

ITEM 1: COVER PAGE

Rocwood Capital Management LP (“Rocwood”)

Form ADV, Part 2A
(“Brochure”)

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This Brochure provides information about the qualifications and business practices of Rocwood Capital Management LP. If you have any questions about the contents of this brochure, please contact us at (212) 702-6900. 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.

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

The firm may refer to itself as a “registered investment adviser” or “RIA”. You should be aware that registration with the SEC or a state securities authority does not imply a certain level of skill or training.

ITEM 2: MATERIAL CHANGES

There have been no material changes to this Brochure since the previous annual update in March 2011.

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ITEM 4: ADVISORY BUSINESS

Rocwood was founded in 2009 by Gregg Weinstein. Its principal (25%) owners are as follows: Gregg Weinstein, Founder, Chief Executive Officer.

Rocwood provides discretionary investment advisory services through a “master-feeder” structure with a domestic “feeder” (the “U.S. Fund”) and an offshore “feeder” (the “Offshore Fund”), each of which invests in an offshore “master fund” (the “Master Fund,” and together with the U.S. Fund, the Offshore Fund and any additional investment vehicle or account that Rocwood or its affiliates may manage in the future, the “Accounts”). Currently, all trading is generally conducted through the Master Fund so the Master Fund is the sole Account. Rocwood does not currently manage any Accounts other than the U.S. Fund, the Offshore Fund and the Master Fund but may in the future establish one or more separately managed accounts for clients. Rocwood’s U.S. Fund is organized as a Delaware limited partnership, with an affiliate of Rocwood that is wholly-owned by Rocwood’s principals, serving as the U.S. Fund’s and the Master Fund’s general partner (the “GP”). The Offshore Feeder is organized as a Cayman Islands exempted company and the Master Fund is organized as a Cayman Islands exempted limited partnership. The U.S. Fund and the Offshore Fund are managed in accordance with the investment objectives, strategies and guidelines and the terms and conditions of investment, set out in their respective private placement memoranda (each, a “PPM”) and their organizational, governing and other related documents (collectively, the “Governing Documents”).

Rocwood provides advice to the Accounts with respect to trading and investing, both long and short, in a broad range of equity and credit products. Services provided to the Accounts by the GP and/or Rocwood or its personnel or affiliates, also may include, in addition to advice regarding investments, organizing and managing the Accounts’ business affairs, executing and reconciling trades, preparing financial statements, providing audit support, preparing tax-related schedules and documents and sales support and investor relations services.

For further details, see Item 8 below.

The Accounts are not tailored to the individualized investment needs of any particular investor in the Accounts (each, an “Investor”), though Accounts may take into consideration the general characteristics (e.g., tax status) of its target Investors. An investment in an Account does not, in and of itself, create a client-adviser relationship between any Investor and Rocwood. Rocwood typically does not enter into separate advisory arrangements with Investors. However, Rocwood and its affiliates may manage funds that invest in parallel with one or more Accounts or enter into separate account arrangements with Investors, the investment programs and terms of which will generally be individually negotiated at the time of entering into the related advisory agreement. A prospective Investor must consider whether an Account is an appropriate investment, including with respect to such Investor’s investment objectives and risk tolerance.

As of December 31, 2011, Rocwood had discretionary assets under management of approximately \$131.3 million in regulatory assets under management.

ITEM 5: FEES AND COMPENSATION

Pursuant to the Governing Documents, Rocwood is generally entitled to receive an asset-based management fee payable quarterly in advance and incentive allocations are paid to the GP, generally on an annual basis. Management fees and incentive allocations are generally calculated and charged separately, in accordance with such adjustments and pursuant to such process set forth in the Governing Documents. Such fees were determined at the organization of the Accounts.

Management fees and incentive allocations assessed against the Accounts vary by Class. Management fees for Class A Investors in the U.S. Fund or the Offshore Fund are generally payable quarterly in an amount equal to 0.5% (2.0% annually) of the net asset value of each Investor's capital account(s) or shares, as applicable. Management Fees for Class B Investors in the U.S. Fund or the Offshore Fund are generally payable quarterly in an amount equal to 0.375% (1.5% annually) of the net asset value of the Investor's capital account(s) or shares, as applicable. Management fees will be pro-rated when Rocwood provides services for less than a full quarter and, if paid in advance, will be automatically refunded and reflected in the net asset value of the Investor's capital account(s) or shares, as applicable. Rocwood and the GP will not be subject to management fees with respect to their own investment in an Account.

Investors in the U.S. Fund and the Offshore Fund are generally assessed an incentive allocation, on December 31st of every year, equal to 20% for Class A Investors and 15% for Class B Investors, in each case based on the net capital appreciation in such Investor's capital account(s) or shares, as applicable, subject to a "high water mark," as described in the Governing Documents. Incentive allocations will also be assessed as of the end of other accounting periods in accordance with the Governing Documents, including upon withdrawal of capital by an Investor or liquidation of a fund, if such withdrawal or liquidation occurs on a date other than the standard assessment date. Rocwood and the GP will not be subject to incentive allocations with respect to their own investment in an Account.

Management Fees are automatically deducted on a quarterly basis and incentive allocations are automatically deducted at the end of each applicable accounting period, as outlined above. The method of payment is determined by Rocwood and is generally not negotiable.

The particular fees applicable to the Accounts are included in the summaries above (and, in more detail, in the Governing Documents); however, Investors should be aware that fees may change over time and that different fee schedules may apply if Rocwood adopts new investment strategies, establishes additional funds or accepts clients other than the current Accounts. Additionally, specific fee arrangements applicable to any Investor are subject to negotiation and Rocwood or the GP may waive or reduce management fees or incentive allocations, in their discretion, based on the nature of the strategy and services to be provided by Rocwood, total market value invested with Rocwood, regulatory and reporting requirements, requested customization, and any other relevant factor, including employment or familial relationships with Rocwood. Thus, different Investors in the same Account may pay different fees based on, among other things, waivers and investment dates. In particular, Rocwood and the GP expect to waive or reduce management fees and incentive allocations for Investors who are employees or affiliates of Rocwood. Except as otherwise agreed, Rocwood is not obligated to waive or reduce fees for any other Investor when offering such waivers or reductions to a particular Investor.

See Item 6 for discussion of potential conflicts of interest associated with compensation of Rocwood.

The Accounts pay all costs in connection with trading and investment activities at rates negotiated by Rocwood and/or the GP. Except as otherwise agreed or set forth in the Governing Documents, such costs include, but are not limited to, brokerage commissions, execution and clearing expenses, interest expense, stock borrowing fees, research and market data expenses, investment-related travel expenses, certain risk management and research software and other related products and pricing feeds as well as order management and portfolio management systems and software, taxes, duties and other governmental charges, transfer fees, costs and charges associated with making deposits in connection with foreign exchange transactions, registration fees and other expenses and charges associated with the purchase, holding or sale of assets. Brokerage commissions, margin interest, non-U.S. exchange transaction fees, and other transaction costs and fees are subject to change from time to time as mutually agreed between Rocwood and/or the GP and the applicable broker or dealer. In addition, interest expense varies depending on the amount of leverage utilized.

For further details on Rocwood's brokerage practices, see Item 12.

The Accounts pay all ordinary organizational, offering, administrative, and operating expenses, including expenses for services provided by third parties. Such expenses include ordinary and recurring filing fees, administrative expenses including fees payable to the Account's administrator and valuation service provider, legal expenses, external accounting expenses, insurance premiums, audit and tax preparation expenses, corporate licensing, custodial fees and other expenses associated with the operation of the Accounts. In addition, the Accounts will bear all expenses incurred in connection with independent appraisers or other experts engaged by the Accounts in connection with specific investment opportunities being evaluated on behalf of the Accounts.

The Accounts will bear their own organizational expenses. Organizational expenses, other than offering expenses, will be paid by the Accounts and amortized over a five year period. Notwithstanding the foregoing, if the amortization of organizational expenses would result in a qualified audit opinion, the GP shall have the right to expense organizational expenses, or account for them in such other manner as the GP shall determine to be appropriate.

The Accounts typically pays such operating expenses, separate and apart from management fees, or otherwise reimburse the GP, Rocwood or such personnel or affiliates, for these and other services. Such services, and any expenses or reimbursements related thereto, will generally be provided in accordance with the Governing Documents. The U.S. Fund and the Offshore Fund bear the expenses of the Master Fund on a *pro rata* basis.

The Accounts may impose fees or charges upon contributions or withdrawals in certain circumstances to cover the costs of investing or redeeming the relevant funds. Such charges, which typically will not exceed 3% of the amount being contributed or withdrawn, are payable to and for the benefit of the Account and do not inure directly to the benefit of Rocwood or the GP (although such charges may have an effect on the size and value of the Account which, in turn, affects Rocwood's management fee and the GP's incentive allocations). Rocwood or the GP may waive, modify or reduce such fees, in its discretion, on an investor-by-investor basis without any obligation to notify or make any fee concession available to any other Investor.

While each Account is generally expected to be fully invested, an Account may hold cash positions for investment, defensive, hedging or collateral purposes or as a result of contributions or in anticipation of withdrawals or redemptions. In the event that Rocwood believes in its sole judgment that there is not sufficiently good value in securities suitable for investment in accordance with the relevant strategy, all or a substantial percentage of an Account's capital may be held in cash, cash equivalents or other short-term instruments including, without limitation, money market funds. When money market funds are used for cash management purposes, Investors in Accounts, in effect, pay two advisory fees with respect to the portion of the Account invested in such money market funds (e.g., the money market fund's fees and expenses and that portion of Rocwood's fee attributable to such assets).

See the discussion of management fees in Item 5B.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

See general discussion of fees in Item 5.

