

Item 1 – Cover Page

VEGA CAPITAL MANAGEMENT LIMITED

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Date of Brochure: March 9, 2012

This Brochure provides information about the qualifications and business practices of Vega Capital Management Limited (hereinafter referred to as “Vega Capital,” the “Firm,” or “we”). If you have any questions about the content of this Brochure, please contact the Firm’s Chief Compliance Officer at the telephone number provided above or email us at zedoo@vegatt.com.

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

Vega Capital is registered as an investment adviser with the SEC. The fact that Vega Capital is “registered” does not imply any level of skill or training. You should not make a determination to hire or retain any adviser based solely on the fact that the adviser is registered.

Additional information about Vega Capital is available on the SEC’s Web site at www.adviserinfo.sec.gov. The SEC’s Web site also provides information about any persons affiliated with Vega Capital who are registered as investment adviser representatives of the Firm.

Item 2 – Material Changes

This Brochure, dated March 9, 2012, is a new document and replaces the Form ADV Part II previously issued by Vega Capital on March 28, 2011. There following is a summary of the material changes to this brochure:

1. Assets Under Management calculation updated in Item 4D.
2. Minimum account value updated in Item 7.

You may obtain a copy of our current Brochure any time by contacting our Firm's Chief Compliance Officer at the telephone number listed on the cover page of this Brochure.

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Item 4 – Advisory Business

A. Business Commencement Date

Vega Capital is domiciled in the Republic of Trinidad and Tobago (“Trinidad”). It began its advisory business in Trinidad in July of 2003. Its principal place of business is currently in Miami, Florida, and it has been operating from Miami since May of 2009.

B. Ownership

Mr. Zaheer Edoo is the majority owner of Vega Capital with a 96% ownership interest.

C. Services

DISCRETIONARY ACCOUNTS. Vega Capital provides personalized discretionary investment management services to its clients. Clients are asked to provide Vega Capital with certain information with respect to their current financial holdings, investment objectives, risk tolerance, liquidity needs, and time horizon. From the information that is supplied by the client, Vega Capital constructs an investment allocation and policy that it believes is suitable for that client.

FINANCIAL PLANNING SERVICES. Vega Capital offers financial planning services to clients on a one-time, non-discretionary basis for a fixed or an hourly fee. Clients are asked to provide Vega Capital with certain information with respect to their current financial holdings, investment objectives, risk tolerance, liquidity needs, and time horizon. From the information that is supplied by the client, Vega Capital will recommend an investment strategy, allocation mix, or changes to the client's existing portfolio that Vega Capital believes is suitable for that client. Vega Capital does not have an ongoing responsibility to make recommendations to the client. Vega Capital does not have the responsibility to arrange any securities transaction but may arrange one or more transactions upon the client's instruction. Assets in these types of non-discretionary accounts are not included in the assets under management calculation below.

INVESTMENT PRODUCT TYPES. Generally, the Firm's investment advice is confined to the following universe of securities and products:

- Exchange listed securities
- Securities traded over-the-counter
- Securities issued by foreign issuers, including foreign sovereign debt instruments
- Corporate debt securities
- U.S. government securities
- Municipal securities
- Mutual funds (foreign and domestic)
- Options contracts on securities and/or commodities
- Futures contracts on tangibles and/or intangibles
- Interests in partnerships investing in real estate and oil and gas interests
- Structured products, including principal-protected notes
- Hedge funds

OTHER SERVICES. Vega Capital, in a consulting capacity, may perform independent valuations of businesses. It also forms and acts as an agent to maintain offshore companies on behalf of its clients. Neither of these services is Vega Capital's primary business.

LEGAL PROCEEDINGS. Vega Capital does not render advice to or take any actions on behalf of clients with respect to any legal proceedings, including bankruptcies and shareholder litigation, to which any securities or other investments held in client accounts, or the issuers thereof, become subject. Furthermore, Vega Capital does not initiate or pursue legal proceedings, including without limitation, shareholder litigation, on behalf of clients with respect to transactions, securities or other investments held in client accounts. The right to take any actions with respect to legal proceedings, including shareholder litigation, with respect to transactions, securities or other investments held in a client's account is expressly reserved to the client.

D. Assets Under Management

As of February 28, 2012, Vega Capital was managing approximately US\$45,881,140 in client assets on a discretionary basis.

