

Item 1. Cover Page

Brochure of
Point Lobos Capital, LLC
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February 1, 2012

This brochure provides information about the qualifications and business practices of Point Lobos Capital, LLC (“PLC”). If you have any questions about the contents of this brochure, please contact us at 415-962-1800. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Item 2. Material Changes

Not applicable.

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Item 4. Advisory Business

PLC is a Delaware limited liability company that has been in business since 2010. It serves as the general partner of investment limited partnerships and managing member of investment limited liability companies and serves as the investment adviser to other accounts. PLC's manager, controlling owner and primary portfolio manager is Ryan M. Schaper. As of December 31, 2011, PLC had total discretionary regulatory assets under management of approximately \$465 million. PLC only manages assets on a discretionary basis.

PLC invests principally, but not solely, in equity and equity-related securities that are traded publicly in U.S. and non-U.S. markets on behalf of its clients, but is authorized to enter into any type of investment transaction that it deems appropriate, pursuant to the terms of the client's partnership or other account agreement.

The investors in the funds that PLC manages have no opportunity to select or evaluate any fund investments or strategies. PLC selects all fund investments and strategies.

PLC typically does not tailor its services to the individual needs of individually managed accounts, but manages each such account according to the strategy selected by the client. PLC's discretionary authority is limited, however, as described in Item 16.

Item 5. Fees And Compensation

PLC's compensation is negotiable and varies, but typically, it charges an annual fee of 1.5% of assets under management, which amount is payable in quarterly installments at the beginning or end (depending on the provisions of each client's partnership or other account agreement) of each calendar quarter based on the net market value of each client's account on the date the fee accrues and becomes payable. PLC also typically is allocated from each limited partner in an investment limited partnership a performance allocation equal to 20% of net profits (including both realized and unrealized gains and losses) otherwise allocable to such limited partner, and receives from each other client a performance fee equal to 20% of net profits of the fund (including both realized and unrealized gains and losses). Performance allocations and fees are assessed in arrears on an annual basis, and are only applied to profits that exceed the cumulative losses previously allocated to or incurred by clients. Those that became clients and investors on or prior to April 1, 2010, received a reduction in fees. Investors in special opportunity investment funds also pay lower fees. PLC complies with Rule 205-3 under the Investment Advisers Act of 1940, to the extent required by applicable law. Performance allocations and fees may create an incentive for PLC to make more risky and speculative investments than it would otherwise make.

PLC typically deducts management fees and performance allocations and fees directly from client accounts but may bill a client for such amounts if provided in a client agreement.

Accounts that invest in mutual funds also pay, indirectly, investment advisory fees to the managers of those funds.

PLC believes that its fees are competitive with fees charged by other investment advisers for comparable services. Comparable services may be available, however, from other sources for lower fees.

The disclosure in this Item 5, together with the disclosure in Item 12, allow a plan that is subject to the Employee Retirement Income Security Act of 1974 and that invests in an investment limited partnership of which PLC is general partner, to use the “alternative reporting option” to report PLC’s compensation as “eligible indirect compensation” on the Schedule C of the plan’s Form 5500 Annual Return/Report of Employee Benefit Plan.

Relationships with PLC’s investment partnership, limited liability company or company clients are terminable on expiration of the partnership’s term, dissolution of the partnership or the limited liability company or on PLC’s withdrawal as general partner or managing member. An investor may, on at least 60 days’ prior notice to the partnership, withdraw up to one-quarter of the balance in such investor’s investment as of the last day of any Fiscal Quarter (a “Permitted Withdrawal Date”); provided that if this one-quarter limit has been applied on the immediately preceding Permitted Withdrawal Date, then such investor may withdraw up to one-third of such investor’s investment on the next Permitted Withdrawal Date, and if such one-quarter and one-third limits have been applied on two consecutive Permitted Withdrawal Dates, then such investor may withdraw up to one-half of such investor’s investment on the next Permitted Withdrawal Date, and if such one-quarter, one-third and one-half limits have been applied on three consecutive Permitted Withdrawal Dates, the remainder may be withdrawn on the next Permitted Withdrawal Date.

An investor in PLC’s special opportunity funds may withdraw when the fund liquidates its underlying investment, and may have limited withdrawal rights in a fund’s agreement.

The holder of an individually managed account may terminate the account by giving the prior written consent negotiated in the client’s agreement.

