
Cox Gestão de Recursos Ltda. (a/k/a Cox Capital Management)

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This Brochure provides information about the qualifications and business practices of Cox Capital Management. If you have any questions about the contents of this brochure, please contact us at +55 11 3321.7100 and/or coxcap@coxcap.com.br. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Cox Capital Management is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information to enable you to determine whether to hire or retain an adviser.

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

March 29, 2012

ITEM 2 – MATERIAL CHANGES

This Item 2 provides clients with a summary of material changes since the last annual update of the Brochure in 2011.

No material changes to this Brochure dated March 28, 2012 have been made from the previous versions dated March 25, 2011. Minor changes, including updates regarding assets under management and enhancements and clarifications throughout, have been made. Clients and prospective clients are encouraged to read the Brochure in detail and contact us with any questions.

Our Brochure may be requested by contacting Rodrigo Leonardo Anunciato, the founding partner of Cox Capital Management, at +55 11 3321.7104 or rla@coxcap.com.br.

Additional information about Cox Capital Management is also available via the SEC's website www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Cox Capital Management who are registered, or are required to be registered, as investment adviser representatives of Cox Capital Management.

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ITEM 4 – ADVISORY BUSINESS

Adviser's Advisory Business

Cox Gestão de Recursos Ltda., a/k/a Cox Capital Management, a Brazilian corporation (“Adviser”), is an investment manager that provides direct investment management services for private investment companies, as well as accredited investors and qualified clients on a discretionary basis. Adviser is registered with Comissão de Valores Mobiliários (“CVM”), the Brazilian financial markets regulator. Adviser was founded in October 2006 and is principally owned by Rodrigo Leonardo Anunciato, a founding partner, shareholder and portfolio manager of Adviser.

Types of Advisory Services Adviser Offers

Adviser provides investment advisory services to Adviser's clients through the management of investment portfolios in accordance with the objectives and guidelines of the private investment companies as stated in each private placement memorandum or in accordance with the risk profiles of individual clients. Currently, Adviser provides investment advisory services to the private investment company, Cox Fund, LLC, a Delaware limited liability company (“the Fund”), in its capacity as investment adviser of the Fund. Adviser expects that its investment activities will focus on investments in various kinds of assets and securities in G7 markets, the Brazilian market, the United States market and any other markets that may fit within a client's objective.

Interests in the Fund are not registered securities under the U.S. Securities and Exchange Commission's Securities Act of 1933, as amended (the “Securities Act”). In addition, the Fund is not registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, interests in the Fund are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements in private transactions pursuant to available exemptions under the Securities Act, the Investment Company Act and any applicable U.S. state and foreign securities laws.

Investment Restrictions

Adviser develops customized investment strategies based on the stated investment objectives, risk tolerance and financial circumstances of each client. The investment objectives, risk tolerance and financial circumstances of the Fund are generally described in its Private Placement Memorandum. In general, each private investment company has a fixed minimum subscription value permitted, which generally varies from US\$ 100,000 to US\$ 1,000,000, although lesser amounts may be accepted. For individual clients the minimum value under management is US\$ 5,000,000 at the discretion of Adviser.

Clients may impose reasonable restrictions on the management of their accounts, including by restricting particular securities or types of investments. Clients should be aware that performance of restricted accounts may differ from performance of accounts without such impediments, possibly producing lower overall results.

Wrap Fee Programs

Adviser does not participate, sponsor or act as a portfolio manager for any wrap fee programs.

Assets Under Management

As of December 31, 2011, Adviser had assets under management of US\$ 128,820,256, of which all was managed on a discretionary basis and none was managed on a non-discretionary basis.

ITEM 5 – FEES AND COMPENSATION

Adviser's Basic Fee Schedule

The specific manner in which fees are charged by Adviser is established in a client's written agreement with Adviser. Generally and pursuant to contract, fees for the management of private investment companies, such as the Fund, will be based upon a percentage of the total assets in the account (including margined assets) and will be charged monthly in arrears. Specific fees are stated in the private placement memorandum of each private investment company managed or in the management agreement for individual clients.

Currently, Adviser receives a management fee from the Fund equal to (i) 0.16666% (2.0% on an annualized basis) of the capital account of each member of the Fund (other than Adviser) with respect to Class A shares of the Fund and (ii) 0.125% (1.5% on an annualized basis) of the capital account of each member (other than Adviser) with respect to Class B shares of the Fund, payable monthly in arrears (prorated for partial periods) as of the beginning of such calendar month.

