

Rosenthal Capital Management, LLC

221 Ocean Grande Boulevard, Suite 305
Jupiter, Florida 33477

March 2012

This Brochure provides information about the qualifications and business practices of Rosenthal Capital Management, LLC (“**RCM**”). If you have any questions about the contents of this Brochure, please contact us at (561)575-6832 or by email at Michele@rosenthalcapital.com. You may also visit our website at www.rosenthalcapital.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority.

RCM is a registered investment adviser. Registration of an Investment Adviser does not imply that RCM or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business.

Additional information about Rosenthal Capital Management, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

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Item 2 - Material changes

There are no material changes to this Brochure since our last annual update in March 2011.

Item 4 - Advisory Business

Rosenthal Capital Management, LLC ("**RCM**", the "**Firm**", "**we**", "**us**" or "**our**"), a Delaware limited liability company organized in December 2005, is the general partner of and currently provides discretionary investment advisory services and management services to Fortune's Favor I, L.P., Fortune's Favor Precious Metals, L.P. (each a Delaware Limited Partnership), and Fortune's Favor Offshore, Ltd. (a Cayman Islands Exempted Company), each a private investment vehicle (each a "**Fund**" and collectively, the "**Funds**"). Each Fund is managed only in accordance with its own characteristics and is not tailored to any particular investor in the Fund (each an "**Investor**"). Information about each Fund can be found in its offering documents, including its confidential offering memorandum (the "**COM**").

In addition to managing the Funds, we also provide discretionary investment advisory services and management services to a variety of client accounts that generally consist of individuals, corporations and other business entities (each a "**Client Account**" and collectively "**Client Accounts**").

Client Accounts are managed separately and only in accordance with its own characteristics. Clients are interviewed at the opening of the account as to their investment experience, liquidity requirements, tolerance for risk, as well as for general financial information.

Prior to engaging RCM to provide investment management services, a client will be required to enter into a formal Investment Advisory Agreement with RCM setting forth the terms and conditions under which we shall manage the Client Account assets and a separate custodial/clearing agreement with a designated broker-dealer/custodian. The Investment Advisory Agreement between a client and RCM will continue in effect until terminated by either party by written notice in accordance with the terms of the Investment Advisory Agreement. We or the client may terminate the Investment Advisory Agreement upon 20 days prior written notice to the other party.

Collectively, the Funds and the Client Accounts are herein referred to as "**Clients**".

As of March 1, 2012, RCM managed client assets, on a discretionary basis, of \$42,310,000.

Bret Rosenthal and Michele Rosenthal are the owners of the Firm and their ownership percentages as of December 31, 2011, are as follows:

Bret Rosenthal	75%
Michele Rosenthal	25%

Michele Rosenthal is also RCM's Chief Compliance Officer ("**CCO**").

Item 5 - Fees and Compensation

Clients will generally be charged a fee consisting of (1) an annual “management fee” (that is payable quarterly); and (2) an annual “incentive allocation” which is calculated based upon a percentage of the net capital appreciation of the Fund or Client Account at the end of each fiscal year.

RCM’s current fee schedule is generally as follows:

Management Fee:	2% annually (.50% quarterly)
Incentive Allocation:	20% annually, as described below

Fees may be negotiable, and some clients may pay less than other clients for the same management services.

Fees for the Funds are described in its COM and fees for Client Accounts are described in the Investment Advisory Agreement. Unless otherwise indicated in the COM, Investment Advisory Agreement or other governing documents, the management fee is paid quarterly in arrears and calculated on the last day of each calendar quarter based upon each Client’s capital account balance as of the last day of such calendar quarter or as of the time a capital contribution is made during such calendar quarter. An incentive allocation, if payable will be calculated and payable on the last calendar day of the year. An incentive allocation will also be made as to amounts withdrawn, as of the effective time of the withdrawal.

RCM may waive or reduce the management fee or incentive allocation with respect to Clients, as well as, RCM employees, their affiliates and members of their families, or certain large or strategic investors.

Client Withdrawals***Fund Investors***

A Limited Partner or Shareholder in a Fund will generally be permitted to withdraw some or all of his or her Capital Account balance as of the end of any calendar month. Withdrawals require twenty (20) days prior written notice to RCM and partial withdrawals may not reduce your capital account balance below \$100,000. We may require you to redeem all or part of your investment in a Fund with or without reasonable notice if necessary to ensure that the particular Fund remains in compliance with applicable law or for other reasons as stated in the COM. We also reserves the right to suspend withdrawals by an investor for certain reasons as described in the COM.