In all cases, expenses, the pro rata portion of the management fee and the performance allocation or fee through the date of termination are charged to the account. All prepaid but unearned advisory fees are refunded on termination of a client’s account. An investor who withdraws from a fund on a date other than the last day of a quarter, however, does not receive a refund of the management fee previously paid.

Each account is responsible for its own costs and expenses, including trading costs and expenses (such as brokerage commissions, expenses related to short sales, and clearing and settlement charges), ongoing legal, accounting and bookkeeping fees and expenses, and the fees and expenses charged by any fund administrator for its accounting, bookkeeping and other services. PLC bears its own operating, general, administrative and overhead costs and expenses, other than the expenses described above. All or a portion of these costs and expenses may be paid, however, by securities brokerage firms and FCMs that execute clients’ securities trades, as discussed in Item 12 below.

Item 6. Performance-Based Fees And Side-By-Side Management

PLC currently manages only accounts that pay performance-based compensation as described in Item 5. It does not manage accounts that do not pay performance-based compensation.

Item 7. Types Of Clients

PLC Provides investment advice to investment funds and other accounts. Investors in the funds are required to invest a minimum of \$1 million, but PLC may waive this minimum. PLC generally requires a minimum of \$50 million to open an individually managed account, but may waive this minimum.

Item 8. Methods Of Analysis, Investment Strategies And Risk Of Loss

Main Strategy

PLC's main strategy invests (long and short) in securities, consisting principally, but not solely, of equity and equity-related securities and bonds and other fixed income securities that are traded publicly in U.S. and non-U.S. markets. The strategy also may invest in preferred stocks, convertible securities, warrants, rights, options (including covered and uncovered puts and calls and over-the-counter options), swaps, futures, options on futures, precious metals, other commodity interests and other derivative instruments, currencies, private securities and money market instruments. The strategy also engages in margin trading, hedging and other investment strategies.

At its core the strategy employs an opportunistic long/short strategy focused on specific security, fundamental analysis driven, value anchored investing. PLC attempts to avoid permanent capital loss and produce attractive returns disproportionate to the risk taken through finding inefficiency in the market. It overlays a top-down macro understanding on specific security micro analysis to assess investments and portfolio positioning. Of course, there can be no guarantee that PLC will achieve its investment objectives.

Special Opportunity Strategy

PLC's special opportunity strategy typically invests in one security or a small number of securities. The special opportunity strategy is highly concentrated and may be extremely volatile.

General Disclosure

The investment strategies summarized above represent PLC's current intentions, are general in nature and are not exhaustive. There are no limits on the types of securities in which PLC may take positions on behalf of its clients, the types of positions it may take, the concentration of its investments or the amount of leverage that it may use. PLC may use any trading or investment techniques, whether or not contemplated by the expected investment strategies described above. In addition, there are limitations in describing any investment strategy due to its complexity, confidentiality and indefinite nature. Depending on conditions and trends in securities markets and the economy generally, PLC may pursue any objectives or use any techniques that it considers appropriate and in the interest of its clients.

Risk Factors

Investing in securities involves risk of loss that clients should be prepared to bear. Below are some of the risks that investors should consider before investing in any account that PLC manages. Any or all of such risks could materially and adversely affect investment performance, the value of any account or any security held in an account, and could cause investors to lose substantial amounts of money. Below is only a brief summary of some of the risks that a client or investor may encounter. Potential investors in a fund should review such fund's offering circular or private offering memorandum carefully and in its entirety, and consult with their professional advisers before deciding whether to invest. The risks described below also generally apply to individually managed accounts. A potential client should discuss with PLC's representatives any questions that such person may have before opening an account.

