

Latigo Partners, L.P. Part 2A of Form ADV The Brochure

450 Park Avenue
New York, NY 10022
(212) 754-1610

Updated: March 2012

This brochure provides information about the qualifications and business practices of Latigo Partners, L.P. (“Latigo” or the “Company”). If you have any questions about the contents of this brochure, please contact us at 212-754-1610. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Latigo is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Material Changes

Latigo's most recent update to Part 2A of Form ADV was made in October 2011. Since our last update, Latigo's financial industry affiliations have changed. Specifically, Latigo is no longer affiliated with SEG Latigo Advisors, L.P. Additionally, certain private investment funds previously advised by SEG Latigo Advisors, L.P. are now under the management of Latigo. These private investment funds are included in the Advisory Business and Types of Clients sections below.

Table of Contents

| | |
|---|----|
| Material Changes..... | 2 |
| Table of Contents | 2 |
| Advisory Business | 2 |
| Fees and Compensation..... | 2 |
| Performance Based Fees and Side-by-Side Management | 3 |
| Types of Clients..... | 3 |
| Methods of Analysis, Investment Strategies and Risk of Loss | 3 |
| Disciplinary Information | 4 |
| Other Financial Industry Activities and Affiliations | 4 |
| Code of Ethics, Participation or Interest in Client Transactions and Personal Trading | 4 |
| Brokerage Practices | 6 |
| Review of Accounts | 9 |
| Client Referrals and Other Compensation..... | 9 |
| Custody..... | 9 |
| Investment Discretion..... | 10 |
| Voting Client Securities | 10 |
| Financial Information | 10 |

Advisory Business

Latigo Partners, a Delaware limited partnership formed in May 2005 by David Sabath and David Ford, provides investment management services to client accounts. Additional detailed information about Latigo is provided below, including information about Latigo's advisory services, investment approach, personnel, affiliations and brokerage practices. As of January 1, 2012 the Company managed roughly \$270.1 million of regulatory assets under management on a discretionary basis for Latigo Partners MA2, L.P., Latigo Ultra Master Fund, Ltd. and its feeder funds, Latigo Ultra Fund, Ltd., Latigo Ultra Fund, L.P., Latigo Ultra Intermediate Fund, Ltd., and Latigo Ultra Access Fund, Ltd., and Latigo Advisors Master Fund, Ltd., and its feeder funds, Latigo Advisors Onshore Fund, L.P., Latigo Advisors Offshore Fund, Ltd., and Latigo Advisors Intermediate Fund, Ltd., all private investment funds and collectively (the "Funds").

Fees and Compensation

Latigo is paid the following fees for its management of client accounts: (1) a management fee that ranges from 1.5% to 2.0% (annualized) that is calculated and payable quarterly in advance, excluding, in each case, the accrual of any performance allocation; and (2) a performance allocation that ranges from 17.5%

to 20% (annualized) that is calculated and payable either semi-annually or annually. Fees and terms are not negotiable except in limited circumstances at Latigo's sole discretion.

Any closing fees, options or break-up fees (net of expenses of transactions not completed) paid to Latigo or its affiliates as a result of an investment (collectively, the "Transaction Fees") generally will reduce the management fee payable by clients. It is possible that Transaction Fees for a particular quarter may exceed the amount of clients' management fees for such quarter. If this occurs, the excess generally will be applied to reduce Management Fees in subsequent quarters. Other types of fees paid to Latigo from companies in which clients invest may not reduce the management fee.

Performance Based Fees and Side-by-Side Management

As stated in the Fees and Compensation section above, Latigo can charge performance based fees which are fees based on a share of capital gains on or capital appreciation of the client's assets.

The fact that Latigo is compensated based on the trading profits may create an incentive for Latigo to make investments on behalf of clients that are riskier or more speculative than would be the case in the absence of such compensation. In addition, the performance based fee received by Latigo is based primarily on realized and unrealized gains and losses. As a result, the performance based fee earned could be based on unrealized gains that clients may never realize.

Types of Clients

Latigo provides investment management advice to the following private investment funds: Latigo Partners MA2, L.P., Latigo Ultra Master Fund, Ltd. and its feeder funds, Latigo Ultra Fund, Ltd., Latigo Ultra Fund, L.P., Latigo Ultra Intermediate Fund, Ltd. and Latigo Ultra Access Fund, Ltd., and Latigo Advisors Master Fund, Ltd., and its feeder funds, Latigo Advisors Onshore Fund, L.P., Latigo Advisors Offshore Fund, Ltd., and Latigo Advisors Intermediate Fund, Ltd.

