



Mason Capital Management LLC

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PART 2A OF FORM ADV

FIRM BROCHURE

This Brochure provides information about the qualifications and business practices of Mason Capital Management LLC. If you have any questions about the contents of this Brochure, please contact us at (212) 771-1206. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Mason Capital Management LLC ("Mason" or the "Investment Manager") is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

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

NOTE:

This Brochure does not constitute an offer to sell, nor does it constitute the solicitation of an offer to purchase any securities or interests in any limited partnerships or any offshore private investment company described herein. Any such offer or solicitation will be made solely to qualified investors by means of a private placement memorandum and related materials.

Date of Brochure: February 10, 2012

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission (the “SEC”) adopted “Amendments to Part 2A of Form ADV,” which amends the rules governing the disclosure document a registered investment adviser must provide to clients. This Brochure is a new document, and should be reviewed in its entirety.

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Item 4 – Advisory Business

Mason Capital Management, LLC (“Mason” or the “Investment Manager”) is part of a family of registered and unregistered investment advisory entities, which rely on Mason’s status as a registered investment adviser in compliance with applicable law. Mason was established in July 2000 by Michael E. Martino and Kenneth M. Garschina, who are the principal owners of Mason. Since its founding by Mr. Martino and Mr. Garschina, Mason has grown to include 33 employees and partners in New York and London, and approximately \$8,045,912,000 in assets under management as of January 31, 2012. Mason’s United Kingdom affiliate, Mason Capital Europe LLP, which assists in effecting certain trades solely at the discretion of Mason, has been registered with the United Kingdom Financial Services Authority since November 1, 2008.

Mason manages all assets under management on a discretionary basis. Mason’s products are provided through pooled investment vehicles, including domestic limited partnerships, offshore private investment companies, and, from time to time and at the sole discretion of Mason, separately managed accounts (collectively, the “Funds”).

The Mason Funds

Mason serves as the Investment Manager for the Funds, and, in its sole discretion, from time to time may serve as Investment Manager for managed accounts. Mason’s principal investment objective is to achieve attractive capital appreciation over time, relatively independent of the returns of the overall equity and debt markets, by the use of a variety of investment strategies as Mason, in its discretion, chooses, but principally by employing three event-driven investment strategies: merger arbitrage, distressed securities, and special situations. Mason uses its experience and knowledge to select, opportunistically, those investments in these three areas which it believes will generate attractive risk-adjusted returns. Mason, as the Investment Manager, may, in its sole discretion, use other investment techniques and strategies which may, in its sole opinion, generate additional capital appreciation with an acceptable level of risk. There is no guarantee that these objectives will be met.

In efforts to achieve its investment objectives, Mason trades a variety of instruments, including, but not limited to common stock and other equities and options related thereto, derivative and convertible securities, debt instruments, warrants, forward and futures contracts, and other investments. The Funds (and managed accounts, if any) generally trade *pari-passu*, however, in some instances, the percentages of certain securities invested in each portfolio may differ depending on strategy or circumstance, at the Investment Manager’s discretion.

Mason reserves the right to revise and/or add to its existing strategies, and/or implement additional strategies, it sees fit in its role as Investment Manager for Mason’s Funds. The Funds for which Mason serves as Investment Manager include Mason Capital LP (the “Onshore Fund”) and Mason Capital Ltd. (the “Offshore Fund”). The Offshore Fund invests substantially all its capital through a “master-feeder” structure via Mason Capital Master Fund LP (“the Master Fund”), a Cayman Islands exempted limited partnership registered under the Exempted Limited Partnership Law (as revised) of the Cayman Islands.

Mason, in its capacity as investment manager, generally bases its investment decisions on both internally generated research and research obtained from outside sources. It evaluates the downside/upside potential as well as, in the case of securities subject to extraordinary corporate activity, the probability of completion of

each transaction in order to calculate the expected return. It may use trading strategies to minimize its loss exposure in specific situations.

Item 5 – Fees and Compensation

The Investment Manager receives a management fee from the Funds at the beginning of each quarter to cover the Funds' operating expenses and for the investment advisory and administrative services that it provides to the Funds. Mason deducts any management fee payable by the Funds from such Fund's assets and charges allocable portions to each investor in such Fund. Investors are generally subject to an incentive allocation/performance-based fee calculated on the performance of each fund, as described in the Fund's private placement memorandum ("PPM"). Any performance-based fees are deducted from an investor's account at the end of each fiscal year, and are subject to a "high water mark"/loss carry-forward provision. Any performance fees charged by Mason are in compliance with Section 205 of the Investment Advisers Act of 1940, and any applicable rules thereunder.