Management fees for other managed accounts are generally 1% to 2% on an annual basis, and such management fees will usually be charged monthly in arrears as of the last day of each calendar month, quarter or year, in accordance with the management agreement for such client.

Adviser's actual fees, minimum fees, and minimum account sizes may also be negotiated and/or rebated and may vary from the fees described above. A client may pay more or less fees than similar clients depending on the particular circumstances of the client, size, additional or differing levels of servicing or as otherwise agreed with specific clients. Clients that negotiate fees, including a flat fee, may end up paying a higher fee than that set forth in the fee schedules above as a result of fluctuations in the client's assets under management and account performance.

Calculation and Deduction of Fees

Adviser will generally bill its management fees on a monthly basis in arrears. The fees for each client, including the management and other fees and expenses described in this Item 5 and performance-based fees and allocations described in Item 6 below, will be deducted directly by Adviser from the client's capital accounts. Clients' account statements will include line items showing the deduction of these fees.

Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of *de minimis* contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee.

Advisory contracts may generally be terminated by either party upon 30-60 days' written notice for private investment companies and 30-60 days' written notice for individual clients. As fees are generally charged in arrears, no refund of advisory fees should be necessary. If fees should be paid in advance, they will be refunded pro rata upon termination. Adviser may have negotiated advisory contracts which have different termination provisions than those described above.

Other Fees and Expenses

In addition to investment management fees and performance-based fees (as described in Item 6 below), investors in the Fund will indirectly bear any other costs charged to the Fund. Such costs will vary and typically include, though are not limited to, accounting, legal, fund administration fees and other related costs and costs. Furthermore, Adviser's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. The impact of mark-ups and mark-downs shall also be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Such charges, fees and commissions are exclusive of and in addition to Adviser's fees, and Adviser shall not receive any portion of these commissions, fees, and costs.

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

Prepaid Fees

Adviser generally does not charge clients fees in advance.

Compensation for the Sale of Securities

Neither Adviser nor Adviser's supervised persons accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of investment funds.

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

In addition to the management fee described above in Item 5, Adviser will generally receive a performance-based fee, which is payable as a performance allocation, from each private

investment company, including the Fund, that it advises and manages. The calculation of the performance fee/allocation is described in each fund's private placing memorandum.

For the Fund, the performance allocation (the "Performance Allocation") generally will be equal to 20% of the appreciation in the net asset value per Fund Class A shares, and 15% of the appreciation in the net asset value per Fund Class B shares, of the relevant class from January 1 through June 30 and again from July 1 through December 31 in each year ("Performance Period"), provided that a "High Water Mark" (as defined below) requirement has been satisfied and subject to any applicable "Threshold Return" (as defined below). The Performance Allocation is made semi-annually as of June 30 and December 31 of each year.

The "Threshold Return" is an amount that a Fund investor would have earned for the Performance Period if it had received a rate of return equal to the six-month U.S. Dollar Libor rate as quoted on the Bloomberg index, on the first day of each Performance Period, calculated *pro-rata temporis* by the actual number of days elapsed.

If the net asset value of a series of shares has previously reached a level at which a Performance Allocation was made (a "High Water Mark"), a further Performance Allocation will be paid with respect to such series of shares only with respect to the appreciation of that series of shares over its net asset value (after allocation of the previous Performance Allocation) at the time of the previous allocation of a Performance Allocation. If no Performance Allocation previously was made, a Performance Allocation will be made with respect to such series of shares only after its net asset value appreciates beyond the initial net asset value of that series of shares. The Performance Allocation is calculated separately with respect to each series of shares, High Water Mark and Threshold Return. In the case of a redemption of shares other than as of June 30 and December 31 of each year, then for purposes of determining the Performance Allocation, the appreciation in the net asset value per series of shares and Threshold Return shall be determined through the redemption date as if such date were the last business day of June 30 and December 31.

Performance fees or allocations for other managed accounts are based upon a percentage, generally 10% to 20%, of the net capital appreciation in clients' investments for the year.

Currently, all the accounts that Adviser manages on a discretionary basis are charged both a performance based fee and a management fee. Because all such accounts are charged consistently, the performance-based fee arrangements do not create an incentive for Adviser to favor certain accounts over other accounts. However, if in the future, Adviser manages accounts that are not charged consistently, performance-based fee arrangements may create an incentive for Adviser to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements may also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. In such cases, Adviser would have procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

ITEM 7 – TYPES OF CLIENTS

Adviser primarily provides portfolio management services to private investment companies, as well as accredited investors and qualified clients on a discretionary basis.