Methods of Analysis, Investment Strategies and Risk of Loss

Depending on market conditions, strategies may include, without limitation, U.S. and non-U.S. distressed securities, relative value trading, credit arbitrage, and other catalyst driven trading. Latigo seeks to exploit overvalued and undervalued opportunities as well as other inefficiencies in the market, and as a result, Latigo will enter into both long and short positions. Latigo will primarily trade bank debt, corporate bonds, trade claims, credit derivatives and equities. Latigo also may trade in other securities and instruments that it believes to provide attractive opportunities, which may include, without limitation, U.S. and non-U.S. equity-related securities, other fixed-income securities not described above, certain real estate-related securities, warrants, options, swaps and other derivative instruments, U.S. government securities, commercial paper, certificates of deposit and other cash equivalents (collectively, "Financial Instruments"). Investments in Financial Instruments may be made on exchanges and over-the-counter. Latigo may invest clients' excess cash balances in short-term investments.

Investment Risks. Investing entails a significant degree of risk and therefore should be undertaken only by clients capable of evaluating the risks presented by the investment strategy. Set forth below is a non-exhaustive list of such risks, however, prospective clients are encouraged to review the risks with Latigo:

1. Dependence on Latigo
2. Regulatory risks

3. Illiquidity of investments in clients' portfolio
4. Investments in troubled and leveraged companies
5. Risk inherent in investment strategies
6. Use of leverage and margin
7. Portfolio concentration risk
8. Short selling risk
9. Purchase of small and medium capitalization companies
10. Counterparty risk
11. Risk inherent in investments
12. Non-U.S. investments
13. Exchange rate exposure
14. Use of derivatives

Risk of Loss. Investments are highly speculative. Clients may not be successful in meeting its performance objectives. Clients should not invest with Latigo unless they can bear the risk of a complete loss of their principal. There is no assurance that clients will be able to generate returns or that the returns will be commensurate with the risks inherent in their investment strategy. The past investment performance of Latigo is not indicative of future results.

Disciplinary Information

Latigo and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

Other Financial Industry Activities and Affiliations

Latigo is affiliated with Latigo Partners GP LLC, which is the general partner of Latigo. Latigo is also affiliated with Latigo GP, LLC, the general partner of certain Funds managed by Latigo. Latigo does not believe that its affiliation with Latigo Partners GP LLC or Latigo GP, LLC create any material conflict of interests with its clients.

From time-to-time, Latigo may structure and serve as the general partner to special-purpose vehicles ("SPV's") formed for the purpose of acquiring and holding client assets and addressing specific tax, legal, or regulatory concerns. The SPV's are pass-through entities that receive no management fees, performance fees or other economic benefit in connection with the acquisition of client assets.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

Latigo strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. In seeking to meet these standards, Latigo has adopted a Code of Ethics (the "Code"). The Code incorporates the following general principles that all employees are expected to uphold: employees must at all times place the interests of clients first; all personal securities transactions must be conducted in a manner consistent with the Code and any actual or potential conflicts of interest or any abuse of an employee's position of trust and responsibility must be avoided; employees must not take any inappropriate advantage of their positions; information concerning the identity of securities and

financial circumstances of clients must be kept confidential; and independence in the investment decision-making process must be maintained at all times. The Code also places restrictions on personal trades by employees, including that they disclose their personal securities holdings and transactions to Latigo on a periodic basis, and requires that employees pre-clear certain types of personal securities transactions. *A copy of the Code is available by contacting Latigo at the address or telephone number listed on the first page of this document.*

Latigo also maintains insider trading policies and procedures (the "Insider Trading Policies") that are designed to prevent the misuse of material, non-public information. Latigo's personnel are required to certify to their compliance with the Code, including the Insider Trading Policies, on an annual basis.

Investment Activities of Latigo and its Personnel

Latigo's employees must obtain written approval from the Chief Compliance Officer before purchasing or selling any "covered security" defined as such under the Investment Advisers Act of 1940 (the "Advisers Act") other than (i) transactions in which an employee has no direct or indirect influence or control; (ii) transactions pursuant to an automatic investment plan; (iii) purchases effected upon the exercise of rights issued by an issuer pro rata to all holders of a class of its securities; and (iv) acquisitions of securities through stock dividends, stock splits, reverse stock splits, mergers, consolidations, spin-offs and other similar corporate reorganizations.