- Client accounts may not achieve their investment objectives. An account strategy may not be successful and investors may lose some or all of their investment.
- PLC and its affiliates may spend time on activities that compete with a fund without accountability to investors, including investing for other clients and their own accounts. If PLC receives better compensation and other benefits from managing other assets or client accounts compared to managing a fund, it has incentive to allocate more time to those other activities. These factors could influence PLC not to make investments on a fund's behalf even if such investments would benefit the fund.
- PLC may provide certain investors or clients more frequent or detailed reports, special compensation arrangements and withdrawal or redemption rights that it does not provide to other investors or clients.
- PLC has limited operating history on which prospective clients and investors may evaluate its performance.
- Investor sentiment on the market, an industry or an individual stock, fixed income or other security is not predictable and can adversely affect an account's investments.
- An account may hold stocks that disappoint earnings expectations and decline, and may short stocks that beat earnings expectations and rise.
- PLC may not be able to obtain complete or accurate information about an investment and may misinterpret the information that it does receive. PLC also may receive material, non-public information about an issuer that prevents it from trading securities of that issuer for a client when the client could make a profit or avoid losses.
- PLC may take positions in securities of small, unseasoned companies that are less actively traded and more volatile than those of larger companies.
- PLC may engage in hedging, which may reduce profits, increase expenses and cause losses. Price movement in a hedging instrument and the security hedged do not always correlate, resulting in losses on both the hedged security and the hedging instrument.

PLC is not obligated to hedge a client's portfolio positions, and it frequently may not do so.

- An account may have higher portfolio turnover and transaction costs than a similar account managed by another investment adviser. These costs reduce investments and potential profit or increase loss.
- PLC sells securities short, resulting in a theoretically unlimited risk of loss if the prices of the securities sold short increase.
- Management and stockholders of an issuer may sue short sellers to prevent short sales of the issuer's securities. PLC could be subject to such actions, even if they are baseless, and clients could incur substantial costs defending them.
- PLC may use leverage by borrowing on margin, selling securities short and trading futures, other commodity interests and derivatives, which increases volatility and risk of loss. These instruments can be difficult to value. An incorrect valuation could result in losses.
- PLC may sell covered and uncovered options on securities. The sale of uncovered options could result in unlimited losses.
- Counterparties such as brokers, dealers, FCMs, custodians and administrators with which PLC does business on behalf of clients may default on their obligations. For example, a client may lose its assets on deposit with a broker if the broker, its clearing broker or an exchange clearing house becomes bankrupt.
- PLC may cause a client to enter into repurchase agreements or reverse repurchase agreements. These instruments can have effects similar to margin trading and leveraging strategies.
- PLC may cause clients to invest in securities of non-U.S. private and government issuers. The risks of these investments include political risks; economic conditions of the country in which the issuer is located; limitations on foreign investment in any such country; currency exchange risks; withholding taxes; limited information about the issuer; limited liquidity; and limited regulatory oversight.
- Changes in economic conditions can adversely affect investment performance. At times, economic conditions in the U.S. and elsewhere have deteriorated significantly, resulting in volatile securities markets and large investment losses. Government actions responding to these conditions could lead to inflation and other negative consequences to investors.
- PLC may acquire for a client a large position in an issuer's securities but the client nevertheless is unlikely to have any control over the issuer's management. In addition, if PLC holds a large position in an issuer's securities, it could depress the market for those securities.

- Some of an account's positions may be or become illiquid, in which case PLC may not be able to sell such positions.
- An account may invest in restricted securities that are subject to long holding periods or that are not traded in public markets. These securities are difficult or impossible to sell at prices comparable to the market prices of similar publicly-traded securities and may never become publicly traded.
- An account's investments may not be diversified. Therefore, a loss in any one position, industry or sector in which a fund has invested may cause significant losses.
- PLC determines the value of securities held in client accounts, whether or not a public market exists for such securities. If PLC's valuation is inaccurate, it might receive more compensation than that to which it is entitled, a new investor in a fund might receive an interest that is worth less than the investor paid and an investor that is withdrawing assets might receive more than the amount to which the investor is entitled, to the detriment of other investors.
- The client and not PLC is responsible for any trade errors that PLC makes in an account, even when the error hurts the client.
- PLC and its affiliates and agents generally are not responsible to any client or investor for losses incurred in an account unless the conduct resulting in such loss breached PLC's fiduciary duty to the client or investor.
- There is not and will not be an active market for the interests in the funds. It may be impossible to transfer any such interests, even in an emergency.
- A fund may not be able to generate cash necessary to satisfy investor withdrawals and redemptions. Substantial withdrawals and redemptions in a short period could force PLC to liquidate investments too rapidly, and may so reduce the size of a fund that it cannot generate returns or reduce losses.
- A fund may limit or suspend withdrawals or redemptions of an investor's assets from the fund.
- If the assets that PLC and its affiliates manage grow too large, it may adversely affect performance, because it is more difficult for PLC to find attractive investments as the amount of assets that it must invest increases.
- No client or investor has been represented by separate counsel. The attorneys who represent PLC or its manager do not represent clients or investors. Clients and investors must hire their own counsel for legal advice and representation.
- A fund may dissolve or expel any investor at any time, even if such actions adversely affect one or more investors.