Mason's fee structures are as follows:

Name of Client	Management Fee	Incentive Allocation
Mason Capital LP	1.5% per annum 1.0% per annum (for limited partners who were admitted to the Onshore Fund prior to March 1, 2004)	20%
Mason Capital Ltd	2.0% per annum	20%

Some investors have been granted, upon specific request, accommodations in addition to the standard fee structures described above. Any additional accommodations are considered on a case by case basis, and in the sole discretion of Mason. Investors in any future classes of Mason's Funds, or investors in funds (or, if applicable, holders of managed accounts) that Mason may advise in the future may bear different fees than those described above.

The Funds pay all expenses incurred in the course of buying, selling, and holding of securities, including, without limitation, all custody, accounting, administration, transfer and legal fees, brokerage commissions, interest expenses, external research expenses (including travel), and the Investment Manager's management fee (as described above). See Item 14 for information regarding Mason's brokerage practices.

Item 6 – Performance-Based Fees and Side-By-Side Management

The Investment Manager receives, and reserves the right to charge now and in the future, a performance-based fees for its management services, which is 20% of the net income, if any, attributable to each series of shares offered by the Funds during that fiscal year. The Investment Manager's right to receive the performance-based fee is subject to a so-called "high water mark."

As a general matter, Mason does not accept investments in any of the Funds or from any new investor who is not a qualified client and will not charge a performance-based fee to any managed account client that is not a qualified client, except as permitted by applicable rule or law.

Item 7 – Types of Clients

The Investment Manager provides portfolio management services to the Funds, and in its sole discretion, may provide such services to managed accounts. Investors in the Funds include individuals and family offices; pension plans; charitable institutions, foundations and endowments; funds of funds; and sovereign wealth.

Mason does not accept investments in any of the Funds or from any new investor who is not a qualified client.

As of the date of this Brochure, each Fund has a minimum initial subscription requirement of US\$1,000,000 which may be reduced for any investor in such Fund at the discretion of the Directors or General Partner, as the case may be, of such Fund. Mason reserves the right to increase the minimum initial subscription requirement for its Funds and to impose in the future a minimum account size and other requirements for starting and maintaining a managed account.

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

All securities investments risk the loss of capital, and, as such clients should be prepared to bear this risk before investing.

See Item 4 for information regarding investment strategies and methods of analysis used by Mason to manage assets for its clients.

Risk of Loss:

While the Investment Manager devotes its best efforts to the management of the Funds' portfolios, there can be no assurance that the Funds will not incur losses. The nature of the securities to be purchased and traded and the investment techniques and strategies to be employed in an effort to increase profits may increase this risk. Many unforeseeable events, including actions by various government agencies, such as the Federal Reserve Board, and domestic and international political events, may cause sharp market fluctuations.

The Investment Manager attempts to assess all relevant risk factors in determining the nature and extent of investments made in specific securities.

Risks Relating to the Funds' Investments:

Merger Arbitrage Transactions and Other Extraordinary Transactions. The Funds may purchase securities at prices slightly below the anticipated value of the cash, securities or other consideration to be paid or exchanged for such securities in a proposed merger, exchange offer, tender offer or other similar transaction. Because the announcement of a proposed business combination or similar transaction may change the market conditions for stock of the companies on both sides of the transaction, such purchase price may be substantially in excess of the market price of the securities prior to the announcement of the merger, exchange offer, tender offer or other similar transaction. If the proposed merger, exchange offer, tender offer or other similar transaction subsequently appears likely not to be consummated or in fact is not consummated or is delayed, the market price of the security purchased by the Funds may decline sharply and result in losses to the Funds if such securities are sold, transferred or exchanged for securities or cash, the value of which is less than the purchase price. In certain transactions, the Funds may not be "hedged" against market fluctuations. This can result in losses, even if the proposed transaction is consummated. In addition, a security to be issued in a merger or exchange offer may be sold short by the Funds in the expectation that the short position will be covered by delivery of such security when issued. If the merger or exchange offer is not consummated, the Funds may be forced to cover their short position at a higher price than the price at which they sold the security short, resulting in a loss.