Rocwood is compensated, and the GP receives incentive allocations, based on the market value and/or performance of the Accounts. As a result, to the extent that Rocwood and/or the GP value portfolio investments of the Accounts, and value a security higher than its current market value (or where such market values are unreliable), Rocwood and/or the GP may benefit by receiving a management fee or incentive allocation that is increased by the impact, if any, of such valuation discrepancy. Even where a security is accurately valued, the Account may not ultimately realize the value upon which an incentive allocation was charged upon its ultimate sale due to subsequent market movements. Additionally, where an Investor purchases or redeems interests in an Account at a net asset value that is impacted by a discrepancy

in valuation, such Investor may receive a greater or lesser interest in (or increased or decreased redemption proceeds from) such Account than would have been the case absent the discrepancy. Similarly, existing and continuing Investors may be subject to dilution or accretion. While the Accounts do not generally seek to invest in private or illiquid securities, they have the right to do so on an opportunistic basis. As a result, a portion of the assets in which Accounts managed by Rocwood invest may, at any time or from time to time, be illiquid, thinly traded or otherwise difficult to value. As a result, and as discussed below, Rocwood has established valuation policies and procedures to mitigate the conflicts and potential for material pricing discrepancies in respect of Account assets and to assure that assets are valued in good faith and as accurately as is reasonably practicable. Under these procedures, assets held by or on behalf of an Account are valued as agreed with Investors through the Account's Governing Documents and as described in the relevant PPM or, in the absence of specific and stated valuation procedures, at fair or market value.

As a general matter: (i) listed investments are marked-to-market based on the last reported sales prices, on the relevant trading market, on the day of valuation (if no sales occurred on such day, then the valuation will be the "bid" price if held long and the "ask" price if held short at the close of business on the valuation date); and (ii) other investments are valued using an appropriate method as determined by Rocwood or the valuation service provider, as applicable, to determine the fair value of the investment (such methods may include comparable company valuations, net asset valuations and discounted cash flows). Rocwood or the valuation service provider, as applicable, also may rely on values and information provided by third party pricing services or an Account's administrator or custodian.

Rocwood or the valuation service provider, as applicable, may be required to manually price or "fair value" one or more assets held by, or on behalf of, an Account. Fair valuation may be necessary where pricing or valuation information with respect to an asset is unavailable or unreliable due to market dislocations, loss of pricing coverage or market-making activities by broker-dealers, mergers and liquidations of broker-dealers or third-party pricing vendors that previously supplied pricing data, the distressed nature of certain forced asset sales due to de-leveraging transactions, extreme market volatility in certain asset classes, uncertainty surrounding potential or actual government intervention in the markets for certain assets and other factors that Rocwood or the valuation service provider, as applicable, determines may diminish the timeliness, accuracy or reliability of pricing information. For example, Rocwood or the valuation service provider, as applicable, may determine that a market quotation is not readily available or is unreliable if, among other reasons, an asset does not have a price source due to lack of liquidity, the price provided varies significantly from a recent trade, the security or asset is thinly traded (as may be the case with non-U.S. securities), recent asset sales represent distressed sales prices not reflective of the price a market participant might reasonably expect to receive from the current sale of that asset in an arm's-length transaction (e.g., one in which both the buyer and seller acted knowledgeably, prudently, and without compulsion), or there is a significant material event subsequent to the most recent market quotation or pricing information. Rocwood's or the valuation service provider's, as applicable, good faith judgment as to whether an event would constitute a "significant event" or whether a valuation is not readily available or otherwise unreliable may, in hindsight, prove to be incorrect.

Rocwood or the valuation Service Provider, as applicable, may use a variety of fair value techniques or methodologies and may rely on third-party service providers to assist in valuations when market quotations are not readily available or are believed by Rocwood or the valuation service provider, as applicable, to be unreliable. When determining the fair value to be assigned to an asset in these circumstances, Rocwood or the valuation service provider, as applicable, seeks to determine, in good faith, the price that a client might reasonably expect to receive from the current sale of that asset in an arm's-length transaction, considering such factors as the nature and type of asset, the marketplace in which the asset trades, the pricing and trading history, if any, of the asset and of similar assets and issuers and the use of valuations based on net assets or discounted cash flows. Rocwood's or the valuation service provider's, as applicable, fair value determinations also may be based on or consider analytical values determined by Rocwood, the valuation service provider or another service provider using proprietary or third-party valuation models. Investors should be aware that the models, information and/or underlying assumptions utilized will not always allow Rocwood or the valuation service provider, as applicable, to correctly capture the fair value of an asset; rather fair value or manual pricing is intended to yield a good faith approximation of the value of an asset and cannot, *ex ante*, be guaranteed to have reflected the actual or empirical value of any asset, as might be

determined with the benefit of hindsight (particularly in periods of market distress) as fair value price adjustments may prove incorrect as to direction and magnitude. Thus, the fair value assigned to an asset may not match the next available and reliable market price or, in retrospect, have been the price at which that asset could have been sold during the period in which the particular fair values were being used in determining an Account's value for the incentive allocation or net asset value calculation which may impact: (i) the cost paid or proceeds realized by an Account upon the purchase or disposition of the asset; (ii) the management fees and incentive allocations paid to Rocwood and/or the GP; and (iii) the percentage interest assigned in connection with a contribution or the proceeds received upon a withdrawal.

It is possible that different Investors in the same Account will pay varying incentive allocations or management fees. Similarly, it is possible that Rocwood will establish a separately managed account that pays incentive allocations or fees or management fees at a different rate than such commingled vehicles. In such event, Rocwood utilizes allocation policies which are equitable to all clients over time and does not favor one client over another, particularly one that pays higher fees. The policies are tested on a periodic basis to ensure compliance.

ITEM 7: TYPES OF CLIENTS

Rocwood's clients, each of which are referred to herein as an Account, are privately placed pooled investment vehicles. Rocwood and its affiliates may in the future manage funds that invest in parallel with one or more Account or enter into separate account arrangements with Investors, the investment programs and terms of which will generally be individually negotiated at the time of entering into the related advisory agreement.

The Accounts are not registered as investment companies under the Investment Company Act of 1940 (the "*Investment Company Act*"). The U.S. Fund and the Offshore Fund will be excepted from the definition of an "investment company" pursuant to Section 3(c)(7) of the Investment Company Act. Compliance with this exception (and other applicable law) requires the Accounts to restrict the classes of persons who may invest. Interests in 3(c)(7) funds generally must be offered to persons who are both "accredited investors," as that term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the "*Securities Act*") and "qualified purchasers" as defined by Section 2(a)(51) of the Investment Company Act. However, interests in the Offshore Fund may be offered outside the U.S. to persons who are not "U.S. Persons" as defined in Regulation S under the Securities Act and the Offshore Fund may also be offered on a private placement basis to U.S. entities (typically tax exempt) who meet the applicable eligibility requirements.

Provided such Investors meet the eligibility requirements, Investors may include high net worth individuals and families, benefit plans, funds of funds, endowments and foundations.

The Accounts are currently commodity pools for which Rocwood is a commodity pool operator that is exempt from registration and related requirements pursuant to Rule 4.13(a)(4) of the Commodity Exchange Act, as amended, and, in connection with these exemptions, Investors may be required to meet additional requirements. Investors may also be subject to additional eligibility requirements, as set forth in the relevant PPM.

Rocwood's personnel (including, but not limited to, portfolio management personnel responsible for the management of the Accounts) who are "knowledgeable employees" (as defined in Rule 3c-5 under the Investment Company Act) or who otherwise meet an Account's eligibility criteria may invest in the Account. Rocwood, its affiliates or its related persons may also hold interests in the Accounts and may have different compensatory, investment or pecuniary interests in such Accounts, including some which follow similar, complementary or competing strategies.

A minimum investment of \$5,000,000 is currently required for investment in an Account. Upon establishment of a new Account or other vehicle for an investment strategy, or from time to time thereafter,

Rocwood may establish and alter minimum required investment amounts and may waive or reduce stated minimums, on a case-by-case basis, in its sole discretion.

This Brochure will be provided to current and prospective Investors in an Account, together with the Account's PPM and Governing Documents, prior to or in connection with such prospective Investor's consideration or execution of an investment in an Account, and, the Brochure, or a summary of material changes, if any, will subsequently be provided annually, or at the request of an Investor. Investors and other recipients should be aware that while this Brochure may include information about the Accounts, as necessary or appropriate, it should not be considered to represent a complete discussion of the features, risks or conflicts associated with any Account. More complete information about the Accounts is included in the PPMs, which may be provided to current and eligible prospective Investors only by Rocwood or another authorized party.

In no event should this Brochure be considered to be an offer of interests in an Account or relied upon in determining whether to invest. It is also not an offer of, or agreement to provide, advisory services directly to any recipient. Rather, this Brochure is designed solely to provide information about Rocwood for the purpose of compliance with certain obligations under the Investment Advisers Act of 1940, as amended (the "*Advisers Act*") and, as such, responds to relevant regulatory requirements under the Advisers Act, which may differ from the information provided in a PPM. To the extent that there is any conflict between discussions herein and similar or related discussions in any PPM or the Governing Documents, the PPM and Governing Documents shall govern.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Rocwood employs event-driven investment strategies across the capital structure of the companies in which it invests. Investments are based on in-depth fundamental research which identifies long, short and relative value opportunities. Each investment has a catalyst expected to drive the revaluation of mispriced securities or derivatives within a defined time horizon. Rocwood allocates capital among these strategies based upon market opportunities and in a manner that seeks to optimize returns, consistent with the goal of preserving capital.

Rocwood will select core investments based on an assessment of potential total return over 1-24 months. Through deep fundamental research, Rocwood seeks to identify companies where it believes there is a future event that will catalyze a revaluation of a security or securities (or derivative(s) thereof) in its capital structure. Analysis will include both a review of company fundamental and valuation characteristics and will include limited technical analysis as part of the selection process. Rocwood may also trade around, and take advantage of, volatile short term price movements.

Rocwood advises the Accounts with respect to trading and investing, both long and short, in a broad range of equity and credit products, including, common stock, preferred stock, convertible bonds and preferred stock, corporate bonds and other fixed income instruments, such as high yield (below investment grade) instruments, unrated debt securities, bank debt, trade claims and fixed-income securities and may also utilize exchange-traded funds and other index products to gain or diminish exposure to various asset classes. Rocwood advises on the usage of derivative instruments, including exchange-traded and over-the-counter credit default swaps, options, futures, currency swaps, interest rate swaps for efficient portfolio management and a variety of other derivative instruments convertible into or related to such securities for investment or efficient portfolio management (including hedging) purposes. Rocwood advises on securities trading that takes place on U.S. and non-U.S. exchanges and over-the-counter markets, and may include securities of entities in developing countries, U.S. and non-U.S. government debt instruments.

All investments in securities risk the loss of capital and an investment in an Account is subject to all of the risks normally associated with the trading of securities, including, among others, the difficulty of accurately predicting price movements in particular securities or the market as a whole, and the difficulty of assessing the impact a multitude of economic and other events will have on prices.

