

Pia Capital Management LP

Part 2A of Form ADV

Brochure

1 River Road
Greenwich, CT 06807
(203) 742-1600

December 31, 2011

This brochure provides information about the qualifications and business practices of Pia Capital Management LP (“Pia”). If you have any questions about the contents of this brochure, please contact us at (203) 742-1600. 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.

Pia is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training.

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

Item 2. Material Changes

This is our initial filing of the Part 2 Brochure under new requirements adopted by the SEC under the Investment Advisers Act of 1940 (“Advisers Act”). In subsequent versions of our Brochure, this section will contain a summary of material changes incorporated since our last filing.

Item 3. Table of Contents

Item 1. Cover Page	1
Item 2. Material Changes	2
Item 3. Table of Contents	3
Item 4. Advisory Business.....	4
Item 5. Fees and Compensation.....	5
Item 6. Performance Based Fees and Side-by-Side Management.....	7
Item 7. Types of Clients	8
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9. Disciplinary Information	16
Item 10. Other Financial Industry Activities and Affiliations.....	17
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	18
Item 12. Brokerage Practices.....	18
Item 13. Review of Accounts	21
Item 14. Client Referrals and Other Compensation	22
Item 15. Custody	23
Item 16. Investment Discretion	24
Item 17. Voting Client Securities	25
Item 18. Financial Information.....	26

Item 4. Advisory Business

Firm History and Principal Owners

Founded in 2008, Pia Capital Management LP (“Pia”), formerly known as Pia Capital Management LLC, is a Delaware limited partnership that is primarily owned and controlled by Christopher Pia, Chairman and Chief Investment Officer. As of December 31, 2011 Pia managed approximately \$130 million on a discretionary basis on behalf of a master-feeder fund (the “Fund”) and separately managed accounts (“Separate Accounts” and collectively with the Fund, “Clients”).

Services Provided

Pia only manages assets on a discretionary basis.

For the Fund, Pia seeks an absolute rate of return through the implementation of a discretionary global macro approach within a rigorous risk management framework. The Fund’s investment objective is opportunistic; Pia attempts to effect trades with an advantageous reward-to-risk ratio across a diversified portfolio of foreign exchange, commodities, fixed income, and equities. However, Pia is authorized to enter into any type of investment transaction that it deems appropriate under the terms of the Fund’s organizational documents.

Pia seeks to achieve the Fund’s investment objective by using a discretionary global macro investment strategy. Pia uses a combination of top-down fundamental views and bottom-up technical analysis to identify opportunities in the short to intermediate term, typically a three (3) week to three (3) month timeframe. Within the investment horizon, Pia seeks to capture profits multiple times across assets that exhibit volatility and/or momentum price moves in a trend and countertrend direction. There is no guarantee that this investment objective will be met.

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

Pia typically does not tailor its services to the individual needs of Separate Accounts, but manages Separate Accounts employing strategies similar to those of the Fund for institutional investors. Terms applicable to these Separate Accounts (including any investment restrictions) are subject to negotiation and vary from those applicable to the Fund. Pia’s discretionary authority is limited, however, as described in Item 16.

Item 5. Fees and Compensation

Compensation to be provided to Pia is negotiable and varies, but typically consists of the following components:

Investment Management Fee

Pia earns from the Fund a 2% monthly management fee at the end of each month based on that month's net asset value attributable to management fee-bearing investors. An allocable portion of the management fee is automatically deducted from each relevant investor's capital account at the end of the month.

With respect to one class of the Fund, the amount corresponding to capital contributions made to each capital account is treated as 3 times such actual amount for the purpose of calculating management fees. See the Fund's offering materials and organizational documents for more information.

Separate Accounts will generally pay management fees similar to those paid by investors in the Fund. Separate Accounts may also negotiate flat annual fees for investment management services.

Profit Allocation

In addition, Pia is typically allocated or paid from each investor in a Fund a performance allocation or fee equal to 20% of net profits (including both realized and unrealized gains and losses) otherwise allocable to that investor.

Profit allocations are assessed in arrears on a quarterly basis and are only applied to profits that exceed the cumulative losses previously incurred by or allocated to the respective Fund investor. Pia complies with Rule 205-3 under the Advisers Act to the extent required by applicable law.

Separate Accounts will generally pay performance fees similar to those paid by investors in the Fund through profit allocations.

General Information on Fees

Profit allocations and management fees may create an incentive for Pia to make more risky and speculative investments than it would otherwise make.

