

## BeaconLight Capital, LLC

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July 2012

This Brochure provides information about the qualifications and business practices of BeaconLight Capital, LLC. If you have any questions about the contents of this Brochure, please contact Michele Krieger, BeaconLight Capital, LLC's Chief Financial Officer and Chief Compliance Officer ("CCO"), at +1-212-612-3130 or by email at [michele@beaconlightcap.com](mailto:michele@beaconlightcap.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Additional information about BeaconLight Capital, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Registration of an investment adviser does not imply that BeaconLight Capital, LLC or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

**Item 2: Material Changes**

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This brochure is being amended to reflect material changes since the filing of BeaconLight Capital, LLC's initial brochure with the SEC on February 14, 2012. BeaconLight Capital, LLC has entered into an investment advisory agreement to manage a separately managed account commencing on June 1, 2012. BeaconLight Capital, LLC manages the separately managed under the terms of an investment advisory agreement that are substantially similar to the terms applicable to the investors in its funds.

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#### Item 4: Advisory Business

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BeaconLight Capital, LLC (“**BeaconLight**”, the “**Adviser**”, “**we**”, “**us**”, “**our**” or the “**Firm**”), a Delaware limited liability company, is an independent investment management firm, which was founded in July 2009 by Ed Bosek and Noam Ohana, and launched its first hedge fund in January 2010. The Adviser’s offices are located in New York, New York and it currently provides investment advisory services to the following entities:

- BeaconLight Master Fund, Ltd., a Cayman Islands exempted company (the “**Master Fund**”);
- BeaconLight Offshore Fund, Ltd., a Cayman Islands exempted company (the “**Offshore Feeder Fund**”); and
- BeaconLight Domestic Fund, LP, a Delaware, USA limited partnership (the “**Domestic Feeder Fund**”).

The Master Fund, Offshore Feeder Fund and Domestic Feeder Fund are collectively referred to as the “**Funds**”. Each of the Funds is exempt from registration under the Investment Company Act of 1940, as amended, and the Securities Act of 1933, as amended. The Funds are privately offered and are not open to investment by the general public.

The Funds are managed only in accordance with their own characteristics and are not tailored to any particular private fund investor (each an “**Investor**”). The Firm utilizes a deep fundamental research process. The Funds make long and short investments primarily in publicly-traded global equities, seeking to invest in securities where there is a significant mispricing and a catalyst, event, or “recognition point” to correct the mispricing. Information about each Fund can be found in its offering documents, including its confidential information memorandum.

The Firm has entered into an investment advisory agreement for a separately managed account (“**SMA**”) (collectively, the SMA and the Funds are herein referred to as the “**Clients**” or “**Client Accounts**”). The SMA will rank *pari passu* with the Funds and the terms of the investment advisory agreement are substantially similar to the terms applicable to investors in the Funds.

The Firm was majority owned and controlled by Ed Bosek as of February 1, 2012. The other minority partners were Noam Ohana and Duncan MacLean.

As of January 31, 2012, the Firm managed US\$163,209,700 by net asset value, all of which is managed on a discretionary basis. The Firm manages US\$30,000,000 for the SMA commencing on June 1, 2012.

#### Item 5: Fees and Compensation

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BeaconLight receives fees for investment management services based on assets under management, as disclosed in the respective fund offering document. An annual Management Fee of 1.5% or 2.0%, based on the liquidity of the investor’s share class or series, is calculated and payable quarterly in advance. Although fees generally are not subject to negotiation, BeaconLight reserves the right to waive or otherwise modify the fee arrangements of an existing investor without the consent of such investor. If the Firm’s advisory agreement is terminated before the end of the quarter, the Management Fee will be prorated to reflect that portion of such quarter for which investment advisory services were provided.

Fees are deducted from the Investors' accounts once confirmed by the Funds' administrator, and by instructing the Funds' custodian or prime broker. The Funds shall pay for their organizational and initial offering expenses as well as for their operating expenses including, but not limited to, all accounting, auditing, tax preparation, legal, administration, research, and trading costs. The Funds may incur brokerage and other transaction costs. For further details on the Firm's brokerage practices, refer to Item 12 of this Brochure.