Investors should consider the risks inherent in investing in the strategies employed by Rocwood and the Accounts, which include, but are not limited to, counterparty risk, interest rate risk, volatility risk, currency risk, world and local economic and governmental risks, market risk, liquidity risk and selection risk. In addition to these general risks, there are specific risks that apply to each Account that are outlined in such Account's PPM. These risks may be particularly pronounced for strategies concentrating in a particular sector, type of instrument or issuer or which employs significant leverage. The Accounts utilize a variety of speculative trading strategies which, if unsuccessful, could result in a complete loss of an Investor's investment.

Rocwood employs a wide variety of investment strategies for the Accounts, including long and short equity investments, long and short credit investments, capital structure arbitrage, relative value arbitrage and merger arbitrage. Rocwood has broad discretion in selecting portfolio securities and in developing a risk profile for the Accounts. There are few limitations on the types of securities or other financial instruments which may be traded. Unlike a registered investment company, which must adopt certain fundamental investment policies and restrictions which cannot be changed without Investor approval, Rocwood will have wide latitude in determining, adjusting, and even changing the Accounts' investment strategies, if deemed appropriate by Rocwood, without the consent of Investors.

The Accounts may borrow substantial amounts of money in the normal course of its business, using the securities that it owns as collateral. The Accounts may borrow against these securities to the maximum extent permitted by law. Thus, an Account may be in a highly leveraged position. In order for the operations of an Account to be profitable, its returns must exceed the interest expense incurred. Moreover, as is the case with other leveraged investments, losses incurred may exceed the amount of an Account's capital. Conversely, an Account may be unable to leverage its positions as fully as Rocwood believes would be appropriate. In such event, the Account's rate of return may be adversely affected.

The Accounts may purchase securities and other obligations of companies that are experiencing significant financial or business distress, including companies involved in bankruptcy, or other reorganization and liquidation proceedings. Although such purchases may result in significant returns to the Accounts, they involve a substantial degree of risk and may not show any return for a considerable period of time. In addition, some or all of those companies may not be able to reorganize or may take a significant period of time to emerge from bankruptcy proceedings. As a result, such securities may have to be held for an extended period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial distress is high. There is no assurance that Rocwood will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action.

Such investments also may be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and the bankruptcy court's power to disallow, reduce, subordinate or disenfranchise particular claims. The market prices of such securities are also subject to abrupt and erratic market movements and above-average price volatility, and the spread between the bid and asked prices of such securities may be greater than those prevailing in other securities markets. It may take a number of years for the market price of such securities to reflect their intrinsic value.

The administrative costs in connection with a bankruptcy or reorganization or liquidation proceeding are frequently high and will be paid out of the debtor's estate prior to any return to creditors (other than out of assets or proceeds thereof, which are subject to valid and enforceable liens and other security interests) and equity holders. In addition, certain claims that have priority by law over the claims of certain creditors (for example, claims for taxes) may be quite high. In any reorganization or liquidation proceeding relating to a company in which an Account invests, the Account may lose its entire investment or may be required to accept cash or securities with a value less than the Account's original investment.

Arbitrage involves the purchase of an asset and the concurrent sale of that asset in a different market, or the sale of a related asset, in order to capture small price discrepancies between markets or related assets. Arbitrage strategies involving related assets carry the risk that the value of the related assets will not track or affect each other in the manner anticipated by Rocwood. Arbitrage strategies generally assume the price of related assets will converge to some historic or quantitative relationship, and that price discrepancies from this relationship will disappear. In the event the price discrepancies do not disappear or widen, however, an Account could lose money on an arbitrage trade. In addition, some of the Accounts' arbitrage strategies may result in high portfolio turnover and, consequently, greater transaction costs. Depending upon the investment strategies employed and market conditions, the Accounts may be adversely affected by unforeseen events involving such matters as changes in interest rates or the credit status of an issuer, forced withdrawals of securities or acquisition proposals, break-up of planned mergers, unexpected changes in relative value, short squeezes or changes in tax treatment.

The Accounts engage in the short sale of securities as part of Rocwood's trading strategy. Short selling involves selling securities which may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in market prices to the extent the decline exceeds the transaction costs and the costs of borrowing the securities. Because the borrowed securities must later be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed securities would result in a loss. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. An unanticipated tender offer for an issuer could also cause a sudden increase in the price of the securities sold short. Theoretically, the potential loss on the securities sold short is unlimited as there is no ceiling on how far the price of the security may rise. Also, a short seller may be prematurely forced out of a position due to an inability to maintain a loan of the stock that is borrowed to establish the short. If an Account is unable to replace the stock that has been borrowed, the Account will be obligated to close out the short by purchasing the securities in the market, potentially resulting in a significant loss.

Rocwood may employ pairs investing strategies that require both a long and a short position. To the extent that Rocwood is unable to maintain a balanced position because of trade execution delays, forced liquidations of short or leveraged positions due to losses or failure to "match" long and short positions, such strategy will not be effective. In addition to the extent that long and short positions are not matched by industry sectors, a sector-wide but not market-wide price move may result in market losses as opposed to stock losses. Unusual events specific to a particular company which cause sudden changes in a specific company's share valuation may also adversely affect historical price relationships between stocks, leading to losses in the strategy. The Accounts will generally take long positions in securities believed to be undervalued and short positions in securities believed to be overvalued. While purchases of undervalued securities and short sales of overvalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Accounts' investments may not adequately compensate for the business and financial risks assumed. It is possible that certain long positions will decrease in value while short positions increase in value exacerbating the loss that would be incurred if a paired trade were not established.

The success or failure of risk arbitrage strategies employed by the Accounts will usually depend upon whether Rocwood accurately predicts the outcome of a proposed transaction. The Accounts may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in work-outs, liquidations, spin-offs, spin-outs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or result in a distribution of cash or a new security the value of which will be less than the purchase price to the Account of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, an Account may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Accounts may invest, there is a potential risk of loss by the Accounts of a significant portion of their investment in such companies.

The consummation of mergers and tender and exchange offers can be prevented or delayed by a variety of factors, including, without limitation: (i) opposition of the management or stockholders of the target company, which will often result in litigation to enjoin the proposed transaction; (ii) intervention of a regulatory agency; (iii) efforts by the target company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) in the case of a merger, failure to obtain the necessary stockholder or third party approvals; (v) market conditions resulting in material changes in securities prices; (vi) compliance with applicable securities laws; and (vii) inability to obtain adequate financing.

The difference between the price paid by an Account for securities of a company involved in an announced extraordinary corporate transaction and the anticipated value to be received for such securities upon consummation of the proposed transaction will often be very small. Since the price bid for the securities of a company involved in an announced extraordinary corporate transaction is generally at a significant premium above the market price prior to the announcement, if the proposed transaction appears likely not to be consummated or in fact is not consummated or is delayed, the market price of the securities usually declines sharply, often by more than an Account's anticipated profit, even if the security's market price returns to a level comparable to that which existed prior to the announcement of the deal.

Rocwood may employ a variety of hedging strategies to mitigate the risks associated with its strategies. However, Rocwood does not attempt to hedge all market or other risks inherent in its positions, and hedges certain risks, if at all, only partially. While Rocwood attempts to hedge certain risks, not all risks can be hedged. Specifically, Rocwood may choose not, or be economically unable, to hedge risks related to changes in certain market or economic factors, such as interest rates, credit markets, equity markets, foreign currency exposure, volatility, liquidity and buy-in risk on short positions, either in respect of particular positions or in respect of the overall portfolio.

The Accounts may enter into swap transactions, including credit default, total return, index and interest rate and currency swap agreements, as well as options thereon, and may purchase or sell interest rate caps, floors and collars. Swap transactions are subject to market risk, risk of default by the other party to the transaction, risk of imperfect correlation and manager risk and may involve commissions or other costs. Swaps generally do not involve delivery of securities, other underlying assets or principal. Accordingly, the risk of loss with respect to swaps generally is limited to the net amount of payments that the Account is contractually obligated to make, or in the case of the other party to a swap defaulting, the net amount of payments that the Account is contractually entitled to receive. The swap market has grown substantially in recent years with a large number of banks and investment banking firms acting both as principals and as agents utilizing standardized swap documentation. As a result, the swap market has become relatively liquid. Caps, floors and collars are more recent innovations for which standardized documentation has not yet been fully developed and, accordingly, they are less liquid than swaps. If Rocwood is incorrect in its forecast of market values, interest rates or currency exchange rates, the investment performance of an Account would be less favorable than it would have been if these investment techniques were not used. The use of swap options involves risks, including, among others, (i) changes in the market value of securities held by an Account, and of swap options relating to those securities may not be proportionate, (ii) there may not be a liquid market to sell a swap option, which could result in difficulty closing a position, (iii) swap options can magnify the extent of losses incurred due to changes in the market value of the securities to which they relate and (iv) counterparty risk. Currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency. Therefore, the entire principal value of a currency swap is subject to the risk that the other party to the swap will default on its contractual delivery obligations.

The Accounts may enter into credit default swap agreements consistent with its investment objective and general investment policies. The "buyer" in a credit default contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. If an event of default occurs, the seller must pay the buyer the full notional value, or "par value", of the reference obligation in exchange for the reference obligation. An Account may be either the buyer or seller in a credit default swap transaction. If the Account is a buyer and no event of default occurs, the Account will lose its investment and recover nothing. However, if an

event of default occurs, the Account (if the buyer) will receive the full notional value of the reference obligation that may have little or no value. As a seller, the Account receives a fixed rate of income throughout the term of the contract, which typically is between six months and three years, provided that there is no default event. If an event of default occurs, the seller must pay the buyer the full notional value of the reference obligation. Credit default swap transactions involve greater risks than if the Account had invested in the reference obligation directly.

The Accounts may invest in interests in entities organized and operated solely for the purpose of restructuring the investment characteristics of other debt securities, including debt securities issued by foreign governments. This type of restructuring involves the deposit with or purchase by an entity, such as a corporation or trust, of specified instruments and the issuance by that entity of one or more classes of securities backed by, or representing interests in, the underlying instruments. The cash flow on the underlying instruments may be apportioned among the newly issued security to create securities with different investment characteristics such as varying maturities, payment priorities and interest rate provisions, and the extent of the payments made with respect to such securities is dependent on the extent of the cash flow on the underlying instruments. Certain classes of such securities may be subordinated to the right of payment of another class. Subordinated structured investments typically have higher yields and present greater risks than unsubordinated structured investments.