Pia bills a Separate Account for management and performance fees.

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

Expenses

Each Client account, including both Separate Accounts and the Fund, is responsible for its own costs and expenses, such as:

- trading costs and expenses (such as brokerage commissions, expenses related to short sales, and clearing and settlement charges). Please see Item 12 for more information
- interest and commitment fees on loans and debit balances
- fees and charges of custodians, clearing agencies and banks

Each Fund is also responsible for paying various expenses relating to the Fund, including administration, accounting, bookkeeping, tax, audit, legal and other professional, expert and consulting fees arising in connection with the Fund. Investors should refer to the Fund's governing documents for a full description of expenses borne by the Fund.

Pia bears its own operating, general, administrative and overhead costs and expenses, other than the expenses described above.

Termination

A Separate Account may typically terminate the account by giving 30 days' written notice unless other terms have been negotiated. Pia's relationship with the Fund is terminable only on dissolution of the Fund pursuant to the terms of its organizational documents or Pia's withdrawal or termination as manager. Investors in the Fund are able to withdraw from a Fund upon not less than 30 business days' prior written notice.

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

Item 6. Performance Based Fees and Side-by-Side Management

Pia currently manages only Client accounts that pay performance-based compensation as described in Item 5.

As noted in Item 5, the fact that Pia is compensated based on Clients' trading profits may create an incentive for Pia to make investments on behalf of Clients that are riskier or more speculative than would be the case in the absence of such compensation. In addition, the performance based compensation received by Pia is based both on realized and unrealized gains and losses. As a result, some performance based compensation may be based on unrealized gains that Clients do not realize.

Pia's fee arrangements also create an incentive to favor higher fee paying Client accounts over other accounts in the allocation of investment opportunities. Pia has a conflict of interest if, in any time period, one fee structure would cause higher fees to be paid to Pia than another fee structure, because Pia would have an incentive to favor the Client account that would pay the higher fees. To address this conflict, Pia typically allocates all investment opportunities within each strategy on a pro rata basis, based on each Client's assets. In addition, Pia maintains policies and procedures to review Client account investment allocations on a regular basis.

Item 7. Types of Clients

Pia provides investment supervisory services to the Fund and Separate Accounts.

Pia generally requires a minimum initial investment of \$1,000,000 for investors in the Fund. Pia generally requires a minimum investment of \$25,000,000 to open a Separate Account. These minimums may be waived by Pia in its discretion.

In order to invest in the Fund, an investor must be an accredited investor as defined by Regulation D under the Securities Act of 1933 and must be a qualified client as defined by Section 205 of the Investment Advisers Act of 1940 and Rule 205-3 there under (if applicable). Additionally, all investors in the Fund must be qualified purchasers as defined in Section 2(a)(51) of the Investment Company Act or knowledgeable employees of Pia. Investors must also make representations concerning their sophistication as investors and their ability to bear the risk of loss of their entire investment under Pia's management.

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

Methods of Analysis and Investment Strategies

Pia seeks to achieve its investment objective for Clients by utilizing a discretionary global macro investment strategy. Pia utilizes a combination of top-down fundamental views and bottom-up technical data to identify opportunities in the short to intermediate term, typically a 3 week to 3 month timeframe. Within the investment horizon, Pia seeks to capture profits multiple times across assets that exhibit volatility and/or trend and countertrend behavior.

Pia typically begins the investment process by formulating a broad fundamental framework, which involves an analysis of a variety of resources, including (but not limited to) geopolitical environment, flow of funds information, government policy, economic data, etc. Pia then conducts a bottom-up analysis utilizing a variety of technical tools, including (but not limited to) proprietary research tools, momentum indicators, commitment of trader data, seasonality data and sentiment indicators.

After conducting the above top-down fundamental and bottom-up technical analysis, Pia focuses on portfolio construction. Investments are made in highly liquid markets and will typically consist of (i) foreign exchange, (ii) commodity markets, (iii) fixed income, (iv) equity indices and (v) ETFs. Pia's asset allocation typically comprises 30-45% for foreign exchange, 30-45% for commodity markets, 5-10% for fixed income, and 10-20% for equities (including indices and ETFs). The asset class and trade weightings vary at times based on Pia's evaluation of relevant factors, including (but not limited to) sectors where Pia has identified an investment opportunity, Pia's conviction of theme, reward-to risk-ratio, historical strategy success ratio, asset class correlation analysis, and asset volatility analysis.