Item 5 – Fees and Compensation

A. Fees

DISCRETIONARY ACCOUNTS. Generally, Vega Capital charges fees in accordance with the following fee schedule:

<u>AUM</u>	<u>Annualized Fee</u>
Up to \$99,999	\$1,500 fixed fee per annum
\$100,000 - \$299,999	1.50%
\$300,000 – \$999,999	1.25%
\$1,000,000 and Over	1.00%

"AUM" means the assets under the management of Vega Capital for a particular client or client account. The fees listed in the schedule above are annualized figures. Fees will be charged semiannually and in arrears. The semiannual fee is based upon the market value of all assets held within the client's account on the last business day of the semiannual period. Additional deposits to the account are subject to the same fee procedures. The client may be charged a pro rata fee in the event the client's service is terminated on a day other than the last business day of the semiannual period. In that event, the pro rata fee will be due and payable upon termination of the service. In addition, the Firm charges an exit fee in the event the client terminates the advisory service within the two-year period following the establishment of the advisory account. An exit fee in the amount of \$4000 will be charged if the client terminates the service after five (5) business days and within one (1) year of the establishment of the account. An exit fee in the amount of \$2000 will be charged if the client terminates the service during the second year.

Vega Capital may adjust the fee schedule upon thirty (30) days' prior written notice to the client. In certain instances, fees are negotiable.

At the client's option, the client's account will be debited for the above-mentioned fees or the Firm will send an invoice for the amount due directly to the client. When the client's account is debited, fees are collected by the Firm from the amount of any contribution or transfer, from available cash in the client's account, or by liquidating the client's assets held in the client's account in an amount equal to the fees that are due.

FINANCIAL PLANNING SERVICES. Vega Capital offers financial planning services for an hourly or fixed fee. Generally, hourly fees are \$250. In certain instances, hourly fees are

negotiable. Fixed fees depend on the complexity of the plan and will be set forth in the Fee Schedule attached to the client's financial planning agreement. Fifty percent (50%) of the estimated fees are due upon the signing of the financial planning agreement. The remainder of fees incurred is due upon the delivery of the advisory report to the client or upon the close of the meeting wherein the advisory recommendations are presented to the client, whichever occurs earlier.

B. Termination of Service

DISCRETIONARY ACCOUNTS. Upon written notice to Vega Capital, within five (5) business days of entering into an agreement with the Firm, the client will have the right of termination without penalty or payment of fees. The Firm will refund any payment that has been made. Thereafter, either Vega Capital or the client may terminate the agreement upon thirty (30) days' written notice to the other party.

FINANCIAL PLANNING SERVICES. Prior to the delivery of the advisory report, the client may terminate the agreement upon written notice to Vega Capital. Upon termination, Vega Capital is entitled to compensation for time expended on the consultation and/or preparation of the advisory report and any unearned fees already paid will be refunded to the client. The agreement for financial planning is limited in duration and, generally, terminates automatically when the advisory report or recommendations are provided to the client.

C. Other Fees

In addition to the advisory fees charged by the Firm, other fees may apply. Brokerage commissions, transaction fees, sales loads, sales charges, management fees, administrative fees, account maintenance fees, transfer taxes, wire transfer fees, electronic fund fees, and other fees may be charged by the broker or dealer selected for execution of the securities transactions in the advisory accounts, by the custodian, and/or by the distributor, issuer or fund issuing the securities purchased and sold within the advisory accounts. The client is solely responsible for paying all such charges. In addition, mutual funds and certain exchange-traded funds ("ETFs") pay management fees to their investment advisers, which reduce their respective assets. To the extent that the client's portfolio has investments in mutual funds or ETFs, the client may pay two levels of advisory fees for the management of their assets: one directly to the Firm, and the other indirectly to the managers of those mutual funds and ETFs held in their portfolios.

The Firm may receive commission revenue generated from trades executed through West Indies Stockbrokers Ltd ("WISE"), a Trinidad & Tobago based broker/dealer. The Firm will receive these commissions in addition to the above-described advisory fees. Other than these commissions, neither the Firm nor any of its personnel receive any portion of the other fees charged.

D. Broker/Dealer Charges

Item 12 further describes the factors that Vega Capital considers in recommending broker/dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Item 6 – Performance-Based Fees and Side-By-Side Management

Vega Capital does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

Vega Capital provides advisory services to individuals, including high net worth individuals, trusts, estates, and foreign and domestic entities.