If an Account becomes involved in the trading of foreign securities, it may maintain a significant portion of its assets in clearing accounts pursuant to clearing agreements with foreign clearing firms (including banks and brokers) and foreign affiliates of domestic broker-dealers. Foreign clearing firms are generally not subject to United States laws and regulations and foreign markets may be subject to less regulation and supervision than in the United States. Transaction costs of investing in non-U.S. securities in foreign markets may be higher than in the United States and clearance procedures may be less efficient. Trading in non-U.S. markets involves the risk of currency exchange rate fluctuation. The Accounts are not required to hedge against the risk of a decline in value of the U.S. dollar in relation to other currencies in which the Accounts may invest.

The Accounts may purchase securities of companies in initial public offerings of any equity security ("New Issues") or shortly thereafter. Special risks associated with these securities may include a limited number of interests available for trading, unseasoned trading, lack of investor knowledge of the company, and a limited operating history. These factors may contribute to substantial price volatility for the interests of these companies. The limited number of interests available for trading in some initial public offerings may make it more difficult for an Account to buy or sell significant amounts of interests without an unfavorable impact on prevailing market prices. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.

Rocwood, the GP and the Accounts are new enterprises with limited operating history. Accordingly, an investment in an Account entails a degree of risk. There can be no assurance that the Account will achieve its investment objective or that the strategies described herein will be successful. Given the factors that are described below, there exists a possibility that an Investor could suffer a substantial loss as a result of an investment in an Account.

As the Accounts grow, they may face difficulty in deploying their assets as existing strategies face capital constraints. Rocwood will continue to develop new strategies but may have difficulty finding or developing sufficient strategies to effectively utilize the available capital.

There is no public market for Interests in the Accounts and none is expected to develop. Consequently, except for the right to make periodic withdrawals, Investors may not be able to liquidate their investment in an Account in the event of an emergency or for any other reason and interests in an Account may not be readily accepted as collateral for a loan.

Except for the limited rights of withdrawal, Investors must be prepared to bear the risk of their investment for a substantial period of time. The Governing Documents impose substantial restrictions on the transfer of an Investor's interest in an Account. Interests in the Accounts will not be registered under the Securities Act or under state securities laws and, therefore, cannot be sold unless they are subsequently registered under such Act and laws or an exemption from such registration is available.

Any investment decision with respect to an investment in an Account should be made based upon the information contained in the PPM and Governing Documents for such Account, and Investors should carefully read such documents, in consultation with their advisers, prior to making any such investment decision. The information contained herein is not intended to be complete or final and is qualified in its entirety by the PPM and Governing Documents for the applicable Account.

ITEM 9: DISCIPLINARY INFORMATION

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

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As noted above, an affiliate of Rocwood that is wholly-owned by Rocwood's principals, serves as GP of the U.S. Fund and the Master Fund. Rocwood and/or the GP have filed with the National Futures Association with respect to the Accounts, a claim for exemption from commodity pool operator registration with the Commodity Futures Trading Commission ("CFTC") pursuant to CFTC Rule 4.13(a)(4).

Because the GP and Rocwood are affiliated, there exists a potential disincentive for Rocwood to be replaced, even if such action is in the best interests of an Account. Moreover, the fees and expenses paid by the GP or Rocwood on behalf of an Account that are required to be reimbursed by the Account have not been established in an arm's length transaction.

See the discussion of placement agents in Item 14B.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Rocwood's Code of Ethics (the "Code") was adopted in accordance with Rule 204A-1 under the Advisers Act ("Rule 204A-1") to govern personal transactions by access persons and to assure that their interests do not conflict with the interests of Accounts, or, as applicable, Investors in Accounts. As such, Rocwood's Code includes: (i) standards of business conduct, requiring that covered persons comply with relevant provisions of the federal securities laws and the fiduciary duties an investment adviser owes to its clients; (ii) personal securities transaction policies governing the personal investment activities of relevant personnel and requiring the submission by such persons of reports regarding their personal trading accounts and activities; and (iii) an insider trading policy, adopted in conformity with Section 204A of the Advisers Act. A copy of the Code is available to current and prospective Investors upon request and without charge.

Participation or Interest in Client Transactions

Rocwood does not buy or sell securities for its own account. However, Rocwood's principals (or entities which they may control and be deemed to have a beneficial interest in) may own, buy and/or sell securities that are also recommended to clients, subject to the limitations described below. Such transactions may also include trading in securities in a manner that differs from or is inconsistent with advice given to clients.

Currently, all employees, officers, directors and principals of Rocwood are considered to be access persons for purposes of the Code. Personnel who fail to observe the Code and related compliance policies risk serious sanctions, including dismissal and personal liability.

Standards of Business Conduct

A basic tenet of Rocwood's Code is that the interests of clients (e.g., Accounts) are always placed first. The Code includes standards of business conduct requiring covered persons to comply with the federal securities laws and the fiduciary duties an investment adviser owes to its clients. Rocwood's standards of business conduct, among other things: (i) restrict such persons from (a) giving or accepting certain gifts and inducements from or to clients or others doing business with the firm when such gifts or inducements may present a material conflict of interest or (b) otherwise taking advantage of their position with Rocwood; and (ii) require that access persons (a) treat clients fairly and consistently with Rocwood's compliance procedures, (b) provide disinterested advice to clients insulated from personal or business conflicts of interest and (c) report potential violations of the Code to Rocwood's Chief Compliance Officer ("CCO").

Personal Securities Transactions Policy

Rocwood's Code also includes a personal securities transactions policy which imposes certain requirements and restrictions with respect to personal trading and investment activity by access persons. In particular, the Code requires access persons to obtain the approval of the CCO prior to investing in reportable securities. The Code also prohibits access persons from engaging in short term trading in mutual fund shares and other securities. In appropriate circumstances the CCO may grant waivers to the Code's restrictions.

Insider Trading Policy

Rocwood and its related persons may, from time to time, come into possession of material nonpublic and other confidential information which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Rocwood may be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any other person, regardless of whether such other person is an advisory client. Accordingly, should Rocwood come into possession of material nonpublic or other confidential information with respect to any company, it may be prohibited from communicating such information to, or using such information for the benefit of its Accounts, and have no obligation or responsibility to disclose such information to, nor responsibility to use such information for the benefit of, Accounts when following policies and procedures designed to comply with law. Accordingly, Rocwood's Code includes an "Insider Trading Policy" which establishes procedures to prevent the misuse of material nonpublic information by Rocwood's supervised persons.

Reporting Requirements under the Code

To assist Rocwood in monitoring personal trading activities in order to detect potential conflicts of interest or violations of the Code, fiduciary duty or applicable law, access persons must provide periodic reports with respect to personal securities transactions, holdings and accounts, including annual reports of holdings in certain, reportable securities and quarterly reports of their personal transactions in reportable securities. To facilitate compliance with reporting requirements, access persons may direct their brokers to send copies of all brokerage statements and confirmations relating to all personal securities transactions and accounts in which they have a beneficial ownership interest. These reports and relevant brokerage statements and confirmations are submitted to and reviewed by the CCO. The CCO's reports and pre-clearance requests will be reviewed by another appropriate officer of Rocwood. If any violation of the Code, fiduciary duty or applicable law with respect to trading activities is determined to have occurred, the CCO may impose sanctions and take such other actions, including, without limitation, requiring that the trades in question be reversed and/or profits be disgorged.

Allocations

When Rocwood determines that it would be appropriate for multiple Accounts to participate in an investment opportunity, Rocwood will seek to execute orders for all of the participating Accounts, on an equitable basis (subject to the limitations discussed above). Specifically, to the extent feasible under

applicable rules and regulations, if Rocwood has determined to invest at the same time for more than one Account, Rocwood may place combined orders for all such accounts simultaneously and, if any order is not filled at the same price, Rocwood may average the prices paid. Similarly, if an order on behalf of more than one Account cannot be fully executed under prevailing market conditions, Rocwood may allocate the securities traded among the different accounts on a basis which Rocwood considers equitable. Situations may occur where Rocwood could be disadvantaged because of the investment activities conducted by Rocwood for other investment accounts.

Accounts may invest in certain non-marketable securities, including bank debt, credit default swaps and similar instruments. Given the nature of these instruments and potential differences in relative assets of Accounts, it may not always be possible to allocate such an investment on a pro rata basis between Accounts. In such event, Rocwood will seek to allocate the opportunity on an equitable basis.

ITEM 12: BROKERAGE PRACTICES

Generally, Rocwood is retained with respect to each Account on a discretionary basis and is authorized to make the following determinations in accordance with the Account's specified investment objectives without consultation or consent before a transaction is effected:

- which securities to buy or sell;
- the total amount of securities to buy or sell;
- the broker or dealer through whom securities are bought or sold;
- the commission rates at which securities transactions will be effected; and
- the prices at which transactions are effected, including spreads and transaction costs.

Investment and Brokerage Decisions and Review

Investment and brokerage decisions for each Account are made by Rocwood and/or the GP, with assistance from relevant personnel. In placing transactions, Rocwood seeks to (i) determine each Account's trading requirements; (ii) select appropriate trading methods, venues and agents to execute the trades under the circumstances; (iii) evaluate market liquidity of each security and take appropriate steps to mitigate excessive market impact, to the extent practicable; (iv) maintain confidentiality and proprietary information inherent in the decision to trade; and (v) review the results of executions on a periodic basis.

Rocwood currently has only one Account, the Master Fund. Therefore, much of the following discussion is a description of the policies Rocwood will employ when it has two or more Accounts.

Rocwood periodically considers and reviews its trading practices, including the quality of executions received and commission rates paid by Accounts, in order to determine what changes, if any, should be made in its brokerage arrangements. The goal of this process is to exercise reasonable, good faith judgment to select broker-dealers or other trading venues (collectively, for purposes of this discussion, "brokers") that will consistently provide quality execution at acceptable cost. The following summarizes Rocwood's policies with respect to its exercise of investment and brokerage discretion on behalf of Accounts.

Selection Criteria for Brokers and Dealers

Rocwood places orders for the purchase or sale of securities with the primary objective of seeking prompt execution of orders at the most favorable price and execution readily obtainable from responsible brokers at competitive commission rates. Rocwood insists on a high standard of quality regarding execution services and deals only with brokers that can meet that standard. The commission rates paid by Rocwood are reviewed on a regular basis. Rocwood also places value on brokers who are able to provide useful research assistance and quality client service.