Prior to the initiation of new trade ideas, Pia analyzes, among other things, whether (i) a trade idea fits with its overall global theme, (ii) the trade size of the particular asset has the desired liquidity of 1 day or less, (iii) the addition of the particular trade would have affected the stability of the portfolio during past "stressed tested events" and (iv) the reward-to risk-ratio of the particular trade is at least the desired 3 times the reward for the risk taken.

At the next step in the investment process, Pia begins trade initiation. For each trade idea, Pia can typically add 1 to 6 units of risk. Units 1, 2 and 3 are typically "overnight" units in that such units do not need to be closed out at the market close and may be held overnight and/or for consecutive days. Units 4, 5 and 6 are typically "intraday" units and are intended to take advantage of shorter term opportunities. Such units are closed-out of by the close of the business day in which they are initiated. Pia typically initiates a trade or unit when the market exhibits momentum (i.e., there are higher prices for buying opportunities and lower prices for selling opportunities).

The investment strategies summarized above represent Pia's current intentions, are general in nature, and are not exhaustive. Except as specified by particular Clients, there are no limits on the types of securities in which Pia may take positions on behalf of its Clients, the types of positions that it may take, the concentration of its investments or the amount of leverage that it may use.

Pia may use any trading or investment techniques, whether or not contemplated by the expected investment strategies described above. In addition, there are limitations in describing any investment strategy due to its complexity, confidentiality and indefinite nature. Depending on conditions and trends in securities and commodities markets and the economy generally, Pia may pursue any objectives or use any techniques that it considers appropriate and in Clients' interests.

The management style offered by Pia may be deemed speculative and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and are capable of bearing the risk of such an investment. No guarantee or representation is made that Clients will achieve their investment objectives.

Risk Factors

Investing in securities involves risk of loss that Clients should be prepared to bear. Below are some of the risks that investors should consider before investing in any account that Pia manages. Any or all of such risks could materially and adversely affect investment performance, the value of any account or any security held in an account, and could cause investors to lose substantial amounts of money. Below is only a brief summary of some of the risks that a holder of a Separate Account or an investor in the Fund may encounter. Potential investors in the Fund should review the Fund's offering memorandum or private placement memorandum carefully and in its entirety. A potential investor should discuss with Pia's representatives any questions that such person may have before opening an account or investing in a Fund.

Volatility The prices of the instruments traded by Pia have been subject to periods of excessive volatility in the past (most particularly in the recent years), and such periods can be expected to continue. Price movements are influenced by many unpredictable factors, such as market sentiment, inflation rates, interest rate movements and general economic and political conditions.

Stagnant Markets Although volatility is one indication of market risk, certain of the investment strategies employed by Pia rely for their profitability on market volatility contributing to the mispricings which they are designed to identify. In periods of trendless, stagnant markets and/or deflation, alternative investment strategies have experienced diminished prospects for profitability.

Market Disruptions; Governmental Intervention; Dodd-Frank Wall Street Reform and Consumer Protection Act Clients may incur material losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving.

The financing available to the Clients from their banks, dealers and other counterparties is typically reduced in disrupted markets. Such a reduction may result in substantial losses to Clients. Market disruptions may from time to time cause dramatic losses for Clients, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

In response to the recent financial crises, the Obama Administration and the U.S. Congress proposed sweeping reform of the U.S. financial regulatory system. After over a year of debate, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Reform Act”) became law in July 2010. The Reform Act and regulations adopted pursuant to the Reform Act could have a material adverse impact on the profit potential of the Clients.

Lack of Liquidity The markets for some of the instruments traded by Pia may, at times, have limited liquidity. Although Pia monitors the liquidity of each position in its portfolio as well as the overall portfolio, lack of liquidity can make it economically infeasible for the Clients to recognize profits on open positions or to close out open positions against which the market is moving. Illiquidity can disconnect market values from the historical pricing indicators used in Pia’s investment analysis, as the fewer transactions that take place the greater the risk of market values not reflecting fair value.

Futures, forward and option positions cannot always be liquidated at the desired price; this can occur when the market is thinly traded (i.e., a relatively small volume of buy and sell orders) or in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The Clients may incur material losses and the risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid making it difficult or impossible to close out positions against which the markets are moving.

In addition, most U.S. futures exchanges have established “daily price fluctuation limits” which preclude the execution of trades at prices outside of the limit, and, from time to time, the CFTC or the exchanges may suspend trading in market disruption circumstances. In these cases, it is possible that Pia could be required to maintain a losing position that it otherwise would exit and incur significant losses or be unable to establish a position and miss a profit opportunity.

