these other investment advisers other than any conflicts described in Item 10, section C.2 above.

4. **futures commission merchant, commodity pool operator, or commodity trading advisor**

*Not applicable.*

5. **banking or thrift institution**

*Not applicable.*

**6. accountant or accounting firm**

*Not applicable.*

**7. lawyer or law firm**

*Not applicable.*

**8. insurance company or agency**

*Not applicable.*

**9. pension consultant**

*Not applicable.*

**10. real estate broker or dealer**

*Not applicable.*

**11. sponsor or syndicator of limited partnerships.**

*Not applicable.*

D. *Not applicable.*

**Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

- A. The Advisor has adopted a Code of Ethics designed to ensure, among other things, that the personal securities transactions of the Advisor's principals, employees, and affiliates do not conflict with transactions effected on behalf of Client Accounts. The Code of Ethics is based on the core principle that the Advisor and its employees owe a fiduciary duty to clients. Thus, employees of the Advisor must (i) place the interest of Client Accounts first, (ii) avoid taking inappropriate advantage of their positions with the Advisor, and (iii) conduct any personal securities transactions in full compliance with the Code of Ethics. While Advisor's employees may buy or sell securities in which Client Accounts also invest, the ability to do so for most financial instruments is contingent upon pre-approval by the CCO or his designee and usually requires minimum holding periods. A copy of the Advisor's Code of Ethics is available upon request from the Advisor's Chief Compliance Officer at the following address: AM Investment Partners, LLC One Liberty Plaza-27th FL, NY, NY 10006, or by phone at 212 508 8900.
- B. We recommend that prospective clients invest in the private investment funds we manage. Our Principals and other management persons have significant personal investments in these funds. In addition, we and our affiliates receive performance-based fees and allocations from these funds.

Subject to applicable law, we may effect transactions between client accounts (generally for rebalancing purposes and to correct misallocations of trades) whereby one client account will purchase securities from or sell securities to another client account (*see Item 10, Section C.2 above*).



- C. While Advisor's employees may buy or sell securities in which Client Accounts also invest, the ability to do so for most financial instruments is contingent upon pre-approval by the CCO or his designee and usually requires minimum holding periods.
- D. We may buy or sell securities for one client at the same time that we or our related persons buy or sell the same security for one or more other clients (including the Affiliated Funds which are our related persons). This will typically happen when more than one client is capable of purchasing or selling a particular security based on investment objectives, available cash and other factors. This may create a conflict of interest if one account may benefit from making the trade before or after the other account. We will generally aggregate trades, subject to best execution to avoid any such conflict of interest (*see Item 12, Section B "Aggregation of Orders"*).

Our Principals and employees may also trade securities for their own accounts that are the same securities that we are trading on behalf of our clients (*see Item 11, Section C*).

## Item 12 - Brokerage Practices

### A. Selection of Brokers

In placing portfolio transactions for our clients, we seek to obtain the best execution for clients' accounts, taking into without limitation the following: the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the "flow" that the broker has in a particular security; the operational efficiency and accuracy with which transactions are effected, taking into account the size of order and difficulty of execution; the financial strength, integrity and stability of the broker; the quality, comprehensiveness and frequency of available research services and other services considered to be of value; the competitiveness of commission rates in comparison with other brokers satisfying the Advisor's other selection criteria; the ability to commit capital to trades as necessary; and the nature and value of any other investment-related services that may be provided in conjunction with brokerage.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. We will not commit to provide any level of brokerage business to any broker.

On at least an annual basis, our trading review committee periodically evaluates the execution performance of the broker-dealers we use to execute client transactions. The trading review committee also evaluates, and seeks to resolve, any conflicts of interest that we may have in selecting brokers to execute client transactions.

#### 1. Research and Other Soft Dollar Benefits

We enter into soft dollar arrangements with brokers. Soft dollar arrangements arise when an investment adviser obtains products and services, other than securities execution, from a broker in return for directing client securities transactions to the broker. Soft dollar arrangements pose a conflict of interest for us in that such arrangements allow us to pay for products and services with client commissions expenses that would otherwise be borne by us. When we use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, we receive a benefit because we do not have to produce or pay for the research, products or services. We believe that this conflict is

mitigated because our clients will generally pay for research as a “hard dollar” expense pursuant to their respective investment management agreements. We may have an incentive to select a broker based on our interest in receiving the research or other products or services offered by such broker, rather than on our clients’ interests in receiving most favorable execution.