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

General Investment Strategies and Methods of Analysis

Adviser may rely on selected portfolio management officers to make investment selections and asset allocation decisions for the private investment companies and/or other clients' accounts that they manage. Adviser will utilize various financial publications and third-party research to make initial asset allocation decisions and subsequent tactical decisions. Asset allocation programs focus on the private investment companies' and other clients' specific investment objectives and risk tolerances to develop an appropriate mix of investment alternatives. Additionally, Adviser will utilize fundamental and technical methods of analyzing investment opportunities. Adviser may also follow a number of other strategies with respect to private investment companies, including long and short-term purchases, margin transactions and options.

Adviser's mission is to provide superior long-term investment returns on Brazilian equities, on a risk-adjusted basis, under a disciplined value investing philosophy. Adviser will focus on three values while pursuing its mission:

- (i) People: In order to find investment opportunities and to produce sophisticated business analysis, it is essential to hire, train, retain and motivate talented people.
- (ii) Excellence: focus on only a few investments, chosen through careful and thorough analysis.
- (iii) Clients: The interests of Adviser's clients are top priority.

However, as discussed below, investing in securities and other investment products involves risk of loss that clients should be prepared to bear.

Material Risks for Significant Investment Strategies

While it is the intention of Adviser to implement strategies which are designed to minimize potential losses suffered by its client, there can be no assurance that such strategies will be successful. It is possible that a client may lose a substantial proportion or all of its assets in connection with investment decisions made by Adviser. The following is a discussion of material risks for Adviser's significant investment strategies, but it does not purport to be a complete explanation of all the risks involved in Adviser's investment strategies.

Investing in Emerging Markets

A significant part of Adviser's investment strategy will be selecting and recommending securities of emerging markets' countries ("Emerging Markets"). The following discussion sets forth some of the risks associated with investing in the securities of such markets:

General Economic and Market Conditions. The success of Adviser's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of the client's portfolio. Volatility or illiquidity could impair the profitability of, or result in losses for, a client's portfolio.

The Emerging Markets economies may differ favorably or unfavorably from the U.S. or other economies in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, the Emerging Markets economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which it trades.

Where assets in a client's portfolio are invested in narrowly-defined markets or sectors of a given economy, risk is increased by the inability to broadly diversify investments and by potentially adverse developments within those markets or sectors.

Volatility. Emerging Markets are more likely than more developed markets to experience periods of high volatility. Such volatility could result in substantial losses for the client's portfolio.

Risk of Errors and Omissions in Information. There may be less publicly available information about companies in Emerging Markets than about companies in more developed countries. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets countries may not accurately reflect the statistics being reported.

Non-U.S. Securities

Adviser's strategy includes investing assets in a client's portfolio in non-U.S. securities. Investing in securities of non-U.S. governments and companies which are generally denominated in non-U.S. currencies and utilization of options on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States Government or United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of non-U.S. taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, foreign government restrictions, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Currency Risks

Investments in foreign currency forwards, futures and options, as well as securities denominated in foreign currencies, are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment, capital appreciation and political developments.

Risk of Leverage

Adviser, on behalf of its clients, may engage in margin trading (short-term borrowing secured by its investment securities). The use of such short-term borrowing will result in certain risks to the client. For example, should the securities pledged to brokers to secure the client's borrowing decline in value, the client could be subject to a "margin call," in response to which the client would be required to either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. A sudden, precipitous drop in value of the assets in a client's portfolio accompanied by corresponding margin calls could force Adviser, on behalf of the client, to liquidate assets quickly, and not for fair value, in order to pay off its borrowing.

Short Selling

Adviser, on behalf of its clients, may engage in short-selling. Short positions are inherently more risky than long positions because the client's portfolio does not own the security being sold and must borrow the security in order to complete the sale. Therefore a client's risk of loss is not limited to the original price paid for the stock plus transaction costs. A short sale results in a gain if the price of the securities sold short declines between the date of the short sale and the date on which securities are purchased to replace those borrowed. A short sale results in a loss if the price of the securities sold short increases. Any gain is decreased, and any loss is increased, by the amount of any payment, dividend or interest that the client's portfolio may be required to pay with respect to the borrowed securities, offset (wholly or partly) by short interest credits.