In determining whether to approve personal securities trading by employees, the Chief Compliance Officer will take into consideration the following procedures and principles:

- Comparison to "watch list" of issuers that Latigo is analyzing or recommending transactions to clients, and placing prohibitions on personal trading in securities of issuers on the watch lists.
- Comparison to "restricted list" of issuers that Latigo has material non-public information, and placing prohibitions on any trading (for clients or for personal accounts) in securities of issuers on the restricted lists.
- Monitoring of "blackout periods", when client securities trades are being placed or recommendations are being made and during which employees are not permitted to place personal securities transactions.
- Determining whether investment opportunities should be offered first to clients before Latigo or its employees act on them.

Latigo's principals are permitted to liquidate covered securities, provided that if such covered security is owned by any of the Funds, the advance written consent of the Chief Compliance Office to such sale is required. Principals will not otherwise engage in personal securities trading.

Restrictions Due to Insider Information

Latigo's Insider Trading Policies prohibit Latigo and its personnel from trading for clients or themselves, or recommend trading, in securities of a company while in possession of material, non-public information ("Inside Information") about the company, and from disclosing such information to any person not entitled to receive it. By reason of its various activities, Latigo may have access to Inside Information or be restricted from effecting transactions in certain investments that might otherwise have been initiated. Latigo has designed and implemented policies and procedures reasonably designed to shield its investment professionals in most cases from access to Inside Information so that investment decisions may be made on

the basis of public information only. Among other things, such policies seek to control and monitor the flow of Inside Information to and within Latigo, as well as prevent trading based on Inside Information. Accordingly, Latigo may not have access to Inside Information that other market participants or counterparties are eligible to receive.

Notwithstanding such policies and procedures, there may be certain cases where Latigo either may receive Inside Information due to its various activities on behalf of itself or clients or may be restricted in acting for clients, resulting in limited liquidity or the inability to use such information for the benefit of certain clients in specific securities. Latigo seeks to minimize those cases whenever possible, consistent with applicable law and its Insider Trading Policies, but there can be no assurance that such efforts will be successful and that such restrictions will not occur.

Additional Considerations

Clients will be subject to a number of actual and potential conflicts of interest involving Latigo and its affiliates. However, Latigo and its affiliates have substantial incentives to see the assets in client portfolios appreciate in value, and merely because an actual or potential conflict of interest exists does not mean that it will be acted upon to the detriment of clients.

Latigo and its affiliates are not restricted from entering into other investment advisory relationships or from engaging in other business activities, even if such activities may be in competition with client accounts and/or may involve substantial time and resources of Latigo. These activities could be viewed as creating a conflict of interest in that the time and effort of the investment team will not be devoted exclusively to clients, but will be allocated among clients and the other activities of Latigo. Clients may engage in agency, agency cross and principal transactions with affiliates of Latigo to the extent permitted by applicable securities laws.

Brokerage Practices

Clients' portfolio transactions will be allocated to brokers on the basis of best execution and in consideration of a broker's ability to effect the transactions, its facilities, reliability and financial responsibility and the provision or payment by the broker of the costs of research and research-related services which are of benefit to clients and Latigo. Accordingly, the commission rates (or dealer markups and markdowns arising in connection with riskless principal transactions) charged to clients by brokers in the foregoing circumstances may be higher than those charged by other brokers who may not offer such services. The use of commission or "soft" dollars (or dealer markups and markdowns arising in connection with riskless principal transactions) for research and research-related services will come within the safe harbor for the use of soft dollars provided under Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended.

Subject to the considerations described above, the selection of a broker to execute transactions, provide financing and securities on loan, hold cash and short balances and provide other services may be influenced by, among other things, the provision by the broker of the following: capital introduction, marketing assistance, consulting services with respect to technology, operations, equipment and office space, commitment of capital, access to company management and access to deal flow. Neither Latigo nor clients separately compensate any broker for any of these other services.

From time to time, a client may request that Latigo direct brokerage to a specific broker. Latigo will review each request on a case-by-case basis, and subject to regulatory requirements, determine whether or not to honor such request.

Brokers sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker may be less than the suggested allocation, but can (and often should be expected to) exceed the suggested level, because total brokerage will be allocated on the basis of all of the considerations described above. A broker will not be excluded from receiving business because it has not been identified as providing research products or services.