- PLC, an administrator or any government agency may freeze assets that any of them believes a client holds in violation of anti-money laundering laws or rules or on behalf of a suspected terrorist, and may transfer such assets to a government agency. None of PLC, a fund or an administrator will be liable for losses related to anti-money laundering regulation.
- The funds do not intend to make distributions, but intend instead to reinvest substantially all income and gain. Therefore, an investor may have taxable income from a fund without a cash distribution to pay the related taxes.
- Federal, state and international governments may increase regulation of investment advisers, private investment funds and derivative securities.
- PLC is not registered with the SEC as a broker-dealer, or the Commodity Futures Trading Commission as a commodity pool operator. The equity interests in the funds are not registered under the Securities Act of 1933, and the funds are not registered investment companies under the Investment Company Act of 1940. PLC believes that none of these registrations is required because exemptions are available under applicable law. If a regulatory authority deems that any of these registrations is required, PLC and any fund could be subject to expensive legal action and potential termination. In addition, investors in the funds do not have certain regulatory protection afforded to investors that they would have if these registrations were in place.
- PLC's activities could cause adverse tax consequences to clients and investors, including liability for interest and penalties.
- PLC's activities may cause an account that is subject to the Employee Retirement Income Security Act of 1974 to engage in a prohibited transaction under that Act.
- If a limited partnership client becomes insolvent, investors may be required to return with interest any distributions and forfeit any undistributed profits.

The above is only a brief summary of some of the important risks that a client or investor may encounter. Before deciding to invest in a fund that PLC manages, you should consider carefully all of the risk factors and other information in the fund's offering circular or private offering memorandum.

Item 9. Disciplinary Information

Not applicable.

Item 10. Other Financial Industry Activities And Affiliations

Not Applicable.

Item 11. Code Of Ethics, Participation Or Interest In Client Transactions And Personal Trading

PLC has adopted a Code of Ethics in compliance with Rule 204A-1 under the Investment Advisers Act of 1940, which establishes standards of conduct for PLC's supervised persons. The Code of Ethics includes general requirements that PLC's supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons periodically to report their personal securities transactions and holdings to PLC's Compliance Officer, and requires the Compliance Officer to review those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to the Compliance Officer. Each supervised person of PLC receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received those materials. Annually, each supervised person must certify that he or she complied with the Code of Ethics during the preceding year. Clients and prospective clients may obtain a copy of PLC's Code of Ethics by contacting William E. Todebush, telephone 415-962-1800.

Under PLC's Code of Ethics, PLC and its managers, members and employees may personally invest in securities of the same classes as PLC purchases for clients and may own securities of issuers whose securities that PLC subsequently purchases for clients. This practice creates a conflict of interest in that any of such persons can use his or her knowledge about actual or proposed securities transactions and recommendations for a client account to profit personally by the market effect of such transactions and recommendations. To address this conflict, except as described in Item 12 regarding aggregating securities transactions, PLC and its managers, members and employees typically must obtain pre-approval before engaging in most securities transactions. PLC and its managers, members and employees may also buy or sell specific securities for their own accounts based on personal investment considerations aside from company or industry fundamentals, which PLC does not believe appropriate to buy or sell for clients.

PLC solicits investors who may or may not be PLC's clients to invest in its limited partnership clients. PLC has an incentive to cause a client to invest in a limited partnership instead of an individually managed account because of the reduced expenses and administrative burdens of managing a fund compared to an individually managed account, PLC's performance compensation from a limited partnership receives more favorable tax treatment than that from an individually managed account and limited partners have less transparency and liquidity than individual account clients. In addition, if a fund investor also has an individually managed account with PLC that uses an investment strategy that is similar to that of the fund, the investor may use knowledge of the other account's portfolio to decide if and when to make an additional investment or withdraw or redeem assets from the fund at times when other fund investors would have made similar decisions had they had similar transparency. PLC discloses these conflicts of interest to clients and investors.