In addition, short-selling is subject to extensive regulatory limitations that may prevent Adviser from selling a security short at a price or time that would be advantageous to the client. Further, in less liquid markets it may be difficult for Adviser to borrow the securities that it needs in order to cover a short position.

Call Options

Adviser, on behalf of its clients, may purchase and sell call options. There are risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (*e.g.*, the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option.

The buyer of a call option assumes the risk of losing his entire investment in the call option. If the buyer of the call sells short the underlying security, the loss on the call will be offset in whole or in part by any gain on the short sale of the underlying security (if the market price of the underlying security declines).

Put Options

Adviser, on behalf of its clients, may effect transactions in put options. There are risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sale price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to no greater than the exercise price of the put written, the position is “fully hedged” if the option owned expires at the same time or later than the option written. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option.

The buyer of a put option assumes the risk of losing his entire investment in the put option. If the buyer of the put holds the underlying security, the loss on the put will be offset in whole or in part by any gain on the underlying security.

Arbitrage Transactions

Adviser, on behalf of its clients, may utilize a variety of arbitrage strategies. Among the many risks of arbitrage transactions are that two or more buy or sell orders may not be able to be executed simultaneously at the desired prices, resulting in a loss being incurred on both sides of a multiple trade arbitrage transaction. Also, the transaction costs of arbitrage transactions can be especially significant because separate costs are incurred on each component of the combination. Consequently, a substantial favorable price movement may be required before a profit can be realized.

Assignment of Puts or Calls

Substantial losses may result under certain circumstances if a hedged position becomes a long or short position due to assignment of the short put or short call option of the hedged position. Under normal market conditions, the remaining option of the previously hedged position may be liquidated or otherwise adjusted to limit exposure to price changes. Suspension of trading of the option class or underlying securities followed by a price gap at the reopening of trading might result in substantial losses. The same would be true given an illiquid market at times of crisis.

Options on Futures

Adviser, on behalf of its clients, may engage in the trading of options (both puts and calls) on financial futures contracts on Brazilian exchanges which have been designated by government agencies. The value of an option depends largely upon the likelihood of favorable price movements in the underlying futures contract in relation to the exercise (or strike) price during

the life of the option. Therefore many of the risks applicable to trading the underlying futures contracts are also applicable to options trading.

Futures and Options Trading May be Illiquid

Most United States futures exchanges limit fluctuation in certain futures contract prices during a single day by regulations referred to “daily price fluctuation limits” or “daily limits.” Pursuant to such regulations, during a single trading day, no trades may be executed at prices beyond the daily limits. Once the price of a futures contract for a particular commodity has increased or decreased by an amount equal to the daily limit, positions in the commodity can be neither taken nor liquidated unless traders are willing to effect trades at or within the limit. Futures prices in various commodities have moved the daily limit for several consecutive days with little or no trading. It is also possible that an exchange or government agencies may suspend trading in a particular contract, order immediate liquidation or settlement of a particular contract, or order that trading in a particular contract, be conducted for liquidation only.

Prohibition of Exercise Rights

The option markets have the authority to prohibit the exercise of particular options. If a prohibition on exercise is imposed at a time when trading in the option has also been halted, holders and writers of that option will be locked into their positions until one of the two restrictions has been lifted.

Forward Contracts

Adviser, on behalf of its clients, may engage in trading of forward contracts. Forward contracts for the trading of currencies may be entered into with or through banks or dealers. A forward contract is a contractual obligation to purchase or sell a commodity, such as currencies, at a specified date in the future at a specified price and therefore is similar to a futures contract. However, the bank or dealer generally acts as principal in the transaction and includes its anticipated profit and costs of the transaction in the prices it quotes for such contract. In addition, such contracts are not traded on exchanges and, as a consequence, investors in forward contracts are not afforded the regulatory protection of such exchanges or government agencies. Forward contracts are not of any standard size and there is no limitation on daily price moves of forward contracts. Rather, forward contracts are the result of individual negotiation between the parties. Moreover, there is no direct means of “offsetting” a forward contract by purchase of an offsetting position on the same (or linked) exchange as one would a futures contract. Principals have no obligation to continue to make markets; however, the forward markets in currencies have typically been highly liquid markets. A client’s portfolio would be subject to the risk of failure of the other party or the inability or refusal to perform with respect to such contracts.