Effects of Speculative Position Limits The CFTC and the U.S. commodities exchanges impose limits, referred to as “speculative position limits,” on the maximum net long or net short speculative positions that any person may hold or control in any particular futures or options contracts traded on U.S. commodities exchanges. Pia could be required to liquidate positions held for Clients, or may not be able to fully implement trading instructions generated by its trading models, in order to comply with such limits.

Fixed Income Investments The value of the fixed-income securities in which Pia invests changes both as general market conditions change and as the general levels of interest rates fluctuate. When interest rates decline, the value of fixed-income securities can be expected to rise. Conversely, when interest rates rise, the values of such securities are generally expected to decline. Investments in lower rated or unrated fixed-income securities in which Pia may invest, while generally providing greater opportunity for gain and income than investments in higher rated securities, usually entail greater risk (including the possibility of default or bankruptcy of the issuers of such securities).

Commodities and Futures Contracts Pia trades in commodities and futures contracts. Trading in commodities and futures contracts are highly specialized activities that involve investment strategies and risks greater than those associated with ordinary portfolio securities transactions,

and there can be no guarantee that their use will increase the return to Clients or not cause the Clients to sustain large losses. While the use of these instruments by Pia may reduce certain risks associated with portfolio positions, these techniques themselves entail certain other risks. Pia could experience losses if the values of its futures positions were poorly correlated with its other investments, or if it could not close out its positions because of an illiquid market.

Commodity futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events and changes in interest rates. Also, as a function of leverage used in futures, a relatively small price movement in a commodity futures contract may result in substantial losses to the trader. Commodity futures trading may also be illiquid. Certain commodity exchanges do not permit trading in particular futures contracts at prices that represent a fluctuation in price during a single day's trading beyond certain set limits. If prices fluctuate during a single day's trading beyond those limits, Pia could be prevented from promptly liquidating unfavorable positions and thus be subject to substantial losses.

The CFTC has established limits on the maximum net long or net short positions which any person may hold or control in certain futures contracts. Some exchanges also have established such limits. All Clients controlled by the Pia are combined for speculative position limit purposes. If positions in those accounts were to approach the level of the particular speculative position limit, such limits could cause a modification of Pia's decisions for Clients or force liquidation of certain futures positions.

Forward Contracts Pia trades forward contracts. Such forward contracts are not currently traded on exchanges; rather, banks and dealers act as principals in these markets. Neither the CFTC nor any banking authority currently regulates trading in forward contracts, although they may in the future become subject to regulation under the Reform Act, a development which may entail increased costs and result in burdensome reporting requirements. There is currently no limitation on the daily price movements of forward contracts. Principals in the forward markets have no obligation to continue to make markets in the forward contracts traded. The imposition of credit controls by governmental authorities or the implementation of regulations pursuant to the Reform Act might limit such forward trading to less than that which Pia would otherwise recommend.

Commodity-Related Securities Pia may trade in commodity-related securities such as base metals (copper, aluminum, nickel, zinc), precious metals (gold, silver, platinum, palladium), energy (crude oil, unleaded gasoline, heating oil, natural gas), softs commodities (coffee, sugar, cocoa) and agriculture (soybeans, bean oil, soymeal, corn, wheat, cotton, lumber, live cattle). The production and marketing of commodities may be affected by actions and changes in governments. In addition, commodity-related securities may be cyclical in nature. During periods of economic or financial instability, commodity-related securities may be subject to broad price fluctuations, reflecting volatility of energy and basic materials prices and possible instability of supply of various commodities. Commodity-related securities may also experience greater price fluctuations than the relevant commodity. In periods of rising commodity prices, such securities may rise at a faster rate, and conversely, in time of falling commodity prices, such securities may suffer a greater price decline.

Options on Futures Options on futures contracts are traded by Pia. Each such option is a right, purchased for a certain price, to either buy or sell the underlying futures contract during a certain period of time for a fixed price. Such trading involves risks substantially similar to those involved in trading futures contracts in that options are speculative and highly leveraged. Specific market movements of the futures contracts underlying an option cannot accurately be predicted. The purchaser of an option is subject to the risk of losing the entire purchase price of the option. The writer of an option is subject to the risk of loss resulting from the difference between the premium received for the option and the price of the futures contract underlying the option which the writer must purchase or deliver upon exercise of the option.