When engaging in soft dollar transactions, we comply with the safe harbor requirements of Section 28(e) of the Securities Exchange Act of 1934, as amended. Under this provision, in exercising our discretionary authority to select or arrange for the selection of brokers for execution of transactions for our clients, and, subject to our duty to obtain best execution, we may consider the value of research and brokerage products and services (collectively, “Research”) provided by such brokers. Research may include, among other things, proprietary research from brokers, which may be written or oral, databases and quotation services, research concerning market, economic and financial data, a particular aspect of economics or on the economy in general, statistical information, pricing data and availability of securities, financial publications, electronic market quotations, performance measurement services, analyses concerning specific securities, companies, industries or sectors, market, economic and financial studies and forecasts, appraisal services, and invitations to attend conferences or meetings with management or industry consultants. Accordingly, if we determine in good faith that the amount of commissions charged by a broker is reasonable in relation to the overall value of the brokerage and products or services provided by such broker, a client may pay commissions to such broker in an amount greater than the amount another broker might charge.

Research provided by such brokers may be used to service all client accounts and not exclusively in connection with the management of the client account that generated the particular soft dollar credits.

Where a product or service obtained with client commission dollars provides both research and non-research assistance to us, we will make a reasonable allocation of the cost which may be paid for with client commission dollars.

Our prime brokers provide us with front and back office services, including trading, securities lending, clearing, reporting, and settlement for equities, fixed income, foreign currency and options, among other services. Subject to applicable law, our prime brokers may also provide us with capital introduction services.

We execute securities transactions on behalf of client accounts with broker-dealers that provide us with access to proprietary research reports. To our knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. These bundled services are made available to us on an unsolicited basis and without regard to the rates of commissions charged or paid by client accounts or the volume of business that we direct to such broker-dealers.

During our last fiscal year, we acquired with client brokerage commissions (or markups or markdowns) (i) research, such as proprietary research from brokers,

which may have been written and/or oral; (ii) research products, such as databases and quotation services; (iii) consulting services; and (iv) research services, such as research concerning market, economic and financial data; a particular aspect of economics or on the economy in general; statistical information; pricing data and availability of securities; financial publications; electronic market quotations; performance measurement services; analyses concerning specific securities, companies, industries or sectors; market, economic and financial studies and forecasts; appraisal services; and invitations to attend conferences or meetings with management or industry consultants.

During our last fiscal year, we have taken into account the quality, comprehensiveness and frequency of available research services and products considered to be of value provided by brokers when directing client transactions to a particular broker. We directed transactions to such brokers only consistent with best execution. Brokers sometimes suggest a level of business they would like to receive in return for the research services and products they provide, however we have not committed to provide any level of brokerage business to any broker. Our trading review committee also evaluated the execution performance of the broker-dealers we use to execute client transactions and resolved any conflicts of interest that we may have had in selecting brokers to execute client transactions.

When creating its initial hedged position for convertible bond arbitrage clients, the Advisor frequently purchases convertible bonds of an issuer and sells short the issuer's common stock. As is the standard in the industry, the Advisor, to avoid assuming risk in the stock price, will normally conduct the equity transactions with the broker-dealer from which it purchases the convertible bonds. The same may be true when composite option and stock positions are established.

2. Brokerage for Client Referrals

Subject to applicable law, we may direct some client brokerage business to brokers who refer prospective investors to the private investment funds we manage, consistent with best execution. Because such referrals, if any, are likely to benefit us but will provide an insignificant (if any) benefit to our clients, we have a conflict of interest with our clients when allocating client brokerage business to a broker who has referred investors to us. To prevent client brokerage commissions from being used to pay investor referral fees, we will not allocate client brokerage business to a referring broker unless we determine in good faith that the commissions payable to such broker are not materially higher than those available from non-referring brokers offering services of substantially equal value to the client account.

3. Directed Brokerage.

*Not applicable.*

**B. Aggregation of Orders**

Specific investment opportunities may be appropriate for certain Client Accounts and not for other Client Accounts, or may be appropriate for investment by Client Accounts at equivalent or different levels. Investment opportunities for Client Accounts with the same investment objectives will generally be aggregated, subject to best execution. Client Accounts will normally be allocated investment opportunities on a pro rata basis, based on assets under management (subject to individual Client Account restrictions, such as leverage and new issue restrictions); allocation of investment opportunities for Client Accounts with different investment objectives will be made at the discretion of the Advisor. Investment opportunities that cannot be allocated pro rata (e.g., because of limited availability) will be allocated on a fair and equitable basis, as determined by the Investment Manager.