Securities transactions can be expected to generate brokerage commissions and other costs, all of which clients will be obligated to pay. Latigo will generally have discretion in deciding what brokers/dealers to use and in negotiating the rates of compensation clients will pay. In addition to using brokers as "agents" and paying commissions, Latigo may buy or sell securities directly from or to dealers acting as principals at prices that include markups or markdowns.

If Latigo decides, based on the factors set forth above, to execute over-the-counter transactions on an agency basis through Electronic Communications Networks ("ECNs"), it will also consider the following factors when choosing to use one ECN over another: the ease of use, the flexibility of the ECN compared to other ECNs, and the level of care and attention that will be given to smaller orders. Latigo maintains policies and procedures to review the quality of executions, including periodic reviews by its investment professionals.

Soft Dollar Usage

As described above, from time to time, Latigo may pay a broker-dealer commissions (or markups or markdowns with respect to certain types of riskless principal transaction) for effecting client transactions in excess of that which another broker-dealer might have charged for effecting the transaction in recognition of the value of the brokerage and research services provided by the broker-dealer. Latigo will effect such transactions, and receive such brokerage and research services, only to the extent that they fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934. Latigo believes it is important to its investment decision-making processes to have access to independent research.

Generally, research services provided by broker-dealers may include research reports on particular industries and companies, economic surveys and analyses, recommendations as to specific securities, quantitative analytics relevant to stock selection and risk control, and other products and services (*e.g.*, quotation equipment and computer costs and expenses) providing lawful and appropriate assistance to Latigo in the performance of its investment decision-making responsibilities. Such research services are received primarily in the form of written reports, telephone contacts, and personal meetings with security analysts. In addition, such research services may be provided in the form of access to various computer-generated data, computer hardware and software, and meetings arranged with corporate and industry spokespersons, economists, academicians, and government representatives. In some cases, research services are generated by third parties but are provided to Latigo by or through broker-dealers.

Also, consistent with Section 28(e), research products or services obtained with "soft dollars" generated by one or more client may be used by Latigo to service other clients. Where a product or service obtained with soft dollars provides both research and non-research assistance to Latigo (*i.e.*, a "mixed use" item), Latigo will make a reasonable allocation of the cost which may be paid for with soft dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest may exist by reason of Latigo's allocation of the costs of such benefits and services between those that primarily benefit Latigo and those that primarily benefit clients.

Cross and Principal Trades

Latigo and its personnel do not purchase or sell any securities for their own accounts to or from clients. However, from time to time, subject to applicable restrictions under the Employee Retirement Income Security Act of 1974, as amended, ("ERISA") as well as client's investment guidelines and restrictions, Latigo may direct one client to sell securities to another client through an internal cross transaction in which neither Latigo nor a related person will receive compensation. Any such transaction will be effected based on the then current independent market price and consistent with valuation procedures established by Latigo. Such cross transactions generally will be made without brokerage commissions or dealer markups being charged. To the extent that any such cross transaction may be viewed as a principal transaction due to the ownership interest in the Fund by Latigo and its personnel, Latigo will comply with the requirements of Section 206(3) of the Advisers Act, including that Latigo will notify the clients in writing of the transaction and obtain the consent of the clients.

Trade Errors

Latigo, as applicable, 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 the wrong quantity is purchased or sold (e.g., 1,000 shares instead of 10,000 shares are traded or when a misallocation among Funds occurs). Trade errors may result in losses or gains. Latigo 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, Latigo will strive to recover any losses associated with such error from such third party. Unless Latigo 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 applicable client. Latigo has established internal policies regarding the manner in which such trade error determinations are made. In making such determinations, Latigo will have a conflict of interest.

Trade Allocation and Aggregation Policies and Procedures

If it is determined by Latigo that it would be appropriate for more than one client to participate in an investment opportunity, Latigo generally will seek to execute orders for all of the participating clients on an equitable basis, taking into account such factors as the relative amounts of capital available for investments and clients' investment programs and portfolio positions. These orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. In an "average price" account, purchase and sale orders placed during a trading day on behalf of clients are combined, and securities bought and sold pursuant to such orders are allocated among all such clients on an average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different clients on a basis which Latigo considers equitable.

Average pricing, however, is not permitted under applicable U.S. Commodities Futures Trading Commission regulations and, therefore, to the extent clients engage in futures transactions, it is possible that different accounts will have orders for such transactions filled at different prices.