BeaconLight does not accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

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**Item 6: Performance-Based Fees and Side-By-Side Management**

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The Adviser generally receives an **"Incentive Allocation"** with respect to each Client Account that is calculated based upon a percentage of the net capital appreciation of the relevant Client Account, typically 20% of the allocable share of net profits, subject to a loss carry forward provision. The performance allocations are charged in compliance with Rule 205-3 of the Investment Advisers Act of 1940, as amended (the "Advisers Act").

Performance-based fee arrangements such as the Incentive Allocation may create an incentive for us 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. BeaconLight has 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.

No other hourly, flat or asset-based fees are charged to the Funds.

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**Item 7: Types of Clients**

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The Firm's clients are the Funds and the SMA. Investors in the Funds consist primarily of high net worth individuals and family offices, funds of funds, and endowments. Additionally, all U.S. investors in the Domestic Feeder fund must meet the standards of "qualified purchasers" or "knowledgeable employees" as defined under the Investment Company Act of 1940.

The minimum initial investment for the Funds is US\$1,000,000, subject to reduction at the discretion of the Fund or General Partner. BeaconLight requires Fund investors to make representations concerning their financial sophistication and their ability to bear the risk of the loss of their entire investment in a Fund.

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**Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

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***Methods of Analysis, Investment Strategies***

The Firm's strategy can be described as fundamental equity long/short, with a focus on developed markets. The resources of our investment team are devoted to increasing our awareness of the global equity opportunity set and to identifying specific situations where BeaconLight has a different view than the market.

BeaconLight intends to use quantitative and qualitative criteria to identify and control individual risk factors as well as aggregate risks in the portfolio. The Adviser will run with a

hedged portfolio, meaning it will be both long and short securities. The Adviser does not aim to be sector or market neutral, and may invest with directional biases at times.

Our investment team is comprised of generalists and will typically focus on situations which are complex and / or changing rapidly. Once opportunities have been identified, the security selection tends to be value-based and often thematic. Our goal is to build a portfolio of uncorrelated high conviction positions with limited downside and significant upside. Over time, the portfolio shall consist of positions for which the investment team has articulated a clear fundamental thesis and identified a point at which the market should acknowledge the Adviser's thesis is correct. We refer to this as the "recognition point". These positions will often share important characteristics:

- Long positions typically will be taken in what we believe are dominant, durable and growing businesses that include unrecognized growth opportunities or strategic value, and have multiple levers for the companies to improve their earnings outlook.
- Short positions typically will be taken in what we believe are weak businesses with secularly low returns, businesses with unsustainable earnings, and/or over leveraged companies.

The Firm also targets various event driven situations which tend to have a shorter time horizon. These situations include mergers, restructurings, refinancings and spin-offs or break-ups. In some instances, fundamental research on one individual stock will lead to an investment in other stocks which share the same characteristics and thus to the formation of an investment theme.

The entire investment process at BeaconLight is based on identifying what we believe are attractive risk reward opportunities through bottom up research. The trading philosophy of the firm goes hand and hand with this approach. Positions will be taken when there are positive expected returns and position size will be adjusted when the risk-reward profile changes. The risk-reward profile of a position may vary as a result of a change in the security's price or fundamental outlook. The research team will monitor all positions in the portfolio as well as securities on our watch list, and will seek to be opportunistic in trading around the positions when volatility presents opportunities. The Adviser believes that there are few if any consistent inefficiencies in the market over time and generally, does not plan on trading systematically to take advantage of small inefficiencies. The Adviser's belief is that while the market is generally efficient, the pricing of securities tend to be inefficient when great uncertainty exists.