No assurance can be given that Pia will be able to affect closing transactions at a time when it wishes to do so. If Pia cannot enter into a closing transaction, Clients may be required to hold instruments that it might otherwise have sold, in which case it would continue to be at market risk on the instruments and could have higher transaction costs, including brokerage commissions, upon the sale of instruments. Over-the-counter options also involve counterparty insolvency risk.

Spot and Forward Foreign Exchange Transactions Transactions in spot and forward foreign exchange transactions carry a high degree of risk. The amount of initial margin is small relative to the value of the spot and foreign exchange transactions contract so that transactions are “leveraged” or “geared.” A relatively small market movement will have a proportionately larger impact on the funds Pia transferred or will have to transfer and this may work for or against Pia. Pia may sustain a total loss of initial margin funds and any additional funds deposited with the broker to maintain its position. Strategies using combinations of positions, such as “spread” and “straddle” positions may be as risky as taking simple “long” or “short” positions.

Equity Indices and ETFs It is possible that Pia’s performance may not fully replicate the changes in the level of the equity indices or ETFs that it tracks due to disruptions in the markets or due to other extraordinary circumstances. In addition, Pia is not able to replicate exactly the changes in the level of such indices and ETFs because the total return generated by Pia is reduced by expenses and transaction costs, including those incurred in connection with the trading activities, and increased by interest income from Pia’s holdings of short-term high quality fixed income securities. Tracking such indices and ETFs requires trading with a view to tracking such indices and ETFs over time and is dependent upon the skills of the Manager, among other factors.

Options on U.S. Futures on Broad-based Stock and Bond Indices Pia purchases put and call options on U.S. futures contracts on broad-based global equity, commodity and fixed income indices. The effectiveness of purchasing or writing index futures options as a hedging technique will depend upon the extent to which price movements in the investments correlate with price movements in the index future selected. Further, while Pia may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk than if it did not engage in any such hedging transactions. Moreover, Pia is always exposed to certain risks that cannot be hedged, such as credit risk (relating both to particular securities and counterparties) that is not subject to a credit default swap.

Derivatives Pia may make use of various derivative instruments, such as convertible securities, options, futures, forwards and interest-rate, currency and equity swaps. The use of derivative instruments involves a variety of material risks, including the extremely high degree of leverage

often embedded in such instruments. The derivatives markets are frequently characterized by limited liquidity, which can make it difficult as well as costly to close out open positions in order either to realize gains or to limit losses. The pricing relationships between derivatives and the instruments underlying such derivatives may not correlate with historical patterns, resulting in unexpected losses. Certain of the derivatives that may be traded by Pia may be principal-to-principal or “over-the-counter” contracts between the Clients and third parties entered into privately, rather than on an established exchange.

Use of Swaps May Be Restricted Even if it might be in the Clients’ best interests to acquire its exposures through a swap, Pia may not be able to do so as a result of an absence of available counterparties or due to regulatory or other reasons. The number of swap providers can be limited and there can be no assurance that there will be any such swap providers in the future.

Foreign Exchange Risk Pia invests in securities and instruments denominated in non-U.S. currencies. Such investments are subject to the risk that the value of a particular currency will change in relation to the U.S. Dollar. 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 and capital appreciation and political developments. Pia may seek to hedge these risks by investing directly in non-U.S. currencies and buying and selling options, futures or forward contracts thereon.

The price of any foreign futures or foreign options contract and, therefore, the potential profit and loss thereon, may be affected by any variance in the foreign exchange rate between the time a position is established and the time it is liquidated, offset or exercised. Certain foreign exchanges may also be in a more or less developmental stage so that prior price histories may not be indicative of current price dynamics. In addition, Pia may not have the same access to certain positions on foreign exchanges as do local traders, and the historical market data on which Pia bases its strategies may not be as reliable or accessible as it is in the United States. The rights of Clients in the event of the insolvency or bankruptcy of a non-U.S. market or broker are also likely to be more limited than in the case of U.S. markets or brokers.

Short Sales Pia may “sell securities short.” Short selling is subject to a theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. There can be no assurance that the securities necessary to cover the short position will be available for purchase by Pia. In addition, purchasing securities to close out the short position can itself cause the price of the relevant securities to rise further, thereby increasing the loss incurred by the Clients. Furthermore, the Clients may prematurely be forced to close out a short position if a counterparty from which Pia borrowed securities demands their return, resulting in a loss on what might otherwise have been a profitable position. Clients must also pay to the lender of the security any dividends or interest payable on the security during the borrowing period and may have to pay a premium to borrow the security.