Client Accounts

Generally Client Accounts may withdraw all or a portion of their capital at any time.

Item 6 - Performance Fees

If you are an investor in the Funds or a Client Account you are generally charged an annual “incentive allocation” which is calculated based upon a percentage of the net capital appreciation of the Fund or Client Account at the end of each fiscal year.

RCM’s current Incentive Allocation schedule is generally as follows:

Incentive Allocation: 20% annually, as described below.

Fees may be negotiable, and some clients may pay less than other clients for the same management services. With respect to performance fees, any loss in an account is carried forward so that no performance fee is charged to the Fund unless the losses have been recouped, subject to certain adjustments (i.e. high water mark).

RCM’s incentive allocation is charged in compliance with Rule 205-3 of the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”) whereby if you are charged an incentive fee you must be a “qualified client.” Therefore, Investors in the Funds and Client Accounts of individuals that reside in the United States and who are charged an incentive allocation are required to be “qualified clients.”

An incentive allocation arrangement may create an incentive for RCM to make investments that are riskier or more speculative than would be the case in the absence of an incentive allocation. In addition, RCM may receive such compensation with regard to unrealized as well as realized gains in an Investor’s account.

Item 7 - Types of Clients

Fortune’s Favor I, L.P. and Fortune’s Favor Precious Metals, L.P. qualify for an exemption from the definition of an “investment company” under the Investment Company Act, as amended (the “**Investment Company Act**”) under Section 3(c)(1). Fortune’s Favor I, L.P., Fortune’s Favor Precious Metals, L.P. and RCM offer interests in the Funds to Investors pursuant to Regulation D under the 1933 Act.

Investors in the Funds may include high net worth individuals and a variety of institutional investors (e.g. trusts, endowments, foundations, corporations and other types of entities, including private fund-of-funds and other corporations or businesses) meeting the terms of the exceptions and exemptions under which the Fund operates and wishing to invest in accordance with the Fund’s investment objective. Investors in the Fund must meet the requirements for “accredited Investors” under the 1933 Act and a “qualified client” under the Advisers Act.

Client Accounts generally consists of individuals, corporations and other business entities.

Although we have the authority to accept subscriptions for a lesser amount, the required minimum investment in the Funds is US\$250,000 and the minimum investment for a Client Account is US\$250,000. The minimum account size is generally US\$250,000.

Types of Investments

In managing the Funds and Client Accounts, we strive to create short and long-term capital appreciation in both rising and falling markets. In addition, RCM has experienced that preservation of capital is one of the key determinants to long-term success.

RCM's investment approach is based on a non-diversified portfolio of long and/or short positions. Indeed, emphasis will be placed on special situations that we determine merit the exposure. The assets of the Funds and of the Client Accounts will be primarily invested in, but not limited to, the U.S. equity and equity related securities.

Neither the Partnership Agreement for the Funds nor the Investment Advisory Agreement for Client Accounts imposes any limits on the types of investment funds, separate accounts, securities or other instruments in which the Fund or a Client Account may invest, nor do they impose limits on the types of positions, the concentration of investments (whether by sector, industry, country, asset class or otherwise), the amount of leverage, or the number or nature of short positions in a portfolio. Therefore, in pursuit of its investment objective RCM, may hold, sell, sell short, trade (on margin or otherwise), and otherwise deal in U.S. equity securities, foreign equity securities, and other financial instruments. Financial instruments in which the Funds and Client Accounts may invest include: equity-related securities, bonds (convertible and nonconvertible), other fixed-income investments, and derivative instruments such as options.

We will not invest in futures contracts until we have registered with the U.S. Commodity Futures Trading Commission (the "CFTC") or have been advised that an exemption from registration is available.

No assurances can be given, however, that we will achieve its objective, and results may vary substantially over time and from period to period.

Item 8 - Methods of Analysis, Sources of Information, Investment Strategies Risk of Loss

We will attempt to identify significant investment themes which are driven by rapid changes in global, industry and company specific fundamentals. Once a theme is identified, the stock selection process will be a function of a rigorous analytical program that is based on, but not limited to the following: Management contact; Conference call participation; Product innovation; Market share analysis; Best of breed identification; Balance sheet analysis; Earnings per share momentum; Expanding profit margins; Technical analysis (Sector and group, Relative strength, Momentum).