We also will short individual stocks to generate alpha. The Adviser believes that reducing gross exposure is a better way to mitigate risk than adding gross exposure through non-conviction hedges. In addition, we will from time to time purchase options that are intended to protect the capital of the fund. These options could be based on individual equities, equity indices, interest rates, or credit instruments.

We employ an alpha-focused strategy and intend to build the portfolio organically based on individual investment ideas. Market exposures will reflect individual security selection both long and short. However, we intend to monitor and restrict market exposures over time.

### **Risk of Loss**

Investing in securities involves risk of loss that investors should be prepared to bear. Investors should consider the following factors before investing in the Funds. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Funds. Prospective investors are urged to consult

their professional advisers and review the legal documents for each particular Fund before deciding to make an investment in a Fund.

#### *Investment and Trading Risks*

An investment in the Funds involves a high degree of risk, including the risk that the entire amount invested may be lost. The Funds will invest in and actively trade securities and other financial instruments using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of the equity markets and the risks of borrowings and short sales. No guarantee or representation is made that the investment program will be successful or that the Funds' returns will exhibit low correlation with the overall market. We may utilize such investment techniques as option transactions, short sales and leverage, which practices involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which the Funds' investment portfolios may be subject.

#### *Leverage*

We may utilize leverage as part of their investment strategy, although to date we have not. Leverage increases returns to Investors if the Funds earn a greater return on leveraged investments than the Funds' cost of such leverage. However, the use of leverage exposes the Funds to additional levels of risk including (i) greater losses from investments than would otherwise have been the case had the Funds not borrowed to make the investments, (ii) margin calls or changes in margin requirements may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Funds' cost of leverage related to such investments. In case of a sudden, precipitous drop in value of the Funds' assets, the Funds might not be able to liquidate assets quickly enough to repay their borrowings, further magnifying the losses incurred by the Funds.

#### *Small to Medium Capitalization Companies*

The Funds may invest in the stocks of companies with small to medium-sized market capitalizations. While the Adviser believes they may provide significant potential for appreciation, such stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of such stocks are often more volatile than prices of large-capitalization stocks. In addition, due to thin trading in some such stocks, an investment in these stocks may be less liquid than that of larger capitalization stocks.

#### *Non-Diversification*

The Funds' investment portfolios will be heavily concentrated in equity securities. In addition, the Funds' portfolio may not be diversified among industries, geographic areas or issuers. Accordingly, the Funds' investment portfolios may be subject to a more rapid change in value than would be the case if the Fund were required to maintain a wide diversification among industries, investment areas, types of securities and issuers.

#### *Portfolio Turnover*

Part of the investment strategy of the Funds may involve the taking of frequent trading positions, and, as a result, turnover and brokerage commission expenses of the Funds may exceed those of other investment entities of comparable size.

#### *Key Personnel*

Investors in the Funds have no right or power to participate in the management or control of the business of the Funds and thus must depend solely upon the ability of the Funds' management team to make investments and otherwise manage the enterprise. Investors in each Fund must rely on the abilities and background of the management team and personnel.

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**Item 9: Disciplinary Information**

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As of the date hereof, BeaconLight is not aware of any disciplinary events material to a Client's or prospective client's evaluation of BeaconLight's advisory business or the integrity of our management.

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**Item 10: Other Financial Industry Activities and Affiliations**

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This Item is not applicable.

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

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***Participation or Interest in Client Transactions***

We serve as the investment adviser to the Funds. Employees, affiliates of the employees, and relatives of the employee may make investments in the Funds. We may or may not receive any compensation from such investments from employees.

We and our affiliates and employees have a financial interest in the Funds through the Incentive Allocation and/or a direct investment interest in the Funds. As such, we could be considered to have recommended to Investors that they buy or sell securities or investments in which the Firm or a related person has some financial interest.

***Code of Ethics & Personal Trading***

Pursuant to Rule 204A-1 of the Advisers Act, BeaconLight has adopted a "**Code of Ethics**", designed to set forth the Firm's fiduciary duties to Clients, and to describe the standards of professional conduct and applicable provisions of federal securities law, which all Firm employees are required to comply with. The Code of Ethics incorporates an "**Employee Investment Policy**" that establishes various procedures with respect to investment transactions in accounts in which our employees or related persons have a beneficial interest or accounts over which an employee has investment discretion.