When subscribing to the advisory services offered by Vega Capital, generally, the minimum account value is US\$250,000. In some special cases, account minimums may be waived or negotiated.

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

A. Methods of Analysis

When formulating investment advice, Vega Capital may utilize any one or more of the following security analysis methods:

- **Fundamental Analysis.** Fundamental analysis is a method of attempting to measure a security's underlying value and potential for future growth (its intrinsic value) by examining economic, financial and other qualitative and quantitative factors directly related to the issuer/company as well as company-specific factors (like financial condition, management, and competition). The adviser compares the intrinsic value with the security's current price, with the aim of determining what position to take with the security (i.e., buy, sell or hold).
- **Technical Analysis.** Technical analysis is a method of evaluating securities by researching the demand and supply based on recent trading volume, price studies, as well as the buying and selling behavior of investors. Technical analysis assumes that market psychology influences trading in a way that enables predicting when a stock will rise or fall. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts or computer programs to identify and project price trends.
- **Charting.** Charting is a method by which an adviser analyzes trends in a security's price, insider sales, short sales, and/or trading volume in an attempt to ascertain major market downturns, upturns, and trend reversals.
- **Cyclical Analysis.** Cyclical analysis involves the analysis of business cycles to find favorable conditions for buying and/or selling a particular security.

Vega Capital does not represent, warrant, or imply that any analysis method employed by the Firm can or will successfully identify market tops or bottoms. No analysis method has been proven to insulate clients from losses due to market fluctuations, corrections or declines.

B. Investment Strategies

Investment strategies may include long-term and short-term purchases, short selling, frequent trading, buying on margin, and option writing. The particular strategies employed will depend

upon the individual needs and risk tolerance of the client. A short description of each of these strategies follows:

- Buy and Hold. Generally, a long-term purchase is a purchase of a security or investment product with a view to holding the security or product for more than one year. Trade commissions are reduced by buying and selling less often and taxes are often reduced or deferred by holding positions longer. We typically will follow a buy and hold strategy when pursuing a value investment strategy or emerging markets investment strategy. This is our primary strategy for debt instruments.
 - A value investment strategy involves recommending securities that we believe are priced below their intrinsic values but are still fundamentally solid.
 - An emerging markets strategy involves investing in stocks or bonds issued by companies and government entities in developing countries, such as in Latin America, Eastern Europe, Africa and Asia. Typically, there is a medium- to long-term holding period and there can be high volatility.
- Short-term purchases. A short-term purchase is a purchase of a security or investment product with the intent of possibly selling it within one year of its purchase.
- Short-term trading. Short-term trading focuses on opportunistic trades – holding investments for only brief periods. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.
- Short sales. Short selling is a technique used to profit from the falling price of a stock. Short selling can translate into high portfolio volatility.
- Margin Transactions. An investor may buy securities with money borrowed from the broker/dealer. The borrower will be required to pay interest on the loan.
- Option writing. Investors can sell options in order to obtain additional income from premiums paid by the option buyer. The positive potential of this strategy is limited because the most money the investor can earn is the amount of the option premium.

The concept of asset allocation, or spreading investments among a number of asset classes (e.g., domestic stocks vs. foreign stocks; large cap stocks vs. small cap stocks; corporate bonds vs. government debt instruments), plays a prominent role in executing an investment strategy. Asset allocation seeks to achieve diversification of assets in order to reduce the risk associated with investing all or a significant portion of a client's portfolio in one asset class. We believe that risk reduction is a key element to long-term investment success.

C. Risks

1. *General Risks*

Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk and there can be no assurance that any specific investment or investment strategy will either be suitable or profitable for a client's investment portfolio. Past performance is not indicative of future results. A client should not assume that the future performance of any specific investment, investment strategy, or product will be profitable or equal to past or current performance levels. Vega Capital cannot assure that the investment objectives of any client will be realized.

2. *Special Risks*

While investing in any security involves risk, investing in some types of securities carries special risks. A summary of the special risks associated with some types of securities we may recommend is provided below. Please note that the following summaries are general in nature and do not include an explanation of all risks associated with a given security type.