Because PLC manages more than one account, there may be conflicts of interest over its time devoted to managing any one account and allocating investment opportunities among all accounts that it manages. For example, PLC selects investments for each client based solely on investment considerations for that client. Different clients may have differing investment

strategies and expected levels of trading. PLC may buy or sell a security for one type of client but not for another, or may buy (or sell) a security for one type of client while simultaneously selling (or buying) the same security for another type of client. PLC attempts to resolve all such conflicts in a manner that is generally fair to all of its clients. PLC may give advice to, and take action on behalf of, any of its clients that differs from the advice that it gives or the timing or nature of action that it takes on behalf of any other client so long as it is PLC's policy, to the extent practicable, to allocate investment opportunities to its clients fairly and equitably over time. PLC is not obligated to acquire for any account any security that PLC or its managers, members or employees may acquire for its or their own accounts or for any other client, if in PLC's absolute discretion, it is not practical or desirable to acquire a position in such security for that account.

Item 12. Brokerage Practices

PLC has complete discretion in selecting the broker or FCM that it uses for client transactions and the commission rates that clients pay such brokers and FCMs. In selecting a broker or FCM for any transaction or series of transactions, PLC may consider a number of factors, including, for example:

- net price, clearance, settlement and reputation;
- financial strength and stability;
- efficiency of execution and error resolution;
- block trading and block positioning capabilities;
- willingness to execute related or unrelated difficult transactions in the future;
- special execution capabilities;
- order of call;
- offering to PLC on-line access to computerized data regarding clients' accounts;
- computer trading systems; and
- the availability of stocks to borrow for short trades.

PLC may also purchase from a broker or FCM or allow a broker or FCM to pay for the following (each a "soft dollar" relationship):

- research services, including third-party research fees;
- economic and market information;
- portfolio strategy advice;
- industry and company comments;
- technical data;
- recommendations;
- research conferences;
- general reports;
- periodical subscription fees;
- consultations;
- performance measurement data;
- on-line pricing;
- news wire and data processing charges;

- quotation services;
- custody, recordkeeping and similar services; and
- proxy voting services;
- accounting fees; and
- legal fees.

PLC has retained Morgan Stanley & Co., LLC, State Street Corporation, UBS Securities, LLC and UBS AG to serve as certain of the investment fund's prime brokers and custodians. The services that these firms provide as prime brokers and custodians may include providing custody, margin financing, clearing, settlement and stock borrowing in accordance with the terms of the prime brokerage and custody agreements entered into with each investment fund. PLC receives other services from them. These services may include: technology services, capital introduction services, portfolio reporting and access to Electronic Communications Networks. The arrangements may be deemed to be soft dollar arrangements. PLC expects to use a substantial portion of these services for research and trading on behalf of the investment funds, but some may be used for administrative purposes, which would not be within the safe harbor of section 28(e). Although many prime brokers and custodians provide similar services to investment advisers in exchange for brokerage, custody and clearance fees and other charges, if PLC did not receive these services from these firms, PLC would be required to pay for all or some portion of them. PLC expects to direct some of the investment funds' securities transactions to these firms and their affiliates, but is not required to direct a particular number of trades to them or to continue to use them as the investment funds' prime brokers and custodians, but it has an incentive to do so based on their prior and continued services.

Each investment fund's obligations to these firms and their affiliates will be secured by way of a first priority perfected security interest over all of the investment fund's assets held in custody by these firms. Each firm and its affiliates may transfer to themselves all rights, title and interest in and to those assets as collateral and may deal with, lend, dispose of, pledge or otherwise use all such collateral for their own purposes.

If any of an investment fund's investments are registered in the name of a custodian or affiliate due to the nature of the law or market practice of a particular jurisdiction, such investments will not be segregated from the custodian's or affiliate's own investments and if such custodian or affiliate becomes insolvent, the investment fund may not be able to recover such equivalent investments in full.

PLC may receive soft dollar credits based on principal, as well as agency, securities transactions with brokerage firms or direct a brokerage firm that executes transactions to share some of its commissions with a brokerage firm that provides soft dollar benefits to PLC.

PLC may allocate the costs of certain computer equipment and software used for both research and non-research purposes between their research and non-research uses, and use soft dollars to pay only for the portion that PLC allocates to research uses.