Rocwood's objective in selecting brokers and in effecting portfolio transactions is to seek to obtain the best combination of price and execution readily available under the circumstances and given the requirements of the trade for an Account's portfolio transactions. The best net result, giving effect to brokerage

commissions, spreads and other costs, is normally an important factor in this decision, but a number of other judgmental factors are considered as they are deemed relevant. In applying these factors, Rocwood recognizes that different brokers may have different execution capabilities with respect to different types of securities and transactions, and that no one broker will likely be judged the best at every relevant factor as a general matter or with respect to any particular transaction.

The factors Rocwood considers may include, but are not limited to:

- Rocwood's knowledge of negotiated commission rates and spreads currently available, to seek to determine whether the broker's rates are competitive and reasonable and the broker's ability to provide the best price, net of brokerage commissions, spreads or other costs;
- the broker's perceived knowledge of, and expertise in, securities, issuers and markets in which Accounts invest and the broker's apparent familiarity with the sources from or to whom particular securities might be purchased or sold;
- the nature of the security being traded;
- the size and type of the transaction;
- the nature and character of the markets for the security to be purchased or sold;
- the desired timing of the trade and the broker's ability to meet Rocwood's required or requested speed of execution;
- the activity existing and expected in the market for the particular security;
- the broker's access to primary and other relevant markets and quotation sources;
- confidentiality and the broker-dealer's ability to execute a transaction without causing undue market movements;
- the execution, clearance and settlement capabilities as well as the reputation, reliability and perceived soundness of the broker selected and others which are considered;
- Rocwood's knowledge of the broker's technological infrastructure and trading system as well as any actual or apparent operational problems of any broker;
- the quality of the broker's execution services rendered on a continuing basis and in other transactions (including the quality of communication between Rocwood and the broker);
- the broker's reliability in executing and settling trades, keeping records and accounting for and correcting the broker's trade errors and failed trades or settlements;
- the broker's ability and willingness to accommodate Rocwood's needs with respect to one or more trades – including the ability and willingness to maintain acceptable quality of execution in unusual or volatile market conditions and, if necessary, to commit capital by taking positions in order to complete trades;
- the availability of the broker to stand ready to execute possible difficult transactions in the future;
- the broker's abilities and expertise with respect to block trading and arbitrage;
- the broker's access to, and expertise in, initial public offerings, limited offerings and restricted or illiquid securities;
- the broker's access to other markets through which the Accounts may invest from time to time; and
- the quality of research and brokerage services provided by the broker and whether Rocwood maintains a soft dollar relationship with the broker.

When buying or selling securities in dealer markets, Rocwood may, subject to its duty to seek best execution, deal directly with market makers either on a commission basis or on a "net" basis, without paying the market maker any commission, commission equivalent or markup/markdown other than the "spread." Net trades mean that the market maker profits from the "spread," that is, the difference between the price paid (or received) by the Account and the price received (or paid) by the market maker in trades with other brokers or other customers.

Rocwood does not enter into agreements with, or make commitments to, any broker that would bind Rocwood to compensate that broker, directly or indirectly, for Investor referrals through placement of brokerage transactions. The fact that a broker has made such referrals does not disqualify the broker from executing trades on behalf of Rocwood's client accounts and, as discussed below, Rocwood may enter into

certain transactions through an Account's "prime broker" who may also provide capital introduction services to Rocwood's Accounts. However, because Rocwood has an incentive to use brokers that provide referrals and brokers in which Accounts invest, Rocwood will exercise its discretion to execute transactions through such brokers only: (i) when the use of such broker is consistent with Rocwood's duty to seek best execution and following procedures reasonably designed to ensure that such referrals or the Accounts' investments are not a factor in the decision to execute a trade, or a particular amount of trades, through such broker; or (ii) when one or more brokers is believed capable of providing equivalent quality of execution with respect to a particular portfolio transaction, in recognition of the broker's past referrals or in anticipation of possible future referrals or through an investee broker in recognition of the potential benefit to such Accounts. In either case, Rocwood seeks to assure that an Account does not pay higher commissions, concessions or mark-ups/downs than would otherwise be obtainable from brokers that do not provide referrals to Rocwood or in which Accounts do not invest.

Commission Rates or Equivalents Policy

Rocwood endeavors to be aware of current charges of available brokers and to minimize the expense incurred for effecting Account transactions to the extent consistent with the interests and policies of its Accounts. As noted above, Rocwood periodically reviews the quality of executions received from the brokers it uses, and may consider the services of other brokers who may be available to execute Account transactions, when evaluating Rocwood's efforts in seeking best execution. Any broker that has provided (or who may be reasonably expected to provide) acceptable performance and whose financial condition and commission rates are amenable to Rocwood may be selected to execute transactions for Accounts.

Rocwood may set ranges for commission rates and/or attempt to negotiate with brokers, when possible. However, Rocwood will not select brokers solely on the basis of "posted" commission rates nor always seek in advance competitive bidding for the most favorable commission rate applicable to any particular portfolio transaction. Although Rocwood generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved, resulting in higher commissions (or equivalents) than would be the case with transactions requiring more routine services.

Rocwood may use a number of different brokers and may pay higher commission rates to those whose execution capabilities, brokerage or research services or other legitimate and appropriate services are particularly helpful in seeking good investment results for Accounts. As part of this determination, Rocwood recognizes that some brokerage firms are better than other firms at executing certain types of orders (and that some brokerage firms are better at executing certain types of orders than other types of orders). Thus, it may be in the best interests of the Accounts if Rocwood uses a broker whose commission rates are not the lowest, but whose executions may result in lower overall transaction costs or improved execution quality. The overriding consideration in choosing broker-dealers to execute client orders is to seek to maximize client profits (or minimize losses) through a combination of controlling transaction and securities costs, identifying and obtaining potential improvements in execution quality and seeking the most effective uses of the brokers' relevant capabilities.

Rocwood bases its judgment of the reasonableness of a broker's commissions on the broker's ability to provide professional services, competitive commission rates, research, and other services which will help Rocwood in providing investment management services to clients. Rocwood may, therefore, use a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. In this connection, Rocwood makes a good faith determination that the amount of commission is reasonable in relation to the value of the research and/or brokerage services provided, viewed in terms of either the specific transaction or Rocwood's overall responsibility to its clients. However, the extent to which commission rates or net prices reflect the value of these services often cannot be readily determined or quantified.

“Soft Dollar” or Research/Execution Policy

Brokers typically provide a bundle of services including research and execution of transactions. As noted above, Rocwood may consider research and other services provided by brokers in making trading decisions and, as it deems appropriate, may use a portion of the commissions generated when executing Account transactions (commonly referred to as “*soft dollars*”) to acquire useful research and brokerage services (“*soft dollar items*”) in a manner consistent with the “safe harbor” provided by Section 28(e) of the Securities Exchange Act of 1934, as amended. Under the safe harbor, as it has been interpreted by the SEC, Rocwood may use soft dollars to acquire soft dollar items even where such soft dollar items may also be available for cash, to the extent appropriate and permitted by law, when such items assist Rocwood in meeting the Accounts’ investment objectives or in managing the Accounts. Rocwood will not enter into any agreement or understanding with a broker that would obligate Rocwood to direct a specific amount of brokerage transactions or commissions in return for such soft dollar items. Nonetheless, certain brokers may state in advance the amount of brokerage commissions they require for certain soft dollar items and the applicable cash equivalent. In some cases, Rocwood may enter into a commission sharing arrangement pursuant to which soft dollars generated are held in an account for the benefit of Rocwood and credits from that account may be used to acquire soft dollar items. Rocwood also may, but is not obligated to, pay cash for soft dollar items.

Research services provided by a broker can be either proprietary (created and provided by the broker, including tangible research products as well as access to analysts and traders) or third-party (created by a third party but provided by the broker). Rocwood may use soft dollars to acquire either type of research and any permissible brokerage service. The receipt of these services in exchange for soft dollars benefits Rocwood by allowing Rocwood, at no direct cost, to among other things: (i) supplement and enhance its own research and analysis activities; (ii) receive the views and information of individuals and research staffs of other securities firms; and (iii) gain access to persons having special expertise on certain companies, industries, areas of the economy and market factors.

Thus, in allocating brokerage, and consistent with Rocwood’s policies and procedures, Rocwood takes into account the value of permissible soft dollar items services provided by a broker, and may pay a higher rate or amount of commissions to brokers who provide soft dollar items, as long as doing so is not inconsistent with the objective of seeking best price and execution for Account transactions. Rocwood’s policies with respect to the use of soft dollars are consistent with the safe harbor except when local laws, rules and regulations applicable to the markets or brokers through which Rocwood executes Account transactions impose limitations or restrictions that are in excess of those imposed by Section 28(e), which may limit Rocwood’s ability to maximize its use of client commissions for the benefit of the Accounts. Consistent with the safe harbor, in determining whether to “pay up” for a particular execution or in connection with soft dollar items, Rocwood evaluates whether the soft dollar item(s):

- (i) with respect to research items, consist of advice, analyses or reports containing substantive content with respect to appropriate subject matter(s) or (ii) with respect to brokerage items, are sufficiently related to the effectuation, clearance or settlement of a transaction and are provided and/or used during the time period commencing when Rocwood communicates with the relevant broker for the purpose of transmitting an order for execution and concluding when the funds or securities are delivered or credited to the Account or a relevant agent;
- provide lawful and appropriate assistance to Rocwood in carrying out its relevant responsibilities to Accounts; and
- are acquired for a commission amount which is reasonable in relation to the value of the soft dollar item(s).

These determinations are based primarily on the professional opinion of Rocwood personnel. Such opinions are formed on the basis of, among other things, the experience of these individuals in the securities industry and information available to them concerning the level of commissions being paid by other investors of comparable size and type. Rocwood may select broker-dealers based on its assessment of each broker’s ability to provide quality executions and its belief that the research, information and other services provided by such broker-dealer may benefit client accounts. It is often not possible to place a

dollar value on the quality of executions or on the soft dollar items Rocwood receives from brokers effecting transactions in portfolio securities. Accordingly, brokers selected by Rocwood may be paid commissions for effecting portfolio transactions for the Accounts in excess of amounts other brokers would have charged for effecting similar transactions, if Rocwood determines in good faith that such amounts are reasonable in relation to the value of the soft dollar items provided, viewed either in terms of a particular transaction or Rocwood's overall duty to the Accounts.

