

Brochure

ARIS Capital Management, LLC

March 2012

This brochure provides information about the qualifications and business practices of ARIS Capital Management, LLC (the “Adviser”), an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). If you have any questions about the contents of this brochure, please contact us at 646-747-0100. This information has not been approved or verified by the SEC or by any state securities authority.

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

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

ARIS Capital Management, LLC
152 West 57th Street, 19th Floor
New York, New York 10019
Telephone: 646-747-0100
Fax: 212-310-0141
Website: www.ariscapital.com

TABLE OF CONTENTS

Item 4.	Advisory Business	3
Item 5.	Fees and Compensation	3
Item 6.	Performance-Based Fees and Side-by-Side Management.....	3
Item 7.	Types of Clients	4
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss.....	4
Item 9.	Disciplinary Information	8
Item 10.	Other Financial Industry Activities and Affiliations.....	8
Item 11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	8
Item 12.	Brokerage Practices	9
Item 13.	Review of Accounts	9
Item 14.	Client Referrals and Other Compensation	9
Item 15.	Custody.....	9
Item 16.	Investment Discretion	9
Item 17.	Voting Client Securities	10
Item 18.	Financial Information	10

Item 4. Advisory Business

The Adviser is an investment adviser with its principal place of business in New York, New York. The Adviser, a limited liability company organized under the laws of the state of Delaware, commenced operations as an investment adviser in 2004. Jason Papastavrou, Apostolos Peristeris and Marfin Popular Bank are the principal owners of the Adviser.

The Adviser provides discretionary investment advisory services and management services to ARIS Multi-Strategy Offshore Fund, Ltd., ARIS Multi-Strategy Plus Offshore Fund, Ltd., ARIS Multi-Strategy Fund, LP, ARIS Multi-Strategy Lending Fund, Ltd. and ARIS Multi-Strategy Offshore Fund Special Liquidation Vehicle, pooled investment vehicles intended for sophisticated investors and institutional investors that generally employ a hedge fund of funds investment strategy (collectively, the "Funds"). Except for ARIS Multi-Strategy Offshore Fund, Ltd., the Funds are in the process of being liquidated. While the Adviser does not intend to actively engage in new investment activities on behalf of ARIS Multi-Strategy Offshore Fund, Ltd., the Adviser may engage in any new investment activities on behalf of ARIS Multi-Strategy Offshore Fund, Ltd. non-redeeming investors.

The Adviser provides advice to the Funds based on specific investment objectives and strategies. The Adviser does not tailor advisory services to the individual needs of investors in the Funds (collectively, "Investors"). Investors may not impose restrictions on investing in certain securities or certain types of securities.

As of December 31, 2011, the Adviser had approximately \$91,275,818 assets under management, all on a discretionary basis.

Item 5. Fees and Compensation

ARIS Multi-Strategy Offshore Fund, Ltd., ARIS Multi-Strategy Offshore Fund Special Liquidation Vehicle and ARIS Multi-Strategy Lending Fund, Ltd. each pay the Adviser a quarterly management fee in arrears in an amount ranging from 1.0% to 1.75% per annum based on the value of the net assets of the respective Fund on the last day of the quarter (the "Management Fee"). The Management Fee will be prorated for any period that is less than a full quarter. The Adviser receives the Management Fee each quarter by instructing the Funds' administrator to deduct the Management Fee from the Funds' accounts.

In addition to the Management Fee, the Adviser or its affiliate may be paid or allocated annual performance-based compensation from ARIS Multi-Strategy Offshore Fund, Ltd., ARIS Multi-Strategy Lending Fund, Ltd., ARIS Multi-Strategy Plus Offshore Fund, Ltd. and ARIS Multi-Strategy Offshore Fund Special Liquidation Vehicle, which is compensation that is based on a share of capital appreciation of the assets of such Funds. This compensation rate is 10% in the case of ARIS Multi-Strategy Offshore Fund, Ltd., ARIS Multi-Strategy Lending Fund, Ltd. and ARIS Multi-Strategy Offshore Fund Special Liquidation Vehicle and 20% over a return in excess of 10% in the case of ARIS Multi-Strategy Plus Offshore Fund, Ltd. All the Funds are subject to a loss carryforward provision.

The Adviser or its affiliate may waive or reduce the Management Fee and/or the performance-based compensation for Investors that are employees or affiliates of the Adviser, relatives of such persons, and for any other investors.