Section 28(e) of the Securities Exchange Act of 1934 provides a "safe harbor" to investment advisers who use commission dollars of their advised accounts to obtain investment research and

brokerage services that provide lawful and appropriate assistance to the adviser in performing investment decision-making responsibilities. Conduct outside of the safe harbor of section 28(e) is subject to the traditional standards of fiduciary duty under state and federal law. If PLC uses commission dollars to pay for products or services that provide administrative or other nonresearch assistance to itself or its affiliates, such payments may not fall within the section 28(e) safe harbor.

PLC may pay to a broker or FCM commissions and mark-ups that exceed those that another broker or FCM might charge for effecting the same transaction because of the value of the brokerage, research, other services and soft dollar relationships that such broker or FCM provides. PLC determines in good faith that such compensation is reasonable in relation to the value of such brokerage, research, other services and soft dollar relationships, in terms of either the specific transaction or PLC's overall fiduciary duty to its clients. An account may, however, pay higher commissions and mark-ups than are otherwise available or may pay more commissions or mark-ups based on account trading activity. The research and other benefits resulting from PLC's brokerage relationships benefit PLC's operations as a whole and all accounts that it manages, including those that do not generate the soft dollars that pay for such research and other benefits and accounts of clients that direct PLC to use a broker or FCM that does not provide PLC with soft dollar services. PLC does not allocate soft dollar benefits to client accounts proportionately to the soft dollar credits that the accounts generate.

PLC's relationships with brokers and FCMs that provide soft dollar services influence PLC's judgment and create conflicts of interest in allocating brokerage business between firms that provide soft dollar services and firms that do not, and in allocating the costs of mixed-use products between their research and non-research uses. PLC has an incentive to select or recommend a broker or FCM based on PLC's interest in receiving soft dollar services rather than clients' interest in receiving the most favorable execution. These conflicts of interest are particularly influential to the extent that PLC uses soft dollars to pay expenses it would otherwise be required to pay itself.

PLC has addressed these conflicts of interest by annually evaluating the trade execution services that PLC receives from the brokers and FCMs that it uses to execute trades for clients. Such evaluation includes comparing those services to the services available from other brokers and FCMs. PLC considers, among other things, alternative market makers and market centers, the quality of execution services, the value of continuing with various soft dollar services and adding or removing brokers or FCMs, increasing or decreasing targets for each broker or FCM and the appropriate level of commission rates.

PLC may aggregate securities sale and purchase orders for a client with similar orders being made contemporaneously for other accounts that PLC manages or with accounts of its affiliates. In such event, PLC may charge or credit a client, as the case may be, the average transaction price of all securities purchased or sold in such transactions. As a result, however, the price may be less favorable to the client than it would be if PLC were not executing similar transactions concurrently for other accounts. PLC may also cause a client to buy or sell securities directly from or to another client, if such a cross-transaction is in the interests of both clients.

PLC may direct a certain amount of brokerage to a broker or FCM in return for the broker's or FCM's referral of prospective clients or investors. Directing brokerage to a broker in exchange for client or investor referrals creates a conflict of interest in that PLC has an incentive to refer its clients' brokerage business to brokers to which it might not otherwise direct its brokerage transactions.

If a client directs PLC to use a specific broker, PLC has not negotiated the terms and conditions (including, among others, commission rates) relating to the services provided by such broker. PLC is not responsible for obtaining from any such broker the best prices or particular commission rates. A client that directs PLC to use a specific broker may not be able to participate in aggregate securities transactions and may trade after such aggregate transactions and receive less favorable pricing and execution. The client may pay higher commissions and mark-ups than it would pay if PLC had discretion to select broker-dealers other than those that the client chooses.

Item 13. Review Of Accounts

PLC's Manager reviews all accounts weekly. Those reviews take into account such matters as asset allocation, cash management, the prospects of individual securities, changes in issuer earnings, industry outlook, market outlook and price levels. Each client and fund investor receives a quarterly letter, stating performance for the quarter and discussing investment outlook. Investors in the Special Opportunities Strategy receive reports on a periodic but irregular basis.

Item 14. Client Referrals And Other Compensation

PLC may engage solicitors to whom it pays cash or a portion of the advisory fees paid by clients referred to it by those solicitors. In such cases, this practice is disclosed in writing to the client and PLC complies with the other requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, to the extent required by applicable law.

Item 15. Custody

The custodian of each individually managed account sends account statements at least quarterly to the client. Each client should carefully review those statements and compare them with the statements that such client receives directly from PLC.