- a. Bonds. Bonds are subject to credit risk, which is the risk of default associated with the issuer. Bonds are also subject to interest rate risk or the risk that changes in interest rates during the term of the bond might affect the market value of the bond prior to the call or maturity date. Investors should also consider inflation risk, which is the risk that the rate of the yield to call or maturity will not provide a positive return over the rate of inflation for the period of the investment.
- b. Foreign-Issued Securities. Debt and equity investments associated with foreign countries may involve increased volatility and risk due to, without limitation:
 - Political Risk. Many foreign countries are undergoing, or have undergone in recent years, significant political change that has affected government policy, including changes in the regulation of industry, trade, financial markets, and foreign and domestic investment. The relative instability of these political systems leaves these countries more vulnerable to economic hardship, public unrest or popular dissatisfaction with reform, political or diplomatic changes, social instability, or changes in government policies. For investors, the results may include confiscatory taxation, exchange controls, compulsory reacquisition, nationalization or expropriation of foreign-owned assets without adequate compensation, or the restructuring of certain industry sectors in a way that could adversely affect investments in those sectors.
 - Sovereign Risk. Strikes, the imposition of exchange controls, or declarations of war may prevent or impede repayment of funds due from a particular country.
 - Economic Risk. The economies of these countries may be more vulnerable to rising interest rates and inflation. Investments may be negatively affected by rates of economic growth, corporate profits, domestic and international flows of funds, external and sovereign debt, dependence on international trade, and sensitivity to world commodity prices. Additionally, a change in tax regime may result in the sudden imposition of arbitrary or additional taxes.
 - Currency Risk. The weakening of a country's currency relative to the U.S. dollar or to other benchmark currencies will negatively affect the dollar value of an instrument denominated in that currency.
 - Credit Risk. Issuers and obligors of sovereign and corporate debt may be unable to make timely coupon or principal payments, thereby causing the underlying debt or loan to enter into default.
 - Liquidity Risk. Natural disasters as well as economic, social, and political developments in a country may cause a decrease in the liquidity of investments related to that country, making it difficult to sell quickly, and/or subjecting the seller to substantial price discounts.

The nature and extent of these risks vary from country to country, among investment instruments, and over time.

- c. Emerging Market Securities. Investments and transactions in products linked to issuers and obligors incorporated, based, or principally engaged in business in emerging markets countries carry increased risk and volatility. In addition to the political, sovereign, economic, currency, credit, and liquidity risks described above, emerging market securities can be subject to the following risks:
- Market Risk. The financial markets can lack transparency, liquidity, efficiency.
 - Regulatory Risk. There may be less government supervision and regulation of business. The supervision that may be in place may be subject to manipulation or control. Disclosure and reporting requirements may be minimal or non-existent.
 - Legal Risk. The process of legal reform may not proceed at the same pace as market developments, which could result in uncertainty. Legislation to safeguard the rights of private ownership may not yet be in place.
 - Settlement and Clearing Risk. The registration, recordkeeping and transfer of instruments may be carried out manually, which may cause delays.
- d. Mutual Funds. Most mutual funds fall into one of three main categories — money market funds, bond funds (also called "fixed income" funds), and stock funds (also called "equity" funds). Generally, the higher the potential return, the higher the risk of loss. A fund's investment objective and its holdings are influential factors in determining risk. Past performance is not a reliable indicator of future performance. Reading the prospectus will help you to understand the risk associated with that particular fund.

Different mutual fund categories have inherently different risk characteristics. For example, a bond fund faces credit risk, interest rate risk, and prepayment risk. Bond values are inversely related to interest rates. If interest rates go up, bond values will go down and vice versa.

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons — such as the overall strength of the economy or demand for particular products or services. A sector stock fund (which invests in a single industry, such as telecommunications) is at risk that its price will decline due to developments in its industry. A stock fund that invests across many industries is more sheltered from this risk.

For most funds, investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs. And, depending on the timing of their investment, investors may also have to pay taxes on any capital gains distribution they receive.

- e. Principal-protected Notes. The principal guarantee is subject to the credit-worthiness of the guarantor. In addition, principal protection levels can vary. While some products guarantee 100 percent return of principal, others guarantee as little as 10 percent. In most cases, the principal guarantee only applies to notes that are held to maturity. Issuers may (but are not obligated to) provide a secondary market for certain notes but, depending on demand, the notes may trade at significant discounts to their purchase price and might not

return all of the guaranteed amount. Some principal-protected notes have complicated pay-out structures that can make it hard for an adviser to accurately assess their risk and potential for growth.