Funds are also subject to other investment expenses such as fees and expenses of the administrator, investment expenses (i.e., expenses that are related to the investment of the Funds' assets, including, without limitation, transaction and custodial fees), legal expenses, external accounting, audit and tax preparation expenses and organizational expenses. Funds are invested in pooled investment vehicles. Such investment vehicles or accounts may charge an investment management fee and performance-based compensation and, in addition, the Funds will bear their pro rata share of the underlying fund's

operating and other expenses including, but not limited to, sales expenses, legal expenses, internal and external accounting, audit and tax preparation expenses, and organizational expenses.

Item 6. Performance-Based Fees and Side-by-Side Management

The Adviser and its investment personnel provide investment management services to multiple portfolios for multiple Funds. The Adviser is entitled performance-based compensation from certain Funds. In addition, the Adviser's investment personnel are typically compensated on a basis that includes a performance-based component. Certain Funds may have higher investment management fees than other Funds. When the Adviser and its investment personnel manage more than one Fund, a potential exists for one Fund to be favored over another.

The Adviser has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple Funds, including Funds with multiple fee arrangements, and the allocation of investment opportunities. The Adviser's policy is to allocate investment opportunities in an equitable manner and, if possible, to strive to allocate investment opportunities on a pro rata basis. Each Fund is reviewed on a periodic basis by the Chief Compliance Officer, with the assistance of the portfolio manager, if necessary, to determine whether the Funds are being managed in a manner that is consistent with the Funds' investment objectives, guidelines and/or restrictions. At least semi-annually, the Chief Compliance Officer, with the assistance of the portfolio manager, if necessary, will compare the performance of Funds with substantially similar investment objectives, guidelines and restrictions to ensure they are being treated equitably.

Item 7. Types of Clients

The Adviser's clients are the Funds. The initial and additional subscription minimums are disclosed in each Fund's offering memorandum.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

The Funds' investment objective is to generate consistent long-term capital appreciation with low volatility and limited risk under a wide range of market conditions. The Funds seek to achieve this objective by investing its assets with a diversified group of investment managers or in private funds sponsored by investment managers (collectively, "Hedge Fund Managers"). Although the Adviser does not intend to actively engage in any new investment activities, the Adviser may select new investments for ARIS Multi-Strategy Offshore Fund, Ltd. non-redeeming investors. However, the majority of the Adviser's activities involve seeking the return of capital invested with underlying hedge fund investments that have implemented restrictive repayment actions (i.e., gates, suspension, liquidation).

Historically, the Adviser's investment activities generally involved the following methods of analysis and investment strategies: The Adviser identifies Hedge Fund Managers from a variety of sources, including proprietary databases, commercial databases, conferences, industry publications and referrals. The Adviser then classifies prospective investments by asset categories, investment regions and particular strategies that it believes will likely produce attractive absolute returns in a particular economic environment. Allocations of investments among Hedge Fund Managers are generally determined based on factors such as analysis of the potential of such Hedge Fund Manager for long-term positive performance, correlation with other Hedge Fund Managers and the Hedge Fund Manager's expected contribution to the targeted risk/return profile of the Funds.

The Adviser subjects Hedge Fund Managers that satisfy the Adviser's investment philosophy to a process of due diligence, and it generally employs a qualitative and quantitative evaluation and monitoring process in selecting and reviewing the performance of Hedge Fund Managers in order to ensure that the diversification guidelines and risk control limits of the Fund are satisfied. However, in the event a Hedge Fund Manager does not have a sufficiently long track record, the Adviser's due diligence generally focuses more on a qualitative analysis.

These methods, strategies and investments involve risk of loss to Investors and Investors must be prepared to bear the loss of their entire investment.

Multiple Hedge Fund Managers. Because Hedge Fund Managers make their trading decisions independently, it is possible that one or more of such Hedge Fund Managers may, at any time, take investment positions that are opposite of positions taken by others. It is also possible that the Hedge Fund Managers may be competing with each other for similar positions at the same time. A Hedge Fund Manager may also take positions for its other clients that are opposite to positions taken for the Funds.

Access to Information. The Adviser requests information from each Hedge Fund Manager regarding the Hedge Fund Manager's historical performance and investment strategy, and also requests detailed portfolio information on a continuing basis from each Hedge Fund Manager. However, the Adviser may not always be provided with such information because certain of this information may be considered proprietary information by the particular Hedge Fund Manager. This lack of access to information may make it more difficult for the Adviser to select, allocate among, and evaluate Hedge Fund Managers.

Performance-Based Compensation Arrangements. Hedge Fund Managers are typically compensated, in whole or in part, based on the appreciation in value (including unrealized appreciation) of the account during specific measuring periods. Such arrangements may create an incentive for such Hedge Fund Managers to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangements. The Funds may be required to pay an incentive fee or allocation to the Hedge Fund Managers who make a profit for the Funds in a particular fiscal year even though the Funds may in the aggregate incur a net loss for such fiscal year.