Leverage Pia utilizes leverage by purchasing securities on margin, selling securities short, using repurchase agreements and other borrowings, by investing collateral from loans of portfolio securities, through the use of when-issued, delayed-delivery or forward transactions, using derivatives and other methods. Accordingly, the value of an investment is more volatile and all other risks tend to be compounded. This is because leverage tends to exaggerate the effect of any

increase or decrease in the value of the holdings. The use of leverage may also cause Pia to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations. The more leverage is employed, the more likely a substantial change will occur in the value of the Interests. In addition, trading on margin results in interest charges to Clients.

Item 9. Disciplinary Information

Christopher Pia is the president of Pia Capital Management LP. On July 25, 2011, the U.S. Commodity Futures Trading Commission (CFTC) issued an administrative order that settled charges that Mr. Pia, while employed as portfolio manager for another company (not Pia Capital) from at least November 2007 until May 2008, attempted to manipulate the settlement prices of palladium and platinum futures contracts. The CFTC order, settled by Mr. Pia without admitting or denying any wrongdoing, among other things, required Mr. Pia to pay a \$1 million civil monetary penalty. It also permanently banned Mr. Pia from trading CFTC-regulated products during the closing period of the markets and from trading CFTC-regulated products in platinum and palladium. The order further required Mr. Pia to distribute a copy of the CFTC order to current investors and to current and future employees, principals, and officers and to provide a disclosure document setting out the CFTC action to existing and prospective clients. The CFTC order required that a monitor ensure the compliance of Mr. Pia (and any entity he controls) with the order for a five-year period and established certain additional undertakings. The order further required that for a period of five years from the date of the order, the conditions set forth in the order shall become conditions of any CFTC registration.

Item 10. Other Financial Industry Activities and Affiliations

As discussed in response to Item 7, Pia is the investment manager to the Fund and Separate Accounts. Pia does not believe that the contemporaneous management of these Clients causes a conflict because they share similar investment strategies, and allocations are made based on principles described in response to Item 6. Additionally, Pia Capital GP, LLC, is the general partner of Pia and certain entities in the Fund structure. Pia has not identified any conflict of interest with Pia Capital GP, LLC.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Pia has adopted a Code of Ethics in compliance with Rule 204A-1 under the Advisers Act, which establishes standards of conduct for its employees. The Code of Ethics includes general requirements that Pia employees comply with their fiduciary obligations to Clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of Client information. It requires employees to report their personal securities transactions and holdings to the Chief Compliance Officer or his designee, and requires the Chief Compliance Officer or his designee to review those reports. It also requires employees to report any violations of the Code of Ethics promptly to the Chief Compliance Officer. Employees must also report their outside business activities. Each employee receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received the materials. Annually, each employee must certify that he or she complied with the Code of Ethics during that year.

Clients and prospective Clients may obtain a copy of the Code of Ethics by contacting Patrick Iuliano, Pia's Chief Compliance Officer, at (203) 742-1600.

Pia employees generally cannot invest in securities that are held for Clients unless the securities are on an "exempt list", which is contained in the personal securities trading policy in the Code of Ethics. Securities are generally on the exempt list because Pia management believes the daily trading volumes in these securities are large enough so that personal trading will not impact the performance of the same securities in the Clients' accounts.

In the normal course of business, Pia and its officers, manager and employees may provide gifts and gratuities to various individuals or entities such as Clients, vendors, consultants, and service providers. These gifts, gratuities and contributions are not premised upon any specific Client referrals or any expectation of any other type of benefit to Pia. Pia has adopted detailed procedures requiring preapproval and recordkeeping of gifts and gratuities. Pia and its officers, manager and employees may also make political contributions to persons who may serve or seek to serve in elected capacities with certain public entities. These political contributions are permitted only in compliance with the SEC's rule prohibiting pay-to-play activities adopted under Rule 206(4)-5 under the Advisers Act.

Item 12. Brokerage Practices

Pia has complete discretion over the selection of the broker to be used and the commission rates to be paid. In selecting brokers or dealers to execute transactions for Clients, Pia will not solicit competitive bids and has no obligation to seek the lowest available commission cost. The commissions and/or transaction fees charged by a broker may be higher or lower than those charged by other brokers or dealers. Pia will not receive any portion of the brokerage

commissions and/or transaction fees charged to Clients. The brokerage commissions and/or transaction fees charged are exclusive of, and in addition to, Pia's management fee.