Latigo will have no obligation to purchase, sell or exchange any security or financial instrument for one client which Latigo may purchase, sell or exchange for another client if Latigo believes in good faith at the time the investment decision is made that such transaction or investment would be unsuitable, impractical or undesirable for a particular client.

Additional factors that Latigo may take into account include, among others, the nature and size of the proportion of a securities issue likely to be available to Latigo or the nature and size of the proposed sale; the investment objectives and restrictions on clients; the relative size and cash availability of the applicable strategy within a client account; the ability to borrow and the cost of borrowed funds; tax consequences; legal restrictions, including those that may arise in foreign jurisdictions; the liquidity of the investment relative to the need of each client; the degree of specialization of a client relative to the investment offered; the relative historical participation of a client in the investment; the difficulty of liquidating an investment for more than one client; the possibility that an allocation may result in a small or odd lot; new clients with a substantial amount of investable cash; and other factors considered relevant.

Review of Accounts

Latigo performs various daily, weekly, monthly, quarterly and periodic reviews of client portfolios. Such reviews are conducted by the portfolio managers and research analysts.

Latigo may participate in monthly portfolio reviews with clients at the client's request at Latigo's discretion, which reviews are attended by the appropriate members of Latigo's investment staff.

The beneficial owners of the Funds receive monthly reports from Latigo that include information regarding the portfolio.

Client Referrals and Other Compensation

Latigo does not directly or indirectly compensate any third-party for client referrals.

Latigo may effect securities transactions through a number of broker-dealers. By virtue of it conducting business with broker-dealers, in addition to the soft dollar products and services discussed in the Trading Practice section above, Latigo may receive certain economic benefits from such broker-dealers which would not be received if Latigo did not transact through the broker-dealers. These benefits may include, but are not limited to: access to an electronic communication network for order entry and account information; receipt of proprietary research; and participation in broker-dealer sponsored research conferences. Latigo understands that the benefits received through its relationship with the broker-dealers generally do not depend upon the amount of transactions directed to, or amount of assets custodied by, the broker-dealers.

Custody

With the exception of certain investments that are defined as “privately offered securities” per Rule 206(4)-2 under the Investment Advisers Act of 1940 (the “Custody Rule”), client assets will be held in custody by “qualified custodians”.

Notwithstanding the foregoing, Latigo’s authority over the account may enable it to access client assets and Latigo has developed procedures that ensure the safeguarding and protection of the assets. With respect to its management of any private funds, Latigo will generally seek to rely on the “private fund exception” to ensure compliance with the Custody Rule. Specifically, clients that are private funds will be subject to an annual audit and the audited financial statements will be distributed to the private fund investors. The audited financial statements are prepared in accordance with generally accepted accounting principles, issued with an unqualified opinion, and distributed within 120 days of the private funds’ fiscal year ends.

Investment Discretion

Latigo will generally manage client accounts on a fully discretionary basis which generally includes the authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions or markups and markdowns paid. Notwithstanding, Latigo's investment authority is limited by its own internal policies and procedures and the agreements governing the client relationship.

Voting Client Securities

The Securities and Exchange Commission adopted Rule 206(4)-6 under the Advisers Act, which requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. In compliance with such rules, Latigo has adopted proxy voting policies and procedures. The general policy is to vote proxy proposals, amendments, consents or resolutions relating to client securities, including interests in private investment funds, if any, in a manner that serves the best interests of clients, as determined by Latigo in its discretion, taking into account the following factors: (i) the impact on the value of the investments; (ii) the anticipated associated costs and benefits; (iii) the continued or increased availability of portfolio information; and (iv) industry and business practices. In limited circumstances, Latigo may refrain from voting proxies where Latigo believes that voting would be inappropriate taking into consideration the cost of voting the proxy and the anticipated benefit to clients. *A copy of Latigo's proxy voting policy and the proxy voting record relating to a client of Latigo may be obtained by contacting Latigo at the address or telephone number listed on the first page of this document.*

From time to time, Latigo may receive notices regarding class action lawsuits involving securities that are or were held by clients. As a matter of policy, Latigo refrains from serving as the lead plaintiff in class action matters and also refrains from submitting proofs of claim where Latigo believes that either the recovery amounts are likely to be negligible or Latigo cannot be assured of confidential treatment of the data submitted in connection with the proof of claim. As a result, Latigo, in most cases, does not expect to participate in class action law suits.

Financial Information

Latigo has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.