Acknowledging that preservation of capital illustrates a key component of success, we will employ a soft stop loss discipline of 7-10% where appropriate. The Fund and Client Accounts will hold a fairly concentrated portfolio which will likely not exceed 20-30 issues when fully invested. Conservative use of margin may be employed periodically.

Our main sources of information includes:

- Financial newspapers and magazines
- Research materials prepared by others
- Annual reports, prospectuses, filings with the SEC
- Company press releases
- Conference calls

Investment strategies used to implement investment advice include:

- 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
- Option writing, including covered options, uncovered options or spreading strategies

The Funds face significant investment risks in attempting to carry out their investment strategies. These include, but are not limited to, risks that the equity securities in the Funds' portfolios will decline in value, risks inherent in short sales, and counterparty risks in derivative transactions and other instruments.

The following summary of certain risks does not purport to be complete, but includes some of the potential risks generally associated with RCM's investment strategy.

Risk of Loss Factors

Investing in securities involves risk of loss that investors should be prepared to bear. Investors should consider the following factors before investing in the Funds. Once again, the following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Funds. You are urged to consult their professional advisers before deciding to invest in the Funds.

Portfolio Turnover

The investment strategy of the Funds may require RCM to actively trade the Funds' portfolio, and as a result, turnover and brokerage commission expenses of the Funds may significantly exceed those of other investment entities of comparable size.

Small to Medium Capitalization Companies

The Funds may invest a portion of its assets in the stocks of companies with small to medium-sized market capitalizations. While RCM believes these investments often provide significant potential for appreciation, those stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of such stocks are often more volatile than prices of large-capitalization stocks. In addition, due to thin trading in some such stocks, an investment in these stocks may be more illiquid than that of larger capitalization stocks.

Lack of Diversification

The Funds' portfolio may not be widely diversified among sectors, industries, geographic areas or types of securities. Further, the Funds' portfolio may not necessarily be diversified among a wide range of issuers. Accordingly, the portfolios may be subject to more rapid change in value than would be the case if the Funds were required to maintain a wide diversification among companies or industry groups.

Short-Sales

RCM may effect short sales. Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the Funds' portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase.

Leverage

The Funds may trade on margin, engage in other forms of borrowing to finance their operations and use other forms of financial leverage. The level of interest rates and the rates at which the Funds can borrow will affect the operating results of those Funds. Fluctuations in the market value of the portfolio of a heavily leveraged Fund can have a disproportionately large effect in relation to the capital of that Fund. Any event which may adversely affect the value of positions held by a Fund could significantly affect the net asset value. It may also borrow funds from time to time for liquidity purposes or otherwise as we deem appropriate.

Potential Conflicts of Interest

In addition to advising the Funds, RCM will engage in investment and trading activities for its own accounts and/or for the Client Accounts. RCM is not obligated to devote any specific amount of time to the affairs of the Funds or the Client Accounts. In managing other funds or trading for their own accounts, RCM may take positions which are opposite, or ahead of, the Funds or Client Accounts in which the capital is invested. You will not be entitled to inspect those trading records of RCM that are not related to the Funds.

Limited Withdrawal and Transfer Rights

As an investor in the Funds, you generally will be permitted to withdraw all or any part of a capital only on a monthly basis. Transfers of the Fund interests will be permitted only with our written consent. Accordingly, the Fund interests should only be acquired by investors willing and able to commit their funds for an appreciable period of time.

Limited Operating History

Although RCM has significant investment management experience, the Funds are recently-formed entities and have limited operating history upon which investors can evaluate their likely performance. Accordingly, an investment in the Funds entails a significant degree of risk.

Reliance on Management and Key Personnel

You have no right or power to take part in the management of RCM. Accordingly, no investor should invest in the Funds unless such investor is willing to entrust all aspects of management to RCM. The investment performance of the Funds depends largely on the skill of key personnel of RCM, including, in particular, Mr. Bret Rosenthal and Mr. Gary Rosenthal. If key personnel were to leave RCM, we might not be able to find equally desirable replacements and the performance of the Funds could, as a result, be adversely affected.

Note: All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. These risks include market risk, interest rate risk, issuer risk, and general economic risk. Although we manage the assets in a manner consistent with risk tolerances, there can be no guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

Item 9 - Disciplinary Information

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of our business or the integrity of our management. RCM has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of the Firm have been subject to such action.