Expenses May Be a High Percentage of Assets. Expenses (including the payment of fees to Hedge Fund Managers and the Funds' pro rata share of expenses of any Hedge Fund Manager) may be a higher percentage of net assets than would be found in other investment entities. Strategies utilized by certain Hedge Fund Managers may require frequent trading and, as a result, portfolio turnover and brokerage commission expenses may significantly exceed those of other investment entities of comparable size.

Lack of Diversification. Investment portfolios managed by Hedge Fund Managers may not be diversified among a wide range of types of securities, countries or industry sectors. Accordingly, such portfolios are subject to more rapid change in value than would be the case if the Hedge Fund Managers were required to maintain a wider diversification among types of securities and other instruments.

Short Selling Risk. Hedge Fund Managers engage in a significant amount of short selling. Short selling exposes capital to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein the Hedge Fund Manager might be compelled, at the most disadvantageous time, to replace the borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

Leverage. Performance may be more volatile if the Fund or Hedge Fund Managers employ leverage.

Relative Value Risk. In the event that the perceived mispricings underlying a Hedge Fund Manager's relative value trading positions were to fail to converge toward, or were to diverge further from, relationships expected by the Hedge Fund Managers, such investment portfolios may incur a loss.

Event-Driven Investing Risk. Due to the inherently speculative nature of event-driven investing, the results may fluctuate from period to period and are not expected to correlate with the direction of the equity markets. Accordingly, the results for a particular period will not necessarily be indicative of results which may be expected in future periods.

Distressed Situation Risk. Investment in distressed situations exposes the Hedge Fund Managers to significant risks, including the difficulty in obtaining information as to the issuer's true condition, regulatory risk, litigation risk and liquidity risk.

Hedging. There can be no assurances that a particular hedge is appropriate, or that certain risk is measured properly. Further, while the Hedge Fund Managers may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased risk.

Risk Arbitrage Securities. A merger, other restructuring, tender, or exchange offer proposed at the time a Hedge Fund Manager invests in risk arbitrage securities may not be completed on the terms or within the time frame contemplated, resulting in losses.

Security Futures and Options. In connection with the use of futures contracts and options, there may be an imperfect correlation between the change in market value of a security and the prices of the futures contracts and options in the account. Hedge Fund Managers' investments in security futures and options may encounter a lack of a liquid secondary market for a futures contract and the resulting inability to close a futures position prior to its maturity date.

Distressed Securities. Investments in equity or unrated or low grade debt securities of distressed companies are subject to greater risk of loss of principal and interest than higher-rated debt securities. Also, securities of distressed companies are generally more likely to become worthless than the securities of more financially stable companies.

Issuer-Specific Changes. Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's value. The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Smaller issuers can have more limited product lines, markets, or financial resources.

Interest Rate Risks. Generally, the value of fixed-income securities changes inversely with changes in interest rates. As interest rates rise, the market value of fixed-income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed-income securities tends to increase. This risk is greater for long-term securities than for short-term securities.

Equity Securities. The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geopolitical risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Non-U.S. Securities. Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments.

Emerging Markets. The risks of foreign investments typically are greater in less developed countries, sometimes referred to as emerging markets. For example, political and economic structures in these countries may be less established and may change rapidly. These countries also are more likely to experience high levels of inflation, deflation, or currency devaluation, which can harm their economies

and increase volatility. Restrictions on currency trading that may be imposed by such countries will have an adverse effect on the value of the securities of companies that trade or operate in such countries.

High Yield Securities. Hedge Fund Managers may invest in “high yield” bonds and preferred securities which are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Such securities are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be speculative with respect to the issuer’s capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower-rated securities, the yields and prices of such securities may tend to fluctuate more than those for higher-rated securities. The market for lower-rated securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such lower-rated securities.

Derivatives. Swaps and certain options and other custom derivative or synthetic instruments are subject to the risk of nonperformance by the counterparty to such instrument, including risks relating to the financial soundness and creditworthiness of the counterparty. In addition, investments in derivative instruments require a high degree of leverage, meaning the overall contract value (and, accordingly, the potential for profits or losses in that value) is much greater than the modest deposit used to buy the position in the derivative contract. Derivative securities can also be highly volatile. The prices of derivative instruments and the investments underlying the derivative instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the Fund or the Adviser. Further, transactions in derivative instruments are not undertaken on recognized exchanges, and will expose the Funds to greater risks than regulated exchange transactions that provide greater liquidity and more accurate valuation of securities.