Cash Trading

Adviser, on behalf of its clients, may utilize trading strategies which involve arbitraging between the cash and futures markets. This means that Adviser may purchase (or sell) assets for a client’s portfolio in cash markets and will take offsetting positions in the futures market in the same or related instruments. These offsetting positions are subject to the same risk of adverse price differentials as in any arbitrage transaction.

Material Risks for Particular Types of Securities

Adviser typically manages a portfolio of Brazilian publicly-traded securities. However, Adviser does not recommend primarily a particular type of security. The actual types of investments will depend on the clients' objectives and strategies described in their private placement memoranda or risk profiles of individual clients. The material risks involved in Adviser's general investment strategies are described above.

ITEM 9 – DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of an adviser or the integrity of the adviser's management. Adviser has no information applicable to this Item 9.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Broker-Dealer Registration

Adviser and Adviser's management persons are not registered with the Securities and Exchange Commission ("SEC") as a broker-dealer or registered representatives, respectively.

Commodity Pool Operator, Commodity Trading Adviser, Futures Commission Merchant Registration

Adviser is not registered with the Commodity Futures Trading Commission ("CFTC") as a futures commission merchant ("FCM"), a commodity pool operator ("CPO") or a commodity trading advisor ("CTA").

Other Material Relationships

Adviser does not have any relationships or arrangements that are material to Adviser's advisory business or to its clients that Adviser or any of its management persons have with any of the following related persons: (i) a broker-dealer, municipal securities dealer, or government securities dealer or broker; (ii) an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund); (iii) another investment adviser or financial planner; (iv) a futures commission merchant, commodity pool operator, or commodity trading advisor; (v) a banking or thrift institution; (vi) an accountant or accounting firm; (vii) a lawyer or law firm; (viii) an insurance company or agency; (ix) a pension consultant; and (x) a real estate broker or dealer sponsor or syndicator of limited partnerships.

Other Financial Industry Activities or Affiliations

Adviser generally does not recommend or select other investment advisers for its clients. In addition, Adviser does not receive compensation directly or indirectly from other investment advisers and does not have other business relationships with other investment advisers.

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

Code of Ethics

Adviser has adopted a Code of Ethics (the “Code”) that prohibits investment personnel to invest in securities that are listed on the Bovespa for their own accounts if such securities may be (i) purchased or held by Adviser’s clients and (ii) have limited liquidity (*e.g.*, without limitation, liquidity as an average daily trading volume of less than US\$ 1,000,000), except under limited circumstances where prior disclosure is made and approval is obtained from Adviser. The Code governs the investment in securities by personnel designated as access persons of Adviser. The purpose of the Code is to ensure that personal transactions do not conflict with client transactions and that in any situation where the potential for conflict exists, client interests take precedence.

Access persons may not purchase or sell any covered security in which he or she has, or by reason of such transaction acquires, any direct or indirect beneficial ownership and which to his or her actual knowledge at the time of such purchase or sale: (i) is being considered for purchase or sale by a client; or (ii) is being purchased or sold by a client.

Access persons may not reveal to any other person (except in the normal course of his or her duties on behalf of clients) any information regarding securities transactions by clients or consideration by Adviser of any such securities transaction.

Access persons may not recommend any securities transaction for clients without having disclosed his or her interest, if any, in such securities or the issuer thereof, including without limitation (i) his or her direct or indirect beneficial ownership of any securities of such issuer; (ii) any contemplated transaction by such person in such securities; (iii) any position with such issuer or its affiliates; and (iv) any present or proposed business relationship between such issuer or its affiliates, on the one hand, and such person or any party in which such person has a significant interest, on the other.

All investment personnel shall obtain approval before directly or indirectly acquiring beneficial ownership in any securities in an initial public offering or a limited offering.

Each access person must certify annually that he or she has read and understands the Code and recognizes that he or she is subject to the Code. In addition, each access person must certify annually that he or she has complied with the requirements of the Code and that he or she disclosed or reported all personal securities transactions required to be disclosed or reported pursuant to the requirements of the Code.

A copy of Adviser’s Code is available to clients and prospective clients upon request.

Privacy Policy

Adviser recognizes and respects the privacy concerns of its clients and investors. Adviser does

not disclose any nonpublic personal information about clients or investors or former clients or investors to anyone, except as permitted by law, or as described below.