The consummation of mergers, exchange offers, tender offers and other similar transactions can be prevented or delayed by a variety of factors. An exchange offer or a tender offer by one company for the securities of another may be opposed by the management or shareholders of the target company on the grounds that the consideration offered is inadequate or for other reasons, and this opposition may result in regulatory action and/or litigation which delays or prevents consummation of the transaction. Even if the transaction has been agreed upon by the management of the companies involved, its consummation may be prevented by the intervention of a government regulatory agency, litigation brought by a shareholder or, in the case of a merger, the failure to receive the necessary shareholder approvals, market conditions resulting in material changes in securities prices, and other circumstances, including, without limitation, the failure to meet certain

conditions customarily specified in acquisition agreements. In the case of a dispute, there may be significant delays in concluding the transaction, during which the Funds' capital will be committed to the transaction and interest charges on any funds borrowed to finance the Funds' activities in connection with the transaction may be incurred.

Financial and Market Risks of Bankrupt or Special Situation Companies. The Funds may invest in securities of issuers in weak financial condition, experiencing poor operating results, having substantial financial needs or negative net worth, facing special competitive or product obsolescence problems, or that are involved in bankruptcy or reorganization proceedings. Investments of this type involve substantial financial business risks that can result in substantial or total losses. Among the problems involved in investments in troubled issuers is the fact that it frequently may be difficult to obtain information as to the conditions of such issuers. The market prices of such securities are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such securities may be greater than normally expected. It may take a number of years for the market price of such securities to reflect their intrinsic value. It is anticipated that some of the portfolio securities of the Funds may not be widely traded, and that the Funds' position in such securities may be substantial in relation to the market for the securities.

These types of securities require active monitoring and may, at times, require participation in bankruptcy or reorganization proceedings by the Investment Manager on behalf of the Funds. To the extent that the Investment Manager becomes involved in such proceedings, the Funds may have a more active participation in the affairs of the issuer than that assumed generally by an investor. The Funds, however, do not make investments for the purposes of exercising day-to-day management control of any issuer's affairs.

The Funds may also make certain speculative purchases of securities. Such purchases may include securities which the Investment Manager believes to be undervalued, or where a significant position in the securities of the particular company has been taken by one or more other persons or where other companies in the same or related industry have been the subject of acquisition attempts. If the Funds purchase securities in anticipation of an acquisition attempt or reorganization, and an acquisition attempt or reorganization does not in fact occur, the Funds may sell the securities at a material loss. Further, when securities are purchased in anticipation of an acquisition attempt or reorganization, a substantial period of time may elapse between the Funds' purchase of the securities and the acquisition attempt or reorganization. During this period, a portion of the Funds' assets would be committed to the securities purchased, and the Funds may finance such purchases with borrowed funds on which it will have to pay interest.

In liquidations and other forms of corporate reorganizations, there is a risk that the reorganization either will be unsuccessful, will be delayed or will result in a distribution of cash or a new security with a value less than the Funds' purchase price of the underlying security.

The Investment Manager attempts to assess all of the foregoing risk factors, and others, in determining the nature and extent of the investment the Funds will make in specific securities. However, many risks, such as the outcome of governmental approvals or the outcome of pending or threatened litigation, cannot be quantified.

Risks in Purchases of Securities. The Funds may also make purchases of securities based on the possible occurrence of certain events. Such purchases may include securities which the Investment Manager believes to be undervalued, or where a significant position in the securities of the particular company has been taken by one or more other persons or where other companies in the same or related industry have been the subject of acquisition attempts. There can be no assurances that securities which the Investment Manager

believes to be undervalued are in fact undervalued. Nor can there be any assurances that undervalued securities will increase in value. If the Funds purchase securities in anticipation of an acquisition attempt or reorganization, and an acquisition attempt or reorganization does not in fact occur, the Funds may sell the securities at a material loss. Further, when securities are purchased in anticipation of an acquisition attempt or reorganization, a substantial period of time may elapse between the Funds' purchase of the securities and the acquisition attempt or reorganization. During this period, a portion of the Funds' assets would be committed to the securities purchased, and the Funds may finance such purchases with borrowed funds on which they may have to pay interest.

The Investment Manager attempts to assess all of the foregoing risk factors, and others, in determining the nature and extent of the investment the Funds make in specific securities. However, many risks, such as the outcome of pending or threatened litigation, cannot be quantified.

Economic Conditions. Changes in economic conditions, including, for example, interest rates, inflation rates, financial market conditions, industry conditions, government regulation, competition, technological developments, political and diplomatic events and trends, tax laws and innumerable other factors, can affect substantially and adversely the business and prospects of the Funds. None of these conditions is within the control of the Directors, the General Partner of the Funds, or the Investment Manager.