Research obtained with soft dollars will not always be utilized by Rocwood for the specific Account that generated the soft dollars. It should be noted that the value of many soft dollar items cannot be measured precisely and commissions paid for such items certainly cannot always be allocated to Accounts in direct proportion to the value of the services to each Account. Because, as discussed below, Rocwood may batch Account transactions, brokerage commissions attributable to one or more Accounts may be allocated to brokers who provide statistical data and other research used by Rocwood in managing other Accounts, and vice versa. Although it is often inevitable (at least in the short run) that commissions paid by one Account may, in effect, subsidize services that benefited another Account, over time, Rocwood believes that any distortions should balance out as Rocwood's various sources of research and brokerage services enable Rocwood to make better investment decisions and execute more effective trades for all Accounts. As such, Rocwood does not usually attempt to allocate the relative costs or benefits of research among Accounts because it believes that, in the aggregate, the soft dollar items it receives benefits all of the relevant Accounts and assists Rocwood in fulfilling its overall duty to the Accounts.

Rocwood may use soft dollars to pay for any specific service or for any portion of its "mixed use" items (products or services that provide both research and non-research benefits). In such instances, and where a cash value is affixed to the service or item, Rocwood may use available soft dollar credits and pay cash to make up any difference. Further, if the product or service obtained by Rocwood is a mixed use item, Rocwood may use soft dollars for the research (or brokerage) portion and pay cash for the remainder. Although the allocation between soft dollars and cash is not always capable of precise calculation, Rocwood will make a good faith effort to allocate such items reasonably. Records of any such allocations and payments will be prepared and maintained.

Other Limitations Resulting from Legal, Regulatory or Market Features

Rocwood may engage in certain private transactions not involving a public market for which only a single avenue for execution (e.g., purchase directly from an issuer or the issuer's specified agent) is available. In those cases, Rocwood may be limited in its ability to negotiate costs or terms but will seek, as practicable, to negotiate the most favorable terms reasonably available under the circumstances and to minimize costs associated with such transactions, consistent with achieving the desired investment objective and assuring an acceptable quality of execution.

In some cases, other legal or regulatory restrictions or reporting requirements related to certain types of investments or investment thresholds may limit Rocwood's freedom of action or may have an adverse effect on the price or liquidity of a holding. For example, when certain aggregate ownership thresholds (which may apply across all Accounts) are reached, the ability of any Account to purchase or sell an investment, exercise rights (including voting rights) or engage in transactions may be restricted or impaired or may trigger reporting obligations which would entail the disclosure of Rocwood's or such Accounts' interests in the relevant investment or issuer, which may adversely affect price and liquidity. Rocwood may, in its discretion, limit additional purchases, dispose of existing holdings, or refrain from exercising certain rights, when Rocwood believes that doing so is appropriate in light of regulatory requirements or restrictions.

Batch Transaction Policy

Because the size and mandate of Accounts may differ, the securities held in Accounts may not be identical. In appropriate circumstances, any Account managed by Rocwood may purchase or sell a security prior to other Accounts managed by Rocwood. This could occur, for example, as a result of the specific investment objectives of the Account, different cash resources arising from contributions or withdrawals, or the

purchase of a small position to assess the overall investment desirability of a security. In most circumstances, transactions for each Account are effected independently, unless Rocwood independently determines to purchase or sell the same securities for several Accounts at approximately the same time. However, Accounts that are managed to the same or similar strategies may have similar or identical portfolio compositions and weightings and Rocwood may seek to acquire or dispose of the same securities for all (or many) of such similar Accounts contemporaneously.

In either case, as part of the duty to seek best price and execution and to the extent consistent with relevant investment advisory agreements and other Governing Documents, Rocwood may, but is not required to, “bunch” or batch together purchases or sales for such Accounts and allocate the trades, in a manner that is fair and equitable over time, across participating Accounts to facilitate best execution. Use of batch transactions may allow Rocwood to negotiate more favorable prices, obtain more timely, efficient and equitable executions or reduce overall commission charges. While Rocwood may effect trades in this manner to reduce the overall level of brokerage commissions paid or otherwise enhance the proceeds or other benefits of the trade for the Accounts, because Rocwood may direct transactions to brokers based on both their ability to provide high quality execution and the nature and quality of research services, if any, such brokers provide to Rocwood, an Account may not always pay the lowest available commission rates when its trades are effected in this manner, so long as Rocwood believes that the batched transaction is consistent with Rocwood’s duty to seek best execution.

Rocwood seeks to aggregate trade orders in a manner that is consistent with its duty to: (i) seek best execution of Account transactions; (ii) treat all Accounts fairly and equitably over time; and (iii) not systematically advantage or disadvantage any single Account or group of Accounts. When a decision is made to enter into a batch transaction, the results of the transactions will be allocated to all participating Accounts in a fair and equitable manner. When a batch transaction results in all component orders being filled in their entirety on a single business day, each participating Account will participate at the average price paid or received, per share or unit, on that day for the batch transaction (and will pay associated transaction costs based on that account’s level of participation in the batch transaction), subject to certain size or cost-related exceptions. When a batch transaction cannot be filled in its entirety on a single business day (a “partial fill”), Rocwood will allocate the portion of the batch transaction actually filled on that business day in accordance with Rocwood’s written aggregation and allocation procedures, described generally below.

Except when inconsistent with an Account’s investment advisory agreement, *pro rata* allocation will generally be used to allocate partial fills of batch transactions. *Pro rata* allocation is generally appropriate when a batch order, which usually seeks only liquid, actively traded securities, cannot be fully executed in a single day. The partial fill is generally allocated among the participating Accounts based on the size of each Account’s original order, subject to rounding in order to achieve round lots. Unexecuted orders will continue until the batch transaction is completed or until all component orders have been cancelled. New orders for the same security will be aggregated with any remaining unexecuted orders (e.g., incorporated into the ongoing batch transaction) and the batch transaction (as so modified) will continue in the same manner. Rocwood may apply minimum order allocation amounts, which will be set and periodically (or in particular instances) adjusted based on, among other things, Rocwood’s system capabilities and market convention associated with the particular security or type of security. If remaining positions are too small to satisfy the minimum order amount, Rocwood may decide to allocate the remaining shares to those Accounts seeking large positions which were unfilled. Conversely, Rocwood may decide to allocate remaining shares to those Accounts whose orders would be completed as a result. Rocwood seeks to make these decisions in a manner that is fair and equitable over time.

Rocwood may allocate on a basis other than *pro rata*, if, under the circumstances, Rocwood believes that such other method of allocation is reasonable, does not result in improper or undisclosed advantage or disadvantage to relevant Accounts, and results in fair access over time to investment and trading opportunities for all relevant and eligible Accounts. For example, Rocwood may identify investment opportunities that are appropriate for certain Accounts but not others (or with respect to which a relatively higher weighting is appropriate for one Account or group of Accounts over others) based on such factors as: investment strategy, objectives and style; risk/return parameters; legal, regulatory and other requirements or

restrictions; tax status; Account size; sensitivity to turnover; available cash and cash flows. Consequently, Rocwood may determine it is appropriate to place a given security in one Account rather than another, or allocate a security more heavily to particular Accounts over others. Other non-*pro rata* methods include rotational allocation and random allocation. These, and other, alternative methods of allocation are particularly appropriate, for example, when the batch transaction results in partial fills which are too small to be efficiently allocated *pro rata* among participating or eligible Accounts.

Rocwood may also consider the following when allocating trades and determining whether or how to use a batch transaction: (i) recent and anticipated cash flow changes (including available cash, redemptions, exchanges, capital additions and capital withdrawals) which may provide a basis to deviate from a pre-established allocation so long as it doesn't result in an unfair advantage to specific Accounts or types of Accounts over time; (ii) Accounts with specialized investment strategies, objectives or restrictions emphasizing investment in a specific category of securities may be given priority over other Accounts in allocating such securities; (iii) the proportion that the size of the Account's order bears to the total amount desired by all Accounts; (iv) the size of each Account's original order; (v) the desire to achieve "round lots"; (vi) the Account's asset size; and (vii) the Account's (and other participating Account's) current holdings of the security.

Except when inconsistent with the Code, Rocwood may include proprietary or personal accounts in such aggregate trades, subject to its duty to seek best execution.

Allocation of "New Issues"

Rocwood may invest Accounts in "*New Issues*," as defined in relevant rules established by the Financial Industry Regulatory Authority ("*FINRA*"). To the extent that Rocwood determines to invest Accounts in New Issues, such investments will be allocated fairly and consistently with FINRA Rules 5130 and 5131 (the "*New Issues Rules*"). The New Issues Rules provide that broker-dealers, their affiliates and certain other persons ("*restricted persons*") may not be able to participate in New Issues.

Only Accounts that are eligible under the New Issues Rules to participate in profits and losses attributable to New Issues ("*Eligible Accounts*") will be permitted to receive allocations of New Issues. Rocwood will make allocations of New Issues generally on a *pro rata* basis, and in any event in accordance with Rocwood's batch trading procedures, subject, as noted here, to considerations imposed by the New Issues Rule, among Eligible Accounts. However, Rocwood may consider, when allocating New Issues, any relevant tax implications for the Account and whether and to what extent the Account's custodian is capable of executing same day trades in New Issues.

To the extent that Accounts advised by Rocwood expect to invest in New Issues, Rocwood, on behalf of the Accounts, takes measures necessary to ensure compliance with the New Issues Rules which may include, for example, prohibiting or limiting investment by restricted persons or by creating multiple class structures pursuant to which a certain class (or classes) of interests may be issued only to restricted persons while other classes exclude restricted persons.

Portfolio management personnel are typically restricted persons (and thus are restricted by the New Issues Rule from making New Issues investments). Additionally, Rocwood's Code requires that any investment in new issue by relevant Rocwood personnel be pre-cleared by Rocwood's CCO.