Adviser collects nonpublic personal information about clients and investors (such as their name, address, social security number, account balance, redemption or withdrawal history, assets, income and occupation) from the following sources:

- Information received from clients on account applications, agreements, questionnaires or other forms;
- Information about transactions with Adviser, their affiliates or others; and
- Information received from clients or investors in written, telephonic or electronic communications with Adviser, their affiliates or others.

In order to service clients and investors and effect certain transactions, Adviser may provide clients' or investors' personal information to its affiliates and other financial service providers that assist Adviser in servicing clients and investors and have a need for such information, such as a broker or fund administrator. Adviser may also provide these financial service providers and other funds in which it invests with clients' or investors' personal information for purposes of complying with any regulatory or legal requirement, including without limitation the free-riding and withholding rules of FINRA. Adviser does not otherwise provide information about clients to outside firms, organizations or individuals except to Adviser's attorneys, accountants and auditors and as permitted by law.

Adviser restricts access to nonpublic personal information about clients and investors to its members and employees who need to know that information to provide investment products or services to clients and investors. Adviser maintains physical, electronic and procedural safeguards that comply with federal standards to guard clients' and investors' personal information.

In the event that a client or investor invests through a financial intermediary, including, but not limited to, a broker-dealer, bank or trust company, the privacy policy of the financial intermediary will govern how non-public personal information will be shared with non-affiliated third parties by that entity.

Participation or Interest in Client Transactions and Associated Conflicts of Interest

Neither Adviser nor any person related to Adviser recommends to clients, or buys or sells for client accounts, securities in Adviser or a related person has a material financial interest.

Investments in Securities by Adviser and its Personnel

As described above, Adviser's Code prohibits Adviser's investment personnel from investing in securities and investments that are listed on the Bovespa if such securities and investments are (i) recommended to, or entered into on behalf of, Adviser's clients (ii) have limited liquidity (*e.g.*, without limitation, liquidity as an average daily trading volume of less than US\$ 1,000,000).

Other than these limitations, Adviser and its personnel may invest in the same or similar securities and investments, to the extent that such securities are listed on the Bovespa and have sufficient liquidity, as those recommended to or entered into on behalf of Adviser's clients. The results of the investment activities of Adviser's or its personnel's investments for their own accounts may differ from the results achieved by or for client accounts managed by Adviser.

In connection with such investments, Adviser may, but is not required to, aggregate purchase or sale orders for client accounts with trades for other accounts managed by Adviser, including accounts of other clients. When orders are aggregated for execution, it is possible that Adviser and its personnel's interests will receive benefits from such transactions, even in limited capacity situations. While Adviser maintains policies and procedures that it believes are reasonably designed to deal with conflicts of interest that may arise in certain situations when purchase or sale orders for a client's account are aggregated for execution with orders for accounts of other clients.

Regardless, at all times, Adviser has policies and procedures in place to avoid potential conflicts that may arise under these circumstances. For example, all of Adviser's personnel are subject to Adviser's policies and procedures regarding confidential or proprietary information, the information barriers and personal trading. Adviser has additional policies and procedures relating to certain personal securities transactions by Adviser's personnel which Adviser deems to involve potential conflicts including conflicts involving Adviser's personnel and client accounts managed by Adviser.

Trading Alongside by Adviser and its Personnel

Under Adviser's policies and procedures, neither Adviser nor its personnel would recommend securities to Adviser's clients, such as the Fund, or buy or sell securities for its clients' accounts, at the same time that they would buy the same securities for their own accounts. We note that although Adviser's policies would permit Adviser and its personnel to invest, on a limited basis, in certain securities and investments that are listed on the Bovespa, such policies and procedures prohibit simultaneous trading for clients' accounts and Adviser and/or its personnel's own accounts.

ITEM 12 – BROKERAGE PRACTICES

Broker-Dealer Selection

Adviser has full discretion to select brokers or dealers, as well as the commission rates at which the transactions for clients are effected. Adviser will, in arranging for the purchase and sale of portfolio securities, take numerous factors into consideration. These include any legal restrictions, such as those imposed under the securities laws, and any client imposed restrictions. Within these constraints, Adviser will employ or deal with members of the securities exchanges and other brokers and dealers as may in its judgment implement the policy of obtaining best execution (*i.e.*, prompt and reliable execution at the most favorable prices obtainable under the prevailing market conditions) of portfolio transactions.