- f. Hedge Funds. Hedge funds often engage in leveraging and other speculative investment practices that may increase the risk of investment loss. A hedge fund's performance can be volatile. An investor could lose all or a substantial portion of his or her investment. There may be no secondary market for the investor's interest in the fund. The hedge fund can be highly illiquid and there may be restrictions on transferring interests in the fund. Hedge funds are not required to provide periodic pricing or valuation information to investors. Hedge funds may have complex tax structures. There may be delays in distributing important tax information. Hedge funds are not subject to the same regulatory requirements as mutual funds. Hedge funds often charge high fees. The fund's high fees and expenses may offset the fund's trading profits.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding certain legal or disciplinary events related to the adviser or the adviser's management. Neither Vega Capital nor its personnel has been subject to any such legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

- A. Neither the Firm nor any management person of the Firm is registered or has an application pending to register as a broker/dealer or a registered representative of a broker/dealer.
- B. Neither the Firm nor any management person of the Firm is registered or has an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of any of the foregoing entities.
- C. Neither the Firm nor any management person of the Firm has any arrangements that are material to its business with any related person.
- D. We do not recommend or select other investment advisers for our clients.

Item 11 – Code of Ethics

Securities industry regulations require that advisory firms provide their clients with a general description of the advisory firm's Code of Ethics. Vega Capital has adopted a Code of Ethics that sets forth the governing ethical standards and principles of the Firm. It also describes Vega Capital's policies regarding the following: the protection of confidential information, including the client's nonpublic personal information; the review of the personal securities accounts of certain personnel of the Firm for evidence of manipulative trading, trading ahead of clients, and insider trading; trading restrictions; training of personnel; and, recordkeeping. All supervised persons at Vega Capital must acknowledge the terms of the Code of Ethics upon hire and as amended.

Subject to satisfying the Firm's policies and applicable laws, Firm personnel may trade for their own accounts in securities that are recommended to and/or purchased for Firm's clients. The Code of Ethics is

designed to permit personnel to invest for their own accounts while assuring that their personal transaction activity does not interfere with making decisions in the best interest of advisory clients or implementing those decisions. Neither the Firm nor any associated person of the Firm who (a) has access to nonpublic information regarding clients' securities transactions, (b) is involved in making securities recommendations to clients, or (c) has access to securities recommendations that are not public (collectively, the "Access Persons") is permitted to trade in or engage in a securities transaction to his or her advantage over that of a client. Access Persons are prohibited from buying or selling securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public upon reasonable inquiry. Access Persons may not execute transactions in their personal accounts ahead of a client's transaction in the same security unless certain circumstances exist. Because the Code of Ethics in some circumstances permits employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored by the Firm's Chief Compliance Officer in an effort to prevent conflicts of interest between Vega Capital and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Vega Capital's obligation of best execution. In such circumstances, all persons participating in the aggregated order will receive an average share price with all other transaction costs shared on a pro-rata basis. The Firm will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions must be pre-approved by the Chief Compliance Officer.

Our clients or prospective clients may request a copy of the Firm's Code of Ethics by contacting the Chief Compliance Officer at the address or telephone number specified on the cover page and requesting a copy.

Item 12 – Brokerage Practices

Advisory clients are not required to use any particular broker/dealer or custodian. Vega Capital might recommend a broker/dealer to a client. Such recommendations are not related to or premised on the receipt of products, research or services from the broker/dealer. However, Vega Capital does receive economic benefits from certain broker/dealers that may be recommended (see Item 14 below for additional information).

The Firm typically evaluates the following factors when recommending a broker/dealer to a client:

- Execution ability, including without limitation:
 - Trading experience in markets/securities needed
 - Quality of trading
 - Clearance and settlement efficiency and accuracy
- Accuracy and timeliness of order execution
- Costs, including commission rates, ticket charges, other service charges, and the means to correct errors in an acceptable manner
- Customer service, including responsiveness to the Firm
- Commitment to technology and security of confidential information

- Financial strength of the broker/dealer and/or its clearing firm
- Reputation and integrity of the broker/dealer and/or its clearing firm

Clients may pay commissions higher than those obtainable from other brokers for the same services rendered by any broker/dealer recommended to the client by the Firm.