Although the commissions paid by Pia's Clients will comply with Pia's duty to obtain best execution on an aggregate basis, a Client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Pia determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution.

Pia does not have any formal soft dollar arrangements in place with brokers. However, Pia is authorized to direct brokerage to firms which furnish or pay for research, research-related services and other services within the "safe harbor" provided by Section 28(e) of the Exchange Act. Services which may be provided to Pia by brokers and dealers may include, without limitation, in addition to research, services such as special execution capabilities, clearance, settlement, net pricing, online pricing, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, on-line access to computerized data regarding Clients' accounts, performance measurement data, consultations, economic and market information, portfolio strategy advice, industry and company comments, technical data, recommendations, general reports, financial strength and stability, efficiency of execution and error resolution, quotation services, the availability of stocks to borrow for short sales, referral of prospective investors, custody, recordkeeping and similar services, as well as paying for a portion of the Pia's costs and expenses of operation, such as newswire and data processing charges, quotation services, periodical subscription fees and other reasonable expenses incurred by Pia in performing services on behalf of the Clients.

During Pia's last fiscal year, it acquired the foregoing types of products and services. Pia benefits from directing brokerage to firms that provide the aforementioned research and other services because Pia does not have to otherwise pay for or produce the research, products or services itself. However, Pia does not "pay up" for these products or services. Pia uses such benefits to service all Client accounts.

Representatives of Pia may from time to time speak at conferences and programs for investors interested in investing in hedge funds which are sponsored by prime brokers. These conferences and programs may be a means by which Pia can be introduced to potential investors in the Fund. Prime brokers generally are not compensated by the Pia, the Fund, or potential investors for providing such "capital introduction" opportunities. In addition, prime brokers may provide financing and other services to the Fund and Pia. The provision of these opportunities, introductions to potential investors, and any additional services by a prime broker may influence Pia in deciding whether to use the services of such prime broker in connection with the activities of the Fund.

Pia addresses these conflicts of interest by quarterly evaluating the trade execution services that Pia receives from the brokers that it uses to execute trades for Clients. Such evaluation includes comparing those services to the services available from other brokers. Pia considers, among other things, the quality of execution services, the value of continuing with various soft dollar services

and adding or removing brokers, increasing or decreasing targets for each broker and the appropriate level of commission rates.

From time to time, Pia may accept investments from full-service financial firms and/or their employees who are investing on their own behalf or on behalf of third-parties. The financial service firms may have related entities that include broker-dealers and Pia may utilize these broker-dealers from time-to-time to effect Client transactions. Pia does not take these investments into consideration when determining which broker-dealers to use to execute Client transactions.

Pia's Separate Accounts and investors in the Fund do not direct brokerage.

Pia may in its discretion bunch or aggregate orders for its Clients; however, Pia is not required to bunch or aggregate orders. For example, Pia may choose not to bunch orders, if portfolio management decisions for different Clients are made separately, if bunching or aggregating potentially would be inconsistent with its advisory duties (e.g., if aggregating Client orders could result in a large transaction that could cause market impact and result in additional transaction costs for each Client) or, in certain cases, if determining to enter individual, separate orders would not be inconsistent with its fiduciary duty. In certain circumstances, not aggregating Client orders may result in additional costs including one Client having a less favorable execution than another Client.

Pia may, in its discretion, allocate aggregated orders on an average price basis. When securities transactions are appropriate for more than one Client, transactions are generally allocated among Clients based upon Clients' relative assets under management. However, Pia will not be obligated to allocate an investment opportunity across all of its Clients and may at times sell a position for one or more of its Clients, while it continues to hold the position for other Clients. In accordance with applicable regulations, Pia may allocate futures trades made pursuant to investment strategies to be used for Clients after execution. These allocations will be made so that all accounts are treated fairly and non-preferentially over time. Pia reviews these allocations to ensure that they are made in a manner consistent with the investment strategy in question. Due to confidentiality concerns, investors in the Fund and Separate Accounts will not be permitted to review such allocations.

Item 13. Review of Accounts

Christopher Pia and/or other Pia personnel review the performance and activity for all Client accounts daily. Those reviews take into account such matters as asset allocation, cash management, valuation, diversification, sector exposure, and risk.

Separate Accounts and/or their administrators receive monthly brokerage statements directly from their qualified custodians. Separate Accounts receive monthly performance statements from Pia. Investors in the Fund receive weekly performance estimates and monthly account statements which include performance and account balances. Investors in the Fund also receive the Fund's annual audited financial statements.