Employees must obtain written pre-approval from the CCO and Portfolio Manager for any personal investments in "covered securities" as defined in the Code of Ethics. The spirit of the Code of Ethics and the Employee Investment Policy is to discourage frequent trading in employee personal accounts, and thus, employees have a minimum holding requirement of 180 days for securities held in their personal accounts. This policy generally does not apply to transactions involving government securities or open-end mutual funds, ETFs or other instruments which afford the Investor no discretion over individual securities transactions.

All of our employees must direct their brokers to send duplicate brokerage statements to the CCO. These records are used to monitor compliance with the foregoing policies.

Additionally, employees must also obtain pre-approval from the CCO before engaging in any outside business activities (i.e., directorships of any publicly or privately traded companies), or private placements.

BeaconLight's Code of Ethics also includes policies and procedures designed to prevent the misuse of material, non-public information (i.e., insider trading). Such policies and procedures include restricting trading in securities in which employees may possess non-



public information and monitoring and reviewing trading for the account of the Firm and the employees. The Code of Ethics also contains policies and procedures designed to minimize conflicts of interest, including limitations on the receipt and giving of gifts and reporting obligations with respect thereto, limitations on political contributions and reporting obligations with respect thereto, and restrictions on participation in outside business activities by employees.

Our Code of Ethics, including our Employee Investment Policy, is available for review to BeaconLight's advisory clients and prospective clients upon request.

## **Item 12: Brokerage Practices**

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Our trading practices and procedures prohibit unfair trading practices and seek to disclose and avoid any actual or potential conflicts of interests or resolve such conflicts in the Client's favor. We have adopted the following policies and practices to meet the Firm's fiduciary responsibilities and to ensure our trading practices are fair to all Clients.

### **Aggregation**

In general, we aggregate trade orders for the Master Fund and the SMA in order to achieve more efficient execution or to provide for equitable treatment among Client Accounts. The Client Accounts participating in aggregated trades will be allocated securities based on the average price achieved for such trades.

### **Allocation**

Any investment decisions that affect more than one account may require us to acquire or dispose of the same security for more than one Client Account at the same time. Our policy is to equitably allocate, buy and sell executions among Clients when feasible and appropriate over time.

Trade allocations shall be determined on pro-rata basis according to the amount of assets in each Client Account subject to any modification and provided that the trade is appropriate and permitted for each account that will participate in that transaction. Allocation methods may be modified when strict adherence to the usual allocation is impractical or leads to inefficient or undesirable results.

### **Cross Trades**

BeaconLight may determine that it would be in the best interests of certain Clients to transfer a security from one Client to another (each such transfer, a "**Cross Trade**") for a variety of reasons, including, without limitation, tax purposes, liquidity purposes, to rebalance the portfolios of the clients, or to reduce transaction costs that may arise in an open market transaction. If BeaconLight decides to engage in a Cross Trade, BeaconLight will determine that the trade is in the best interests of each Client involved in it and take steps to ensure that the transaction is consistent with the duty to obtain best execution for each of those Clients. BeaconLight generally executes Cross Trades with the assistance of a broker-dealer who executes and books the transaction at the close of the market on the day of the transaction. BeaconLight will not receive any fee in connection with the completion of a Cross Trade.

**Principal Trading**

Our policy and practice is to not engage in any principal transactions.

**Best Execution**

As an investment advisory Firm, we have a fiduciary duty to seek best execution for client transactions. As a matter of policy and practice, we seek to obtain best execution for client transactions, i.e., seeking to obtain not necessarily the lowest commission but the best overall qualitative execution in the particular circumstances.