Item 10 - Other Financial Industry Activities and Affiliations

Bret Rosenthal and Gary Rosenthal are Directors of Fortune's Favor Offshore, Ltd.

Item 11 - Code of Ethics, Participation/Interest in Client Transactions, Personal Trading

Code of Ethics Pursuant to Rule 204A-I of Advisers Act

Pursuant to Rule 204A-I of the Advisers Act, RCM has adopted a Code of Ethics that establishes various procedures with respect to investment transactions in accounts in which employees of RCM or related persons have a beneficial interest or accounts over which an employee has investment discretion.

In general, employees (and members of their immediate households) must obtain written pre-approval from the CCO prior to executing a personal transaction in equity securities, options and futures. The spirit of the Code of Ethics is to discourage frequent trading in employee personal accounts. In addition, employees may not acquire securities for their own account in an initial public offering. Employees must also obtain pre-approval from the CCO before engaging in any outside business activities or private placements.

All RCM employees must direct their brokers to send brokerage statements to the CCO. These records are used to monitor compliance with the foregoing policies.

Participation or Interest in Client Transactions

RCM and RCM affiliates and employees have a financial interest in the Fund through an incentive allocation or a direct investment interest in the Fund. As such, RCM could be considered to have recommended to Investors that they buy or sell securities or investments in which the applicant or a related person has some financial interest.

Personal Trading

RCM serves as the investment adviser to the Fund and the Client Accounts. Employees, affiliates of the employees, and relatives of the employee may make investments in the Fund. RCM will not receive any compensation from such investments from employees.

The above policies apply to any personal transactions involving equity, debt, options, futures (or derivative products related to these securities). This policy does not apply to transactions involving government securities or open-end mutual funds, exchange traded funds (ETFs) or other instruments which afford the investor no discretion over individual securities transactions. RCM's Code of Ethics, including the personal trading policy, may be obtained by contacting Michele Rosenthal, RCM's Chief Compliance Officer, at +561-575-6832 or by email at Michele@rosenthalcapital.com.

Item 12 - Brokerage Practices

Brokerage Discretion

In the course of its investment activities the Funds may incur substantial brokerage commissions and other transaction expenses. RCM is authorized to determine which brokers, dealers, banks, market makers and other execution services and providers (collectively, "**brokers**") to use and in negotiating rates of brokerage compensation. In addition to using brokers as agents and paying commissions, the Fund may buy or sell securities directly from or to dealers acting as principal (e.g. such as market makers for over-the-counter securities) at prices that include markups or markdowns.

Best Execution

In choosing brokers, RCM is not required to consider any particular criteria. For the most part, RCM seeks "best execution" of Fund transactions. In evaluating whether a broker will provide best execution for a particular transaction, RCM considers a range of factors, including, among others: historical net prices on other transactions; the execution, clearance, and settlement and error-correction capabilities of the broker generally and in connection with securities or financial instruments of the types and in the amounts to be bought or sold; the broker's willingness to commit capital; the broker's reliability and financial stability; the size of the transaction; availability of securities to borrow for short sales; and the market for the security or financial instrument. RCM is not required to select the broker that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers and may consider criteria beyond best execution.

Aggregation of Orders

RCM may combine orders on behalf of one or more of the Funds with orders for one or more Client Account for which it has trading authority, or in which it or its affiliates have an economic interest. In such cases, RCM will allocate the securities or proceeds arising out of those transactions (and related transaction expenses) on an average price basis among the various participants. RCM believes combining orders in this way will, over time, be advantageous to all participants. However, the average price could be less advantageous to one or more of the Funds than if a particular Fund had been the only account effecting the transaction or had completed its transaction before the other participants. Because of RCM's interest in the Funds, there may be circumstances in which one or more of the

Fund's transactions may not, under certain laws and regulations, be combined with those of some of RCM's other clients, and a particular Fund may obtain less advantageous execution than such other clients.

Soft Dollars

In choosing a broker, RCM may consider the value of various services or products, beyond transaction execution, that the broker or dealer provides to the Fund or RCM. RCM may cause one or more of the Fund to pay an amount of compensation that is higher than what another, equally capable broker might charge. Selecting a broker in recognition of services or products other than transaction execution is known as paying for those services or products with "soft dollars." Because many of those services could benefit RCM, RCM may have a conflict of interest in allocating the Funds' brokerage business, including an incentive to cause one or more of the Fund to effect more transactions than it might otherwise transact in order to obtain those benefits. The extent of any such conflict depends in large part on the nature and use of the services and products acquired with soft dollars.