In determining the abilities of a broker or dealer to obtain best execution for portfolio transactions, Adviser will consider all relevant factors, including the execution capabilities required by the transactions; the ability and willingness of the broker or dealer to facilitate the portfolio transactions by participating therein for its own account; the importance to the account of speed, efficiency and confidentiality; the broker or dealer's apparent familiarity with sources from or to whom particular securities might be purchased or sold; the reputation and perceived soundness of the broker or dealer; as well as other matters relevant to the selection of a broker or dealer for portfolio transactions for any account. Adviser will not adhere to any rigid formula in making the selection of the applicable broker or dealer for portfolio transactions, but will weigh a combination of the preceding factors.

Where it has discretion to select brokers or dealers, Adviser will have no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular portfolio transaction or to select any broker on the basis of its purported or "posted" commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to minimize the expense incurred for effecting portfolio transactions to the extent consistent with the interests and policies of its clients. Although Adviser will generally seek 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 or dealer involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Research and Other Soft Dollar Benefits

Consistent with obtaining best execution, brokerage commissions on client portfolio transactions may be directed to brokers in recognition of research services furnished by them, as well as for services rendered in the execution of orders by such brokers. As a general matter, such research services are used to service all of Adviser's clients. However, Adviser currently has no written soft dollar agreements and did not, in its last fiscal year, direct client transactions to any particular broker-dealer in return for any soft dollar credits, although Adviser received research and brokerage services from certain broker-dealers. Such research and brokerage services may be provided to Adviser in the form of access to various computer generated data, computer software and other computer systems or terminals.

Furthermore, there is no agreement or formula for the allocation of brokerage business on the basis of research services. Adviser may, in its discretion, cause the client to pay such brokers a commission for effecting portfolio transactions in excess of the amount of commission another broker adequately qualified to effect such transactions would have charged for effecting such transactions. This may be done where Adviser has determined in good faith that such commission is reasonable in relation to the value of brokerage and research services received. In reaching such a determination, Adviser would not be required to place or attempt to place a specific dollar value on the brokerage or research services provided by such broker.

When allocating trades to clients, Adviser must ensure that over time each client is treated fairly and equitably in the execution of transactions. Therefore, trading personnel must ensure that, over time:

- clients are treated fairly as to the securities purchased or sold for their accounts;
- clients are treated fairly with respect to the priority of execution of orders;
- clients are treated fairly in the allocation of trades;
- allocation of trades is done on a timely basis; and
- all accounts participating in an aggregated order receive average price and share transaction costs pro-rata.

Brokerage for Client Referrals

Adviser generally does not consider, in selecting or recommending broker-dealers, whether Adviser or a related person receives client referrals from a broker-dealer or third party.

Directed Brokerage

Adviser generally has the discretionary authority to determine and direct execution of portfolio transactions within the client's specified investment objectives without prior consultation with the client on a transaction-by-transaction basis.

Aggregation of Trades

Adviser has the fiduciary duty to execute orders for its clients fairly and equitably. Adviser follows written procedures pursuant to which it may, for clients who permit it, and to the extent consistent with best execution, combine purchase or sale orders for the same security for multiple clients (sometimes called "bunching") so that they can be executed at the same time. The participating accounts that may be bunched in an order may include both client accounts as well as Adviser's own accounts. The procedures followed by Adviser may differ depending on the particular strategy or type of investment. Adviser is not required to bunch or aggregate orders if: (1) portfolio management decisions for different accounts are made separately; or (2) Adviser determines that bunching or aggregating is not practicable. Adviser may be able to negotiate a better price and lower commission rate on aggregated trades than on trades for accounts that are not aggregated. Where transactions for a client's account are not aggregated with other orders, it may not benefit from the better price and lower commission rate. Because of prevailing trading activity, it may not be possible to receive the same price or execution on the entire volume of securities purchased or sold. When this occurs, the various prices may, in Adviser's discretion, be averaged and accounts will be charged or credited with the average price. The effect of such aggregation may operate on some occasions to an account's disadvantage.

ITEM 13 – REVIEW OF ACCOUNTS

Review of Accounts

Accounts will be reviewed on an ongoing basis. Under normal circumstances, the account operations will be reviewed daily by Adviser. Such reviews generally are conducted by Guilherme Marconi Ayres, a partner and principal of Adviser.

Factors Triggering a Review

An account may be reviewed immediately to the extent that the account could be affected by information concerning economic or market conditions, individual companies or industries.