Item 14. Client Referrals and Other Compensation

The prime broker for the Fund provides a variety of services in addition to custody services. These include capital introduction services. Pia is not required to direct any volume of business in return for these services. However, it has an incentive to maintain relationships with the prime broker based on its prior and continued services.

Pia has entered into, and in the future may enter into, contractual agreements with individuals and organizations (“solicitors”) who solicit Clients for Pia or investors for the Fund. While the specific terms of each arrangement may differ, generally, a solicitor’s compensation is based upon the value of assets of the referred Client(s)/investor(s). The solicitor’s compensation does not increase the referred Client’s/investor’s fees beyond that which Pia would otherwise charge the referred Client/investor for its investment management services. The cost of these referral fees is paid entirely by Pia and is not borne by the referred Client or the Fund. Pia may also receive Client/investor referrals from brokers and dealers through which Pia trades.

Item 15. Custody

All Client assets are held in custody by unaffiliated broker/dealers or banks. The custodian of each Separate Account makes available account statements daily to the Separate Account. Each holder of a Separate Account can access these statements through the internet or by having the statements sent to them. Each holder of a Separate Account should carefully review those statements and compare them with the statements received directly from Pia. Investors in the Fund do not receive statements from the custodian. Instead the Fund is subject to an annual audit and the audited financial statements are distributed to each investor. The audited financial statements are prepared in accordance with generally accepted accounting principles and distributed within 120 days of the end of the Fund's fiscal years.

Item 16. Investment Discretion

Pia has discretionary authority to manage investment accounts on behalf of Clients pursuant to a grant of authority in the Fund's organizational documents or a limited power of attorney in each Separate Account's investment management agreement. Except for the Fund, such discretion is limited by the requirement that Separate Accounts advise Pia of:

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

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

Pia may cause a Client account to buy or sell securities directly from or to another Client (a "cross trade"), if the Client's investment management agreement and/or organizational documents do not prohibit cross trades and Pia determines that a cross trade is in the interests of both Clients. Cross trades may be effected for various reasons, including adjusting exposures between Clients managed with the same general strategy, raising cash for the selling Client, liquidating the selling Client account, accommodating withdrawals, realizing a tax gain or loss for the selling Client, building a position in the security for the purchasing Client account, crossing a former "new issue" from a "new issue" account to a non-new issue account, and lowering the tax basis in the security for the purchasing Client account. Pia determines the buying and selling Clients to a cross trade based on an evaluation of which Clients' strategies and particular needs are best served by the cross. Pia crosses at a determined price, which is generally at the market price and within the day's trading range, with minimal (or no) commissions charged on both sides of the trade. Cross trades raise certain conflicts of interest; for example, when affecting a cross trade between two Clients with different fee structures, Pia has an interest in improving the returns on the account that pays a higher performance-based fee to us. Pia recognizes its fiduciary duty to all Clients and monitor all cross trades to ensure that they are affected only in the best interests of the affected Clients. Pia's policies require the approval by its Chief Compliance Officer of all cross trades.

Item 17. Voting Client Securities

As applicable to Clients for which Pia votes proxies, Pia's policy is to vote proxies in the interest of maximizing shareholder value. Pia votes proxies in a way that it believes, consistent with its fiduciary duty, will cause securities to increase the most or decline the least in value. Consideration will be given to both the short and long term implications of the proposal to be voted on when considering the optimal vote.

Pia attempts to identify any conflicts of interests between Clients' interests and Pia's own interests within its proxy voting process. If Pia determines that it or one of its employees faces a material conflict of interest in voting a proxy (e.g., an employee of Pia may personally benefit if the proxy is voted in a certain direction), Pia's procedures provide for an independent party to determine the appropriate vote. Pia's complete proxy voting policy and procedures are memorialized in writing and are available to Separate Accounts and Fund investors. In addition, Pia maintains a record of all of the proxy votes cast on behalf of Clients, which is available upon request.

From time to time, Pia may receive notices regarding class action lawsuits involving securities that are or were held by Clients. Pia will participate in such class action lawsuits only where it believes, in its sole discretion, that such participation may result in a material benefit to the applicable Client taking into consideration such factors as the anticipated costs and benefits.

Item 18. Financial Information

Pia is not currently aware of any financial conditions that are reasonably likely to impair its ability to meet contractual commitments to Clients as a result of Pia having discretionary authority over Client funds.