In accordance with the Fund's Partnership Agreement, RCM may use soft dollars to pay the Fund's accounting, and other similar expenses, and meet the Fund's obligation to reimburse RCM for costs and expenses that RCM has advanced. RCM may also use soft dollars to acquire a variety of "research" and "brokerage services and products" for which the Fund would not otherwise be required to pay. Section 28(e) of the Securities Exchange Act of 1934, as amended, recognizes the potential conflict of interest involved in this activity but protects RCM from claims that it involves a breach of fiduciary duty to advisory clients – even if the brokerage commissions paid are higher than the lowest available – if certain conditions and requirements are met. For these purposes, "research" means services or products used to provide lawful and appropriate assistance to RCM in making investment decisions for its clients (including the Fund). "Brokerage services and products" are those used to effect securities transactions for RCM's clients (including the Fund) or to assist in effecting those transactions.

To be protected under Section 28(e), RCM must, among other things, determine that commissions paid are reasonable in light of the value of the "research" and "brokerage services and products" acquired. Section 28(e)'s "safe harbor" protects the use of the Fund's soft dollars even when the research and brokerage services and products acquired are used in making and implementing investment decisions and transactions for clients other than the Fund. Notwithstanding this protection, RCM could be considered to have a conflict of interest when it uses soft dollars for research and brokerage services and products because it might otherwise be required to pay cash for those services and products; and therefore it may have an incentive to use brokers who provide those products and services more than it otherwise would. The types of "research" RCM expects to acquire includes: reports on or other information about particular companies or industries; economic surveys and analyses; recommendations as to specific securities or commodity interests; financial publications; portfolio evaluation services; financial database software and services; computerized news, pricing and order-entry services; analytical software; proxy analysis services and systems; quotation equipment; and other products or services that may enhance RCM's investment decision making, in particular, William O'Neil's "WONDA" System.

Item 13 - Review of Accounts

RCM will review client accounts at least monthly to compare the Clients Accounts' performance to their stated goals.

The client will receive statements regarding their account, its holdings, transactions and fees at least quarterly from the custodian of the Client Account.

Item 14 - Client Referrals and Other Compensation

RCM does not currently have any arrangements with independent third party marketers or solicitors.

Item 15 - Custody

The amended and revised Rule 206(4)-2 of the Advisers Act sets forth extensive requirements regarding possession or custody of client funds or securities. The Rule requires advisers that have custody of client securities or funds to implement a set of controls designed to protect those client assets from being lost, misused, misappropriated or subject to financial reverses.

Advisers with custody of client funds and securities must maintain them with "Qualified Custodians." "Qualified Custodians" under the amended rule include banks and savings associations and registered broker-dealers.

RCM does not maintain direct custody or possession of any of its client's funds or securities. RCM currently uses Goldman Sachs Execution & Clearing, L.P. and Merlin Securities as the introducing broker. Through this arrangement these custodians will provide among other things, clearing, custodial and record keeping services.

Client Accounts will receive account statements from the qualified custodian and should carefully review those statements.

Annually, upon completion of the RCM Funds' annual audit, RCM will distribute the audited financials along with copies of its Privacy Notice and ADV Part 2. In addition for Client Accounts, the qualified custodian will at least quarterly send a client statement directly to the client.

RCM shall use best efforts to ensure that RCM's audited financials are delivered to all limited partners (or members or other beneficial owners) within 120 days of the fiscal year end.

Item 16 - Investment Discretion

We have full discretionary authority to manage the Client Accounts, including 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 the commissions paid. These terms are set out in the governing documents for each Fund and each Client Account.

Item 17 - Voting Client Securities

RCM's authority to vote proxies for the Funds is established by the Partnership Agreement for each Fund and for Client Accounts in the Investment Advisory Agreement. We have established proxy voting policies and procedures and the CCO oversees the proxy voting process. The proxy voting procedures are designed to ensure that proxies are voted in the best interest of the Client. In addition, the proxy voting policy includes guidelines for the CCO to follow if a material conflict of interest arises between RCM and/or its employees and its clients to ensure any material conflict is resolved in the best interest of the client.

Clients may obtain a copy of RCM's policies by contacting Michele Rosenthal, RCM's CCO, at +561-575-6832 or by email at Michele@rosenthalcapital.com.

Item 18 - Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and have not been the subject of a bankruptcy proceeding.