Services Provided by Custodians and/or Prime Brokers

Rocwood may select one or more firms to serve as custodian to hold the funds and securities of a related Account. The identity of, and other relevant information about, the custodian for each Account is contained in each Account's PPM. Rocwood reserves the right, in its sole discretion (subject, however, to the relevant Account's Governing Documents), to change relevant custodial and brokerage arrangements without further notice to Investors in the Account. However, Rocwood will, to the extent required by the Custody Rule, provide appropriate notice upon opening such an account and upon any changes to relevant information about the custodian or the manner of custody.

A custodian may also serve as a prime broker for, and be selected to execute transactions on behalf of, an Account, as consistent with Rocwood's duty to seek best execution. In addition to custody and execution, a prime broker may provide other core functions (such as reporting, clearing, financing, securities lending, and client service) as well as value added items (such as capital introductions, advanced research and analytics and technology services) to the Accounts. Rocwood may take advantage of some or all of these value added functions with respect to any particular Account it advises. Certain of these services may be outside the soft dollar safe harbor.

Prime Brokerage Services

As discussed above, Rocwood's use of a prime broker or custodian with respect to the Accounts may yield increased administrative ease and, therefore, increased profitability for Rocwood. A prime broker may from time to time introduce potential Investors to an Account. Rocwood may, as noted above, take prime brokerage services, including capital introduction, into account when selecting a prime broker or custodian.

Because an increase in the size of the Accounts would likely result in additional compensation or other benefits to a prime broker, a prime broker may receive a benefit from introducing Investors to an Account. For example, a prime broker is entitled to sell, loan or otherwise use an Account's portfolio securities (securities so used being referred to herein as "Collateral") for its own purposes or the purposes of any third party, and the Accounts have a contractual right against the prime broker for the return of assets equivalent to the Collateral. Collateral may not, therefore, be recoverable in full in the event of the prime broker's insolvency. The use of a prime broker and these arrangements subject Accounts to the risk that the relevant counterparty will not be able to meet its obligations to Rocwood and/or the Account.

ITEM 13: REVIEW OF ACCOUNTS

Gregg Weinstein, the President and Portfolio Manager of Rocwood, reviews the investments held in each Account on an ongoing basis to determine if securities should be sold or additional securities should be purchased. Mr. Weinstein may confer with, and consider information provided by the investment or risk management committee when evaluating and making decisions for Accounts. While such personnel may provide information or insight regarding, among other things, investment ideas, economic developments, current events, investment strategies, and issues related to one or more portfolio holdings, Mr. Weinstein has full discretion over the investment decisions made for each Account. In addition to his day-to-day oversight of the Accounts, Mr. Weinstein performs periodic reviews of the Accounts to ensure that each is managed in accordance with stated investment guidelines and objectives. In performing such periodic reviews, additional or particular aspects of an Account's portfolio (e.g., utilization of leverage) may be considered. Rocwood has established risk management guidelines and monitors the portfolio of each Account on a regular basis to ensure compliance with risk guidelines.

In addition, Rocwood has established a risk management committee (the "Risk Committee") which is comprised of professionals from the Rocwood investment team. Vince Guacci serves as the Co-Chair of the Risk Committee with Gregg Weinstein. The Risk Committee meets periodically and at Rocwood's request, in order to advise Rocwood with respect to matters presented to it, including with regards to, without limitation, (i) the development of investment policies and guidelines, (ii) portfolio monitoring and compliance procedures, (iii) aggregate risk across the Account's investment program and (iv) risk associated with specific potential investments.

Reports

Investors in each Account receive periodic reports, communications and/or statements, as set forth in the relevant Account's Governing Documents and PPM, or as otherwise agreed. Generally, Investors in the Accounts receive unaudited monthly exposure reports and performance reports quarterly. However, as noted above, certain Investors may have negotiated the right to receive more frequent or detailed reports than others.

Additionally, to comply with the Custody Rule, annual audited financial statements will be provided to each Investor within 120 days after the end of the relevant Account's fiscal year. Reports may include or be accompanied by information with respect to the performance of the Account, information about the Investor's capital account(s) or shares, as applicable, and certain tax-reporting information (e.g., Form K-1). Under relevant local law, Rocwood and/or an Account may be required to prepare and distribute certain annual statements relating to the Account and its Investors. Investors agree to cooperate with Rocwood by providing information and computations necessary to such reports.

Rocwood may rely on information provided by affiliates or third parties in preparing reports and an affiliate or third party may assist in preparing or distributing reports. To the extent reports include or rely upon information from a source other than Rocwood (e.g., index information when a report includes a comparison of an Account's performance to one or more indices), Rocwood attempts to obtain such information from reliable sources, however the accuracy of such information cannot be guaranteed. Additionally, as noted in Item 6 above, reports may include or rely upon fair value determinations made by Rocwood or a third party. While such valuations are made in good faith, their actual or empirical accuracy cannot be guaranteed.

Representatives of Rocwood may be made available for discussions with Investors on a periodic or agreed upon basis.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

The Accounts may, in the discretion of the GP, appoint one or more brokers or placement agents to assist in the placement of Interests (each, a "Placement Agent"). Placement fees payable to Placement Agents in respect of Interests sold by it will be paid out of the fees and allocations payable to Rocwood and the GP, respectively, and will not increase the fees and allocations payable by Investors. Such placement fees will vary depending on the arrangements between the Account and the Placement Agent.

Placements Agents that solicit Investors on behalf of the Accounts will be entitled to receive placement fees in respect of Interests sold by it equal to a percentage of the management fees received by Rocwood and the incentive allocation received by the GP. As a result, Placement Agents have a substantial financial interest in selling Interests in the Accounts to its clients and others. Such placement fees will vary depending on the arrangements between the Account and the Placement Agent.

ITEM 15: CUSTODY

Because the Adviser (or an affiliate) serves as general partner or managing member of certain Accounts, the Adviser is deemed to have "custody" over the Accounts within the meaning of Rule 206(4)-2 under the Advisers Act. To comply with this Rule, the Adviser provides each Investor in the Account audited financial statements within 120 days following the Account's fiscal year end. If you have invested in an Account and have not received audited financial statements on a timely basis, please contact us immediately.

See general discussion of custody and prime brokerage arrangements in Item 12 and discussion of reports provided in Item 13.

ITEM 16: INVESTMENT DISCRETION

Investors in the Accounts will have no authority to make decisions or participate in the management of or exercise business discretion with respect to the Accounts. The authority to make all business decisions (including, most importantly, the selection of securities and execution) for an Account, is entrusted to the complete discretion of Rocwood and the GP. Accordingly, no person should invest in an Account unless he or she is willing entrust all aspects of the management of the Account to Rocwood and the GP.

Each Account enters into an investment advisory agreement with Rocwood pursuant to which the Account delegates to Rocwood full investment discretion over the Account's assets.

ITEM 17: VOTING CLIENT SECURITIES

Rocwood is generally responsible for voting proxies with respect to securities held in the Accounts and has adopted Proxy Voting Policies and Procedures (the "*PVPs*") pursuant to Rule 206(4)-6 under the Advisers Act. These PVPs provide that, in cases where Rocwood has such authority, it will vote such securities in accordance with the PVPs and in the best interests of the relevant Account(s). The following is a summary and does not represent Rocwood's entire PVPs. Investors may receive a copy of the PVPs, as well as information on how proxies were voted for relevant Accounts by request.

Under the PVPs, Rocwood has ultimate authority with respect to proxy voting, including: (i) receiving proxy solicitations; (ii) determining whether Rocwood has a material conflict of interest that would interfere with its ability to vote a proxy; (iii) voting (or refraining from voting) in the best interests of each relevant Account, when no such conflict has been identified; and (iv) determining how an identified conflict should be addressed. Rocwood generally seeks to vote all proxies that are timely received; however, Rocwood may refrain (or be precluded) from voting proxies where: (i) the effect of the proposal on an Account's interests is *de minimis* or the cost of exercising a vote materially outweighs the benefit (e.g., where the person voting is required or voting would limit Rocwood's ability to engage in subsequent transactions in the subject issuer); (ii) where the securities are no longer held on the meeting date; (iii) where proxies were not received with sufficient time to make an appropriate voting determination and cast a vote; and (iv) where the exercise of voting rights is restricted or prohibited by the terms of the security, by applicable law, or otherwise (e.g., where Rocwood holds an interest in an issuer through participatory notes, no voting right is conferred with respect to the underlying equity).

Rocwood acknowledges its responsibility for identifying material conflicts of interest prior to voting proxies. Relevant personnel of Rocwood are expected to disclose to the CCO any personal conflicts such as director or officer positions held by them, their spouses or close relatives in a soliciting issuer or another party interested in the proxy measure (personnel having such conflicts will be prohibited from participating in or contributing to voting decisions). The CCO will also consider whether Rocwood has any business relationships with a soliciting issuer or another party interested in the proxy measure. The following measures may be employed when a conflict of interest is identified to insulate the voting decision from the conflict: (i) disclosing the conflict to a board of directors responsible for the Account (e.g., the Account's or a feeder fund's board) or the Investors and obtaining voting instructions or consent from such board or Investors; (ii) voting based on the recommendations of an independent third-party such as a proxy voting service; (iii) mirror voting the proxies in the same proportion as the votes of other proxy holders; or (iv) voting in accordance with pre-determined voting criteria, if it involves little or no discretion. In making voting decisions in the absence of a conflict, Rocwood has discretion to take action in the manner it believes to be in the best interests of the relevant Account(s). Rocwood believes that an Account's "best interest" is served by voting in a manner believed to improve the Account's economic interest in the subject security over the long term. That is, each Account's best interest is the common interest that the Account, as an investor in the soliciting issuer, shares in seeing the value of a common investment increase over time and irrespective of any political or social interests of Rocwood or an Investor.

ITEM 18: FINANCIAL INFORMATION

A balance sheet is not required to be provided because Rocwood does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, and six month or more in advance. Rocwood has never been subject of a bankruptcy petition at any time.

Rocwood Capital Management LP (“Rocwood”)

Form ADV, Part 2B
(the “*Brochure Supplement*”)

March 2012

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This Brochure Supplement provides information about Gregg Weinstein (Chief Executive Officer and Portfolio Manager), Vincent Guacci (Chief Financial Officer, Chief Operating Officer and Chief Compliance Officer), Sumeet Jhamb (Senior Analyst), Andrew Stern (Senior Analyst), Paul Chered (Quantitative Strategist), Ankur Desai (Analyst), and Jared Roitstein (Analyst). It supplements Rocwood Capital Management LP’s accompanying Form ADV Brochure. Please contact Rocwood Capital Management LP’s Chief Compliance Officer, Vincent Guacci, at (212) 702-6903 if you have any questions about the Form ADV Brochure or this Brochure Supplement, or if you would like to request additional or updated copies of either document.