Fixed-Income and Debt Securities. Investment in fixed-income and debt securities such as bonds, notes and asset-backed securities, subject portfolios to the risk that the value of these securities overall will decline because of rising interest rates. Such investments will also be subject to the credit risk created when a debt issuer fails to pay interest and principal in a timely manner, or that negative perceptions of the issuer’s ability to make such payments will cause the price of that debt to decline. Investments in debt securities will also subject the investments to the risk that the securities may fluctuate more in price, and are less liquid than higher-rated securities because issuers of such lower-rated debt securities are not as strong financially and are more vulnerable to adverse changes in the economy.

Illiquid Instruments. Certain instruments may have no readily available market or third-party pricing. Reduced liquidity may have an adverse impact on market price and a Hedge Fund Manager’s ability to sell particular securities when necessary to meet liquidity needs or in response to a specific economic event, such as the deterioration of creditworthiness of an issuer. Reduced liquidity in the secondary market for certain securities may also make it more difficult for the Hedge Fund Manager to obtain market quotations based on actual trades for the purpose of valuing a fund’s portfolio.

Commodities. Commodity investments are affected by business, financial market or legal uncertainties. There can be no assurance that the Hedge Fund Managers will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on its commodity investments. Prices of commodity investments may be volatile, and a variety of factors that are inherently difficult to predict, such as interest rates, domestic or international economic and political developments, may significantly affect the results of the Hedge Fund Managers’ portfolios and the value of their investments.

Mortgage-Backed Securities. Mortgage-backed securities are subject to credit risk associated with the performance of the underlying mortgage properties. Factors such as consumer spending habits, local economic and competitive conditions, tenant occupancy rates and regulatory or zoning restrictions, or the loss of a major tenant may adversely affect the economic viability of a mortgaged property. In addition,

these securities are subject to prepayment risk. Some securities have a structure that makes their reaction to interest rates and other factors difficult to predict, making their value highly volatile.

REITs. REITs are affected by underlying real estate values, interest rates, and rental rates, among other factors. Investments in REITs are also subject to the risk of interest rate volatility. Further, rising interest rates will cause investors in REITs to demand a higher annual yield from future distributions, which will in turn decrease market prices for equity securities issued by REITs. REITs are subject to risks inherent in operating and financing a limited number of projects because they are dependent upon specialized management skills, and have limited diversification. REITs depend generally on their ability to generate cash flow to make distributions to investors.

Item 9. Disciplinary Information

The Adviser and its management have not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction.

Item 10. Other Financial Industry Activities and Affiliations

The Adviser is not registered nor does it have an application pending to register as a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Jason Papastavrou is the Risk Manager and Apostolos Peristeris is the Operations/Compliance Officer and General Counsel at Empiric Asset Management, LLC ("Empiric"), a limited liability company that manages two private investment funds and a separately managed account (each, an "Empiric Fund"). The Adviser provides office space and infrastructure support to Empiric. Dr. Papastavrou and Mr. Peristeris received compensation from Empiric in 2011 and may receive compensation from Empiric in the future.

ARIS Multi-Strategy Offshore Fund, Ltd. invests in an Empiric Fund and in ARIS Multi-Strategy Lending Fund, Ltd. and is also the sole shareholder of ARIS Africa Fund, Ltd. ARIS Multi-Strategy Offshore Fund, Ltd. is not subject to any management fees or performance compensation with respect to such investments. ARIS Multi-Strategy Fund, LP also invested in an Empiric Fund and withdrew such investment in 2008. In accordance with the Adviser's policies and procedures designed to limit potential conflicts of interest, certain other Funds invest in Funds and entities affiliated with the Adviser.

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

The Adviser has adopted a Code of Ethics (the "Code") that obligates the Adviser and its personnel to put the interests of the Funds before their own interests and to act honestly and fairly in all respects in their dealings with Funds. All of the Adviser's personnel are also required to comply with applicable federal securities laws. Investors or prospective Investors may obtain a copy of the Code by contacting Apostolos Peristeris, Chief Compliance Officer by email at aperisteris@ariscapital.com or by telephone at 646-747-0100. See below for further provisions of the Code as they relate to the preclearing and reporting of securities transactions by personnel.