**Trade Error Policy**

The Advisor may on occasion experience errors with respect to trades executed on behalf of its Clients. Trade errors can result from a variety of situations, including, for example, when the wrong security is purchased or sold, the correct security is purchased or sold but for the wrong account (or there is an error in the allocation across accounts), or the wrong quantity is purchased or sold (e.g., 1,000 shares instead of 10,000 shares are traded or when a misallocation among Clients occurs). Trade errors may result in losses or gains. The Advisor will endeavor to detect trade errors prior to settlement and correct and/or mitigate them in an expeditious manner. To the extent an error is caused by a third party such as a broker-dealer, the Advisor will strive to recover any losses associated with such error from such third party. Unless the Advisor determines that a trade error has occurred as a result of gross negligence on its part, any losses will be borne by (and any gains will benefit) the appropriate Clients.

We may correct misallocations of trades among client accounts by re-allocating the applicable trade using the intended allocation methodology prior to the trade's settlement date. If an erroneous allocation cannot be corrected prior to or after settlement, we may, if appropriate and subject to applicable law, correct such erroneous allocation by effecting a cross trade between client accounts at the price at which the initial trade was effected.

**Item 13 - Review of Accounts**

- A. Client portfolios are reviewed daily, and their performance analyzed, by our investment professionals, including, but not limited to Mark Friedman and each strategy's portfolio managers. Client portfolios are also reviewed by members of our operations team to monitor compliance with the applicable trading mandate and any applicable risk and/or operating guidelines. The Chief Compliance Officer is also involved in the review of trading activity and account allocations.
- B. *Not applicable.*
- C. We may, in our discretion, furnish investors in the private investment funds with periodic written unaudited performance reports on a monthly basis. On an annual basis, investors receive a copy of the relevant fund's annual audited financial statements and, where applicable, a statement of taxable income (form K-1).

We provide the owners of the separately managed accounts we manage with periodic unaudited reports at such times as mutually agreed upon. The custodians of such

accounts send account statements to the owners of such accounts no less frequently than monthly. In addition, since a managed account investor directly owns the positions in its separately managed account, such investor may have full, real-time transparency as to all transactions and holdings in such account, and may be better able to assess the future prospects of a portfolio that is substantially similar to the portfolios of the private investment funds managed by us. The investors in such separately managed accounts may have the right to withdraw all or a portion of their capital from such managed accounts on shorter notice and/or with more frequency than the terms applicable to an investment in the private investment funds we manage.

**Item 14 - Client Referrals and Other Compensation**

We enter into soft dollar arrangements with brokers pursuant to which we obtain certain research and brokerage products and services in return for directing client securities transactions to the broker (*see Item 12, Section A "Selection of Brokers"*).

**Item 15 - Custody**

We will send you an invoice for the payment of our advisory fees, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. We will also provide statements to you reflecting the amount of advisory fee deducted from your account. You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement.

As noted above in Item 13, Section C, owners of the separately managed accounts we manage will receive account statements no less frequently than monthly from the custodians of such accounts. Clients should carefully review these statements that are received from the custodians of such accounts.

**Item 16 - Investment Discretion**

We have discretionary authority to manage securities accounts on behalf of our clients. The investors in the private investment funds generally may not place any limits on our authority beyond the limitations set forth in the offering and governing documents of such private investment funds. On a case by case basis, owners of the separately management accounts we manage may negotiate certain risk and/or operating guidelines that we will adhere to when exercising our discretionary authority over such accounts.

**Item 17 - Voting Client Securities**

We generally have voting discretion over securities held in Client Accounts. Clients are generally not able to direct their votes in a particular situation. We will exercise our discretion in the best interests of our clients. In fulfilling our obligations to our clients, we will act in a prudent

and diligent manner intended to enhance the economic value of the securities. We have adopted a proxy voting policy which is summarized below.

We have implemented a proxy voting policy (the "Policy") to ensure that proxies received in respect of securities held in Client Accounts are voted to further the interests of the relevant Client and in a manner consistent with its investment philosophy, as set forth in the relevant investment management documents. The Policy establishes a mechanism to address conflicts of interests between the Investment Manager and the Client.

The Advisor does not vote proxies received for securities that are no longer held in a Client's account.

If a proxy vote creates a material conflict between the interests of the Investment Manager and a Client, the Investment Manager will resolve the conflict before voting the proxies. The Investment Manager will either disclose the conflict to the Client and obtain consent from the Client to vote, or take other steps designed to ensure that a decision to vote the proxy was based on the Investment Manager's determination of the Client's best interest.

A client may obtain information about how we voted securities in the private investment fund or other account in which the client is invested by contacting us at the address set forth on the cover page of this brochure.

#### **Item 18 - Financial Information**

*Not applicable.*

#### **Item 19 - Requirements for State-Registered Advisers**

*Not applicable.*