Gregg Weinstein, Chief Executive Officer and Portfolio Manager

Prior to founding Rocwood in 2009, Gregg was a Partner at Goldman, Sachs & Co. where he worked for 17 years. Most recently, Gregg was the Global Head of Risk Management for the Investment Management Division. He chaired the division's Risk Committee and was a member of the division's Operating Committee. Previously, Gregg was Head of the Markets Desk and co-Head of the Convertibles and Derivatives Desk within the Americas Financing group from 2006 to 2008. In this role, Gregg developed the Equity Capital Markets syndicate desk, and oversaw equity block trades, equity financings, private placements, convertible securities origination and corporate equity derivatives transactions. Prior to that, Gregg had been Head of the Global Convertibles Department from 2002 to 2006; Head of US Investment Grade Credit Trading from 2003 to 2005; Head of US Single Stock Volatility Trading from 2005 to 2006; co-Head of US Shares Trading from 2005 to 2006; and co-Head of US Capital Structure Franchise Trading from 2005 to 2006. In these trading management roles, Gregg was responsible for all risk taken with the firm's balance sheet in the market making and proprietary portfolios underlying these businesses, the management of all trading personnel within these businesses, and the development and execution of the strategic plans for these businesses. Gregg joined Goldman, Sachs & Co. in 1992 as a convertibles trader, and was named Managing Director in 2000 and Partner in 2002. Prior to Goldman, Sachs & Co., Gregg was a financial analyst in the mergers and acquisitions departments of Kidder, Peabody & Co. and Wasserstein Perella & Co. between 1987 and 1990. Gregg earned a BA in Economics from Tufts University in 1987 and an MBA in Finance from the Wharton School of the University of Pennsylvania in 1992.

Additional information about Gregg Weinstein and Rocwood's investment and review process is available on the SEC's website at www.adviserinfo.sec.gov.

Gregg Weinstein has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Gregg Weinstein or Rocwood.

Gregg Weinstein is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Rocwood.

Gregg Weinstein does not receive economic benefits from any person or entity other than Rocwood in connection with the provision of investment advice to clients.

As Rocwood's founder and Chief Executive Officer and Portfolio Manager, Gregg Weinstein maintains ultimate responsibility for the company's operations. Mr. Weinstein discusses investment decisions with the other members of the Rocwood investment team described herein and the team assists in regularly monitoring the Accounts. Any of these individuals can be reached directly by calling the telephone number on the cover of this Brochure Supplement.

Vincent Guacci, Chief Financial Officer, Chief Operating Officer and Chief Compliance Officer

Prior to joining Rocwood in 2010, Vince was most recently a Partner at Sansar Capital Management, LLC. From 2005 to 2010, he served as the Chief Financial Officer and Chief Operating Officer of the firm. In this role, Vince built the firm's \$3.4 billion investment management business from inception with offices in New York, Singapore, Beijing and Hong Kong. Vince developed and managed the firm's global operational processes including accounting, finance, legal, regulatory, tax, compliance, trading, technology resources and investor relations. Previously, Vince served as Chief Financial Officer of Stratix Asset Management from 2004 to 2005, Chief Financial Officer of Orme Capital Management from 2001 to 2004 and as a Risk Performance Analyst with Tiger Management from 1998 to 2000. In total, Vince brings more than 20 years of experience to Rocwood. Vince earned a BS in Finance from Montclair State University in 1990 and an MS in Technology Management from Stevens Institute of Technology in 1994.

Vince Guacci has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Vincent Guacci or of Rocwood.

Vince Guacci is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Rocwood.

Vince Guacci does not receive economic benefits from any person or entity other than Rocwood in connection with the provision of investment advice to clients.

Vince Guacci's investment recommendations are supervised by Gregg Weinstein, Rocwood's Chief Executive Officer and Portfolio Manager. Either of these individuals can be reached directly by calling the telephone number on the cover of this Brochure Supplement.

Sumeet Jhamb, Senior Analyst

Prior to joining Rocwood in 2010, Sumeet was an Executive Director at Morgan Stanley from 2007 to 2008. In this role, Sumeet was responsible for proprietary trading of convertibles and credit in the Fixed Income Division. His portfolio combined fundamental-based investing and relative value strategies with an industry concentration in the Financials and REIT space. Previously, Sumeet was a Portfolio Manager at Labranche Structured Products where he ran a convertible portfolio in 2006. Prior to that, Sumeet was a Partner at Severn River Capital from 2004 to 2005. In this role, Sumeet was the Head of Relative Value Strategies, including convertibles, capital structure arbitrage, and long/short credit investments. Prior to that, Sumeet was a Senior Portfolio Manager at Sagamore Hill Capital from 2001 to 2004. In this role Sumeet was responsible for convertibles and capital structure trading. Prior to that, Sumeet was a trader for Aristeia Capital from 1997 to 2000. Sumeet earned a BA in Economics and Political Science from Columbia University in 1996.

Sumeet Jhamb has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Sumeet Jhamb or of Rocwood.

Sumeet Jhamb is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Rocwood.

Sumeet Jhamb does not receive economic benefits from any person or entity other than Rocwood in connection with the provision of investment advice to clients.

Sumeet Jhamb's investment recommendations are supervised by Gregg Weinstein, Rocwood's Chief Executive Officer and Portfolio Manager. Either of these individuals can be reached directly by calling the telephone number on the cover of this Brochure Supplement.

Andrew Stern, Senior Analyst

Prior to joining Rocwood in 2010, Andrew was a Principal and Portfolio Manager at Kingsland Capital Management, an asset manager focused on leveraged loans and high yield bonds, from 2005 to 2010. In this role, Andrew was responsible for investing in the Aerospace & Defense, Gaming & Lodging, Leisure, and Forest Products & Packaging industries. He was a member of the firm's Investment Committee and was in charge of the hiring, staffing and training of all junior resources. Previously, Andrew was an Analyst at Katonah Capital, an asset manager focused on leveraged loans and high yield bonds, from 2003 to 2005. Prior to that, Andrew was an Associate in JPMorgan's Global Telecommunications and Media Investment Banking Group, from 1999 to 2003, where he structured public and private equity and debt financings as well as advised on merger and acquisition transactions. In this role, Andrew focused on the emerging telecom, wireless services and cable industries. Andrew earned a BBA in Finance from The Goizuetta Business School at Emory University in 1999.

Andrew Stern has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Andrew Stern or of Rocwood.

Andrew Stern is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Rocwood.

Andrew Stern does not receive economic benefits from any person or entity other than Rocwood in connection with the provision of investment advice to clients.

Andrew Stern's investment recommendations are supervised by Gregg Weinstein, Rocwood's Chief Executive Officer and Portfolio Manager. Either of these individuals can be reached directly by calling the telephone number on the cover of this Brochure Supplement.

Paul Chered, Quantitative Strategist

Prior to joining Rocwood in 2010, Paul was a Strategist at Goldman, Sachs & Co. from 2005 to 2009. In this role, Paul was responsible for convertible bond origination and equity-linked derivatives structuring. Previously, Paul was a Consultant at Romero & Boston CPAs, an accounting advisory firm, from 2003 to 2004. In this role, Paul provided auditing and accounting advice to clients. Prior to that, Paul was a Manager at Aztec Accessories, Inc., from 1997 to 2003. In this role, Paul managed the Information Systems Department. Paul earned a BS in Applied Mathematics from Kiev State University in 1996, an MBA in Finance from Claremont Graduate University in 2004 and an MS in Financial Mathematics from University of California at Berkeley in 2005.

Paul Chered has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Paul Chered or of Rocwood.

Paul Chered is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Rocwood.

Paul Chered does not receive economic benefits from any person or entity other than Rocwood in connection with the provision of investment advice to clients.

Paul Chered's investment recommendations are supervised by Gregg Weinstein, Rocwood's Chief Executive Officer and Portfolio Manager. Either of these individuals can be reached directly by calling the telephone number on the cover of this Brochure Supplement.

Ankur Desai, Analyst

Prior to joining Rocwood in 2011, Ankur was an Analyst at The Galleon Group from 2005 to 2010. In this role, Ankur was responsible for investing in the Technology Industry. Previously, Ankur was an Investment Banking Analyst at Needham & Company from 2003 to 2005, where he worked on IPOs, Follow-On Offerings and Mergers & Acquisitions. Prior to that, Ankur was an Analyst in the Private Capital Markets Group of CDC Securities, from 2002 to 2003, where he sourced and executed Private Investment in Public Equity (PIPE) transactions for companies in various sectors. Prior to that, Ankur worked as an Investment Banking Analyst for Robertson Stephens, Inc. from 2001 to 2002. Ankur earned a BA in Economics from Tufts University in 2001.

Ankur Desai has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Ankur Desai or of Rocwood.

Ankur Desai is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Rocwood.

Ankur Desai does not receive economic benefits from any person or entity other than Rocwood in connection with the provision of investment advice to clients.

Ankur Desai's investment recommendations are supervised by Gregg Weinstein, Rocwood's Chief Executive Officer and Portfolio Manager. Either of these individuals can be reached directly by calling the telephone number on the cover of this Brochure Supplement.

Jared Roitstein, Analyst

Prior to joining Rocwood in 2011, Jared was an Associate in the Real Estate Private Equity Group at Broadway Partners. In this role, Jared was responsible for underwriting acquisitions, dispositions and portfolio refinancings. Previously, Jared was an Analyst in the Real Estate Investment Banking Group at Morgan Stanley, where he performed valuation analysis for real estate M&A transactions as well as proprietary investments in REITs and real estate operating companies. Prior to that, Jared worked as a Summer Analyst for both Morgan Stanley and UBS AG. Jared earned a BA in Economics from Harvard University in 2006.

Jared Roitstein has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Jared Roitstein or of Rocwood.

Jared Roitstein is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Rocwood.

Jared Roitstein does not receive economic benefits from any person or entity other than Rocwood in connection with the provision of investment advice to clients.

Jared Roitstein's investment recommendations are supervised by Gregg Weinstein, Rocwood's Chief Executive Officer and Portfolio Manager. Either of these individuals can be reached directly by calling the telephone number on the cover of this Brochure Supplement.