Client Reports

Adviser will provide each client with monthly reports regarding the investments held in the client's account as well as the performance of the client's investments. Additional reports may be provided to clients if circumstances so warrant.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Other Compensation

No person who is not a client of Adviser provides an economic benefit to Adviser for providing investment advice or other advisory services to Adviser's clients.

Compensation for Client Referrals

Certain private investment companies managed by Adviser and Adviser itself have entered into distribution and/or referral agreements in which third-parties are hired as intermediaries to distribute interests of the private investment companies and assist their clients to with investments in the private investment companies managed by Adviser. As remuneration for their services, intermediaries are entitled to receive remuneration represented by a percentage of the management and performance fees paid to Adviser, based on the net asset value of the particular private investment company managed by Adviser.

In addition, Adviser has entered into at least one agreement, on an arms-length basis, whereby a party unaffiliated with Adviser would be entitled to compensation in the event that it successfully solicits clients on Adviser's behalf.

ITEM 15 – CUSTODY

With respect to Adviser's "U.S. Clients" (as defined below), such clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains the clients' investment assets. Adviser urges U.S. Clients to carefully review such statements and compare such official custodial records to the account statements that Adviser may provide to them. Adviser's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. The term "U.S. Clients" refers to Adviser's U.S. separate managed accounts and U.S. funds (such as the Fund) managed by Adviser. The term "U.S. Client" excludes, without limitation, investors in any fund managed by Adviser (including the Fund), non-U.S. funds managed by Adviser and non-U.S. separate managed accounts.

Under the “regulation lite” regime, a non-U.S. adviser must comply with the substantive provisions of the Investment Advisers Act of 1940, as amended (the “Advisers Act”) only with respect to its U.S. clients. As referenced above, the investors in the funds managed by the non-U.S. adviser are not treated as the adviser’s clients for these purposes. Accordingly, the substantive provisions of the Advisers Act, including the rules relating to custody, would apply only with respect to Adviser’s U.S. Fund and U.S. managed account clients. Adviser and the custodians will, however, be subject to the laws and regulations in their countries of residence.

ITEM 16 – INVESTMENT DISCRETION

Adviser is authorized to allocate and manage all assets in its discretion among various investments it deems appropriate for clients’ objectives and strategies. When selecting securities and determining amounts, Adviser observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Adviser in writing.

ITEM 17 – VOTING CLIENT SECURITIES

Proxy Voting Policies – Authority to Vote

On behalf of its clients, Adviser invests in securities issued by public issuers. In relation to these investments, Adviser has the authority to vote proxies. Adviser has adopted and implemented written policies and procedures reasonably designed to ensure that it votes proxies for client securities in the best interest of clients and address material conflicts that may arise between its interests and those of its clients relating to proxy voting. Proxy voting decisions are the responsibility of the portfolio managers and are made in accordance with Adviser’s proxy voting policies and procedures. There may be situations in which Adviser decides it is in the best interests of its clients to deviate from the proxy voting policies and procedures, in which case will be handled and documented in accordance with the proxy voting policies and procedures.

We note that the proxy voting rules under the Advisers Act would generally apply only to Adviser’s U.S. Clients (as defined under Item 15) under the regulation lite regime described above under Item 15. However, subject to the record keeping policies described in the paragraph below, the policies and procedures discussed above would generally apply to all Adviser’s clients.

Thus, for Adviser’s U.S. Clients, Adviser will follow the proxy voting procedures and policies discussed above. In addition, with respect to such U.S. clients, Adviser will retain (i) written proxy voting policies and procedures; (ii) proxy statements provided by the prime broker/custodian regarding client securities; (iii) records of votes cast on behalf of such clients; (iv) records of such clients requests for proxy voting information; and (v) any specific documents Adviser prepared that were material to making a decision how to vote, or that memorialized the basis for the decision.

Adviser's proxy voting policies and procedures and information on how specific proxies were voted is available to clients and investors upon request.

ITEM 18 – FINANCIAL INFORMATION

Registered investment advisers are required in this Item 18 to provide you with certain financial information or disclosures about their financial condition. Adviser does not require prepayment of any fees, has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Accordingly, no financial statements are required to be provided by Adviser to its clients and prospective clients.

ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Advisers who are registered or are registering with state securities authorities are required in this Item 19 to provide clients with certain information about their business and management teams. Adviser is federally registered and is therefore not required to complete this Item 19.