The Adviser, in the course of its investment management, may come into possession of confidential or material nonpublic information about issuers, including issuers in which the Adviser or its personnel have invested or seek to invest on behalf of Funds. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a Fund. The Adviser maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to ensure that the Adviser is meeting its obligations to Funds and remains in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material, nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security, but the Adviser will be prohibited from communicating such information to the Funds or using

such information for the Funds' benefit. In such circumstances, the Adviser will have no responsibility or liability to the Funds for not disclosing such information to the Funds (or the fact that the Adviser possesses such information), or not using such information for the Funds' benefit, as a result of following the Adviser's policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

A covered person may own securities in its personal account that are also recommended by the Adviser to the Funds. Such practices present a conflict where, because of the information the Adviser has, the Adviser or the covered person is in a position to trade in a manner that could adversely affect Funds (e.g., place their own trades before or after Fund trades are executed in order to benefit from any price movements due to the Funds' trades). In addition to affecting the Adviser's or its covered person's objectivity, these practices by the Adviser or the covered person may also harm Funds by adversely affecting the price at which the Funds' trades are executed. The Adviser has adopted the following procedures in an effort to minimize such conflicts: The Adviser requires covered persons to preclear all personal transactions with the Chief Compliance Officer, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on one of the Funds. Any approval given will remain in effect for 24 hours. Generally, any security appearing on the restricted security list will not be approved for personal trading.

Further, covered persons are required to disclose their securities transactions on a quarterly basis through duplicate quarterly brokerage statements. All covered persons and access persons are required to direct their brokers or custodians or any persons to supply the Compliance Officer with duplicate copies of securities trade confirmations and monthly and quarterly brokerage statements. The transactions reported on the broker's confirmations will be reviewed and compared against Fund transactions and preclearance forms by the Chief Compliance Officer.

Item 12. Brokerage Practices

This Item is not applicable because the Adviser invests Fund assets with underlying Hedge Fund Managers.

Item 13. Review of Accounts

Each Fund account is reviewed by Jason D. Papastavrou, Managing Member and Chief Investment Officer of the Adviser, on a continuous basis to determine whether securities positions should be maintained in view of current market conditions, trading activity, significant corporate developments and other activities. Matters reviewed include specific investments and adherence to investment guidelines. Significant market events affecting the prices of one or more investments in Fund accounts may trigger reviews on other than a periodic basis. However, the majority of the Adviser's activities involve seeking the return of capital invested with underlying hedge fund investments that have implemented restrictive repayment actions (i.e., gates, suspension, liquidation).

Investors receive reports from the Funds pursuant to the terms of each Fund's offering memorandum or as otherwise described in the offering documents of the Fund.

Item 14. Client Referrals and Other Compensation

While the Funds are not being marketed and closed to new Investors, the Adviser makes cash payments to third-party solicitors for prior Investor referrals. Where applicable, cash payments for Investor solicitations are structured to comply fully with the requirements of Rule 206(4)-3 under the Advisers Act and related SEC staff interpretations.

Item 15. Custody

This Item is not applicable.

Item 16. Investment Discretion

The Adviser provides investment advisory services on a discretionary basis to the Funds. Prior to assuming full discretion in managing a Fund's assets, the Adviser enters into an investment management agreement or other agreement that sets forth the scope of the Adviser's discretion.

The Adviser has the authority to determine (i) the securities to be purchased and sold for the Funds and (ii) the amount of securities to be purchased or sold for the Funds. Because of the differences in investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among Funds in invested positions. The Adviser may consider the following factors, among others, in allocating securities among Funds: (i) investment objectives and strategies; (ii) risk profiles; (iii) tax status and restrictions placed on a Fund's portfolio by applicable law; (iv) size of the Fund; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows. Although it is the Adviser's policy to allocate investment opportunities to eligible Funds on a pro rata basis (based on the value of the assets of each participating Fund relative to the value of the assets of all participating Funds), these factors may lead the Adviser to allocate investments to Funds in varying amounts.

When a limited capacity Hedge Fund Manager offers limited capacity or shares, no Fund will be favored over any other Fund and, assuming that the strategy, manager, and risk return profile would benefit multiple Funds with the same investment objective, the Adviser will allocate the shares on a fair and equitable basis to those Funds.

If it appears that a trade error has occurred, the Adviser will review the relevant facts and circumstances to determine an appropriate course of action. To the extent that trade errors and breaches of investment guidelines and restrictions occur, the Adviser's error correction procedure is to ensure that the Funds' best interests are served. The Adviser has discretion to resolve a particular error in any appropriate manner that is consistent with the above stated policy.

Item 17. Voting Client Securities

This Item is not applicable because the Adviser does not have voting authority with respect to individual securities held by the underlying Hedge Fund Managers.

Item 18. Financial Information

This Item is not applicable.

Item 2. Appendix: Material Changes

This Item is not applicable.