When BeaconLight selects an executing broker-dealer, BeaconLight expects that it will take into account the following factors:

- The ability of the broker to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any);
- The range of services offered by the broker, including quality and frequency of research services provided by the broker, range of markets and products covered and quality and timeliness of market information;
- The operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution;
- The financial strength, integrity and stability of the broker;
- The competitiveness of commission rates in comparison with other brokers satisfying the other selection criteria of the General Partner (in the case of the Domestic Fund) or the Board of Directors (in the case of the Offshore Fund).

**Soft Dollars**

BeaconLight does not currently engage in “soft dollar” arrangements. In the event that we use “soft dollars”, we intend to keep any such arrangements within the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended.

**Item 13: Review of Accounts**

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**Review of Accounts**

The investment portfolios of the Clients managed by the Firm are reviewed on a daily basis by BeaconLight’s Portfolio Manager, Ed Bosek, to assure conformity with investment objectives and guidelines. In addition, the Firm’s middle and back office generally perform daily trade and position reconciliations of holdings at the Funds’ prime broker(s), and a similar reconciliation is performed by the Funds’ administrator.

**Reporting**

As soon as practicable after the end of each fiscal year, we will distribute an audited financial report for each Client Account with respect to the previous fiscal year to all Investors within 120 days of fiscal year-end. The administrator of each Fund will distribute monthly unaudited net asset value statements to all Fund investors. Additionally, the Adviser will generally deliver to investors month-end performance reports, as well as a quarterly investor letter.

**Item 14: Client Referrals and Other Compensation**

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We do not currently utilize any third party marketers or solicitors for client referrals.

The Adviser does not currently provide advice to parties other than the Investors in the Client Accounts.

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**Item 15: Custody**

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We will generally not maintain physical possession of our Client's funds or securities. Such physical custody of our Client's assets will be maintained with a qualified custodian selected by us in our exclusive discretion, which selection may change from time to time without the consent of investors in the relevant Fund. We do deduct management fees from our Client's accounts and therefore may be deemed to have custody under Rule 206(4)-2 of the Advisers Act. This Rule requires that registered investment advisers with custody of client assets undergo an annual surprise examination of those assets by an independent public accountant registered with the Public Accounting Oversight Board (PCAOB). However, an adviser to pooled investment vehicles (i.e., funds) that are subject to an annual financial statement audit that distributes the audited financial statements (prepared in accordance with GAAP) to the fund's investors is deemed to have satisfied the annual surprise examination requirement as long as the financial statements are delivered within 120 days of the end of the fund's fiscal year end. It is our policy to deliver audited financial statements to all of our limited partners and shareholders within 120 days of the fiscal year end of the respective Fund.

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**Item 16: Investment Discretion**

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BeaconLight possesses discretionary portfolio management authority over the Client Accounts with respect to asset allocations and direct investments as per our advisory agreements and offering documents. Prior to assuming full discretion in managing a *client's* assets, we enter into an investment management agreement or other agreement that sets forth the scope of the Adviser's discretion.

Pursuant to the terms of our investment management agreement, BeaconLight has the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) and (ii) the amount of securities to be purchased or sold for the client account.

The limitations on BeaconLight's discretionary authority are described in each Fund's offering memorandum and in the SMA's investment advisory agreement.

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**Item 17: Voting Client Securities**

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BeaconLight has established proxy voting policies and procedures since we are required to vote proxies for certain investments and on corporate actions.

To the extent BeaconLight has been delegated proxy voting authority on behalf of its Clients, BeaconLight complies with its proxy voting policies and procedures that are designed to ensure that, in cases where BeaconLight votes proxies with respect to client securities, such proxies are voted in the best interest of the Funds. The Investors in the Fund may not direct voting of proxies.

Upon request, we will provide an Investor with a copy of our proxy voting policies and procedures and/or a record of all proxy votes cast by the Funds.

**Item 18: Financial Information**

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We are not required to provide a balance sheet in response to this item and are not subject to any financial condition that is reasonably likely to impair our ability to meet our financial obligations to our clients, as of the date hereof.