Item 16. Investment Discretion

PLC has discretionary authority to manage securities accounts on behalf of clients pursuant to a grant of authority in each fund's limited partnership or limited liability company agreement or a limited power of attorney in each other client's account agreement. Except for PLC's investment fund clients, such discretion is limited by the requirement that clients advise PLC of:

- the investment objectives of the account;
- any changes or modifications to those objectives; and
- any specific investment restrictions relating to the account.

A client must promptly notify PLC in writing if the client considers any investments recommended or made for the account to violate such objectives or restrictions. A client may at any time direct PLC to sell any securities or take such other lawful actions as the client may specify to cause the account to comply with the client's investment objectives. In addition, a client may notify PLC at any time not to invest any funds in the client's account in specific securities or specific categories of securities.

Item 17. Voting Client Securities

PLC votes all proxies on behalf of each account over which PLC has proxy voting authority based on PLC's determination of the best interests of such account. In determining whether a proposal serves the best interests of an account, PLC considers a number of factors, including:

- the proposal's economic effect on shareholder value;
- the threat that the proposal poses to existing rights of shareholders;
- the dilution of existing shares that would result from the proposal;
- the effect of the proposal on management or director accountability to shareholders; and
- if the proposal is a shareholder initiative, whether it wastes time and resources of the company or reflects the grievance of one individual.

PLC abstains from voting proxies when PLC believes that it is appropriate to do so.

If a material conflict of interest over proxy voting arises between PLC and a client, PLC will vote all proxies in accordance with the policy described above. If PLC determines that this policy does not adequately address the conflict of interest, PLC will notify the client of the conflict and request that the client consent to PLC's intended response to the proxy solicitation. If the client consents to PLC's intended response or fails to respond to the notice within a reasonable time specified in the notice, PLC will vote the proxy as described in the notice. If the client objects in writing to PLC's intended response, PLC will vote the proxy as directed by the client.

A client can obtain a copy of PLC's proxy voting policy and a record of votes cast by PLC on behalf of that client by contacting PLC.

Item 18. Financial Information

Not Applicable.

Item 19. Requirements For State-Registered Advisers

All of the information required by this Item is disclosed elsewhere in PLC's Form ADV.

Privacy Policy

PLC and the investment limited partnerships for which it serves as general partner:

- collect non-public personal information about their clients and investors from the following sources:

- information received from clients or investors on applications or other forms, and
- information about clients' or investors' transactions with PLC, its affiliates or others;
- do not disclose any non-public personal information about their clients or investors or former clients or investors to anyone, except as permitted by law;
- restrict access to non-public personal information about their clients and investors to their employees who need to know that information to provide services to clients; and
- maintain physical, electronic and procedural safeguards that comply with federal standards to guard clients' and investors' personal information.

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Item 1 Cover Page

Brochure Supplement of

Point Lobos Capital, LLC

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Telephone: 415-962-1800

March 22, 2011

This brochure supplement provides information about Ryan Schaper, which supplements Point Lobos Capital, LLC's ("PLC") brochure. You should have received a copy of that brochure. Please contact William E. Todebush if you did not receive PLC's brochure or if you have any questions about the contents of this supplement.

Additional information about PLC's supervised person is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Experience

Ryan Mark Schaper, born March 2, 1978.

Education

2000 Stanford University, Stanford, California; B.S. in Industrial Engineering

Business Background

2009-Present Point Lobos Capital, LLC, San Francisco, California; Investment Adviser, Manager

2002-2008 Farallon Capital Management, San Francisco, California; Investment Adviser, Analyst/Portfolio Manager

2000-2002 Banc of America Securities, San Francisco, California; Investment Bank, Corporate Finance Analyst

Item 3 Disciplinary Information

Not applicable.

Item 4 Other Business Activities

Not applicable.

Item 5 Additional Compensation

Not Applicable.

Item 6 Supervision

Mr. Schaper, PLC's controlling member and manager, is PLC's only supervised person. At the direction of Mr. Schaper, PLC has implemented a Statement of Policies and Procedures, including PLC's Code of Ethics, which governs Mr. Schaper's activities, including the investment advice that he provides to clients.

William Todebush is PLC's chief compliance officer, whose telephone number is 415-962-1800. Mr. Todebush supervises PLC's supervised persons by monitoring their compliance with PLC's Statement of Policies and Procedures, including its Code of Ethics.

Item 7 Requirements for State-Registered Advisers

Not Applicable.