Item 13 – Review of Accounts

Accounts are reviewed not less frequently than monthly and are reviewed any time there is a significant cash deposit to or withdrawal from the account. All reviews are performed by Zaheer Edoo. Mr. Edoo regularly analyzes market and economic activity. For discretionary accounts, the allocation of each portfolio is adjusted at his discretion in accordance with the client's investment objectives, risk tolerance, and financial needs.

The executing broker/dealers and/or custodians who maintain the client accounts will notify the client of any account activity by delivering a confirmation of the transaction to the client. The executing broker/dealer(s) or the custodian(s) will also furnish the client with a monthly or quarterly account activity and position statement. In addition, Vega Capital will provide each client with a performance and appraisal report not less frequently than quarterly. The management fee calculation is also provided to clients on a semiannual basis.

Item 14 – Client Referrals and Other Compensation

A. Economic Benefits

The Firm receives the following economic benefits from West Indies Stockbrokers Ltd. and Beta Capital Management LP:

1. Vega Capital receives one third of the commission revenue generated from trades executed through West Indies Stockbrokers Ltd. ("WISE"), a Trinidad-based broker/dealer. This arrangement creates an inherent financial interest for the Firm to recommend WISE as an executing broker/dealer.
2. Beta Capital Management LP ("Beta"), a U.S. registered broker/dealer, has multiple subscriptions to Bloomberg's Professional financial news and information service. Beta passes onto Vega Capital the discounted price enjoyed for an additional subscription to Bloomberg Professional. Vega pays the full cost of this additional subscription. At present, the monthly benefit of the discounted subscription amounts to approximately US\$400.

Neither the Firm, nor any of our employees, receives any other economic benefit, sales awards or other prizes from any outside parties for providing investment advice to our clients.

B. Referral Fees

Vega Capital may pay referral fees to persons or entities for the referral or introduction of advisory clients to the Firm. There is no differential in the fees charged to the client by Vega Capital attributable to the arrangement between the referring party and Vega Capital. In other words, Vega Capital will not charge a client who is referred by another party any fees other than the fees typically charged to other clients. The amount of the referral fee is determined on a case-by-case basis. However, typically, Vega Capital will remit to the referring party between 30%

and 50% of the management fees generated in the advisory account. Generally, Vega Capital will continue to pay the referral fee for so long as the client is an advisory client of Vega Capital. Referral fee arrangements are fully disclosed to affected clients.

Item 15 – Custody

Vega Capital does not obtain custody of client's monies or securities. Clients should receive, on at least a quarterly basis, statements from the broker/dealer, bank or other qualified custodian that holds and maintains the client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the performance and appraisal reports that we may provide to you. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

Vega Capital offers discretionary management services and financial planning services. Vega Capital obtains discretionary authority only in connection with its discretionary management services. When a client elects Vega Capital's discretionary management services, the client will sign an agreement that provides Vega Capital with the discretionary authority. Vega Capital is then authorized to select the securities and the quantities or amounts of securities to be purchased, leveraged, transferred, exchanged, traded and sold consistent with the stated investment objectives, risk profile, and investment restrictions adopted by the client. Vega Capital's discretionary authority is limited by (1) any reasonable restrictions that the client places on the management of the account, and (2) the investing parameters set forth by Vega Capital and the client, if any. If Vega Capital deems a proposed restriction unreasonable, Vega Capital may discontinue the advisory service. Reasonability is based on whether the restriction(s) will impose a significant time burden on Vega Capital to comply with such restrictions. Vega Capital does not obtain authority to designate the broker/dealers or other financial intermediaries through whom transactions in the accounts will be executed, cleared or settled.

Item 17 – Voting Client Securities

As a matter of Firm policy and practice, Vega Capital does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities owned by the client. Generally, Vega Capital does not provide advice to clients regarding the voting of proxies.

Item 18 – Financial Information

We are required in this Item to provide you with certain information or disclosures regarding our financial condition. Following is the information responsive to this Item:

- The Firm does not require prepayment of more than \$500 in fees six months or more in advance.
- There are no financial conditions or commitments that are likely to impair the Firm's ability to meet any contractual or fiduciary commitment to our clients.
- The Firm has not been the subject of a bankruptcy petition.