Equity Securities Generally. The Funds will engage in trading equity securities. Market prices of equity securities generally, and of certain companies' equity securities more particularly, frequently are subject to greater volatility than prices of fixed-income securities. Market prices of equity securities as a group have dropped dramatically in a short period of time on several occasions in the past, and they may do so again in the future. In addition, actual and perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or which are the subject of rumors of accounting irregularities.

Common Stock. Common stock and similar equity securities generally represent the most junior position in an issuer's capital structure and, as such, generally entitle holders to an interest in the assets of the issuer, if any, remaining after all more senior claims to such assets have been satisfied. Holders of common stock generally are entitled to dividends only if and to the extent declared by the governing body of the issuer out of income or other assets available after making interest, dividend and any other required payments on more senior securities of the issuer.

Securities of Small Capitalization Companies. The Funds may invest in securities of small capitalized issuers which may be more vulnerable than larger companies to adverse business or market developments, may have limited markets or financial resources and may lack experienced management. In addition, many small- and medium-size companies are not well-known to the investing public, do not have significant institutional ownership and are followed by relatively few analysts, and thus there may tend to be less publicly available information concerning such companies compared to what is available for companies that have larger market capitalizations. Finally, some securities traded in the over-the-counter ("OTC") market may have fewer market makers, wider spreads between their quoted bid and asked prices and lower trading volumes, resulting in comparatively greater price volatility and less liquidity than the securities of companies that have larger market capitalizations.

Short Sales. The Funds will engage in selling securities short. Selling securities short inherently involves leverage because the short sale of a security may involve the sale of a security not owned by the seller. The seller may borrow the security for delivery at the time of the short sale. If the short seller borrows the

security, the short seller must then buy equivalent securities at a later date in order to replace the shares borrowed. If the price of the security at such later date is lower than the price at the date of the short sale, the short seller covering a short sale realizes a profit; if the price of the security has risen, however, the short seller covering a short sale realizes a loss. Selling a security short which is borrowed exposes the seller to unlimited risk with respect to the security due to the lack of an upper limit on the price to which a security can rise.

Leverage; Interest Rates. Part of the Funds' strategy may include the ability to borrow funds in order to be able to make additional investments. Such leverage may be obtained through various means. Credit market conditions generally may affect the Funds' access to borrowed funds. The anticipated use of short-term margin borrowings may also result in certain additional risks to the Funds. For example, should the securities pledged to a broker to secure a margin account decline in value, the broker may issue a "margin call" pursuant to which additional funds would have to be deposited with the broker or the pledged securities would be subject to mandatory liquidation to compensate for the decline in value. In the event of a sudden precipitous drop in the value of the assets pledged to a broker as margin, the Investment Manager might not be able to liquidate assets quickly enough to pay off the margin debt and the Funds may therefore suffer additional significant losses as a result of such a default. Borrowing money to purchase a security may provide the Funds with the opportunity for greater capital appreciation but at the same time will increase the risk of loss with respect to the security. The amount of borrowings which may be outstanding at any time may be large in relation to the Funds' capital. In addition, the level of interest rates generally, and the rates at which funds can be borrowed in particular will affect the operating results of the Funds.

Geopolitical Risks. An unstable geopolitical climate and continued threats of terrorism could have a material effect on general economic conditions, market conditions and market liquidity. In addition, a serious pandemic or a natural disaster could severely disrupt the global and/or national economies. A negative impact on economic fundamentals and consumer confidence may increase the risk of default of particular investments made by the Funds, negatively impact market value, increase market volatility and cause credit spreads to widen and reduce liquidity, all of which could have an adverse effect on the investment performance of the Funds. No assurance can be given as to the effect of these events on the value of or markets for the investments made by the Funds.

Lack of Liquidity. The Investment Manager takes into account the liquidity of the Funds' assets in making investment decisions for the Funds. Certain investments (especially those in financially distressed companies or securities received following the reorganization of a financially distressed company) may have to be held for a substantial period of time before they can be liquidated to the Funds' greatest advantage or, in some cases, at all. In addition, the Funds may hold securities that are illiquid and for which no market exists. Illiquid securities carry the risk that a buyer may not be found for such securities. Also, the Funds may hold securities that are subject to legal or contractual restrictions which may restrict the Funds' ability to dispose of the securities when they might otherwise desire to do so.

Mezzanine Loans. The Funds may provide financing to borrowers that may have difficulty obtaining financing from other sources. While the Investment Manager believes that this may provide an attractive opportunity for the Funds to generate profits, these borrowers may have difficulty repaying their loans to the Funds upon maturity. A borrower's ability to repay its loan may be adversely affected by numerous factors, including, without limitation, the failure to meet its business plan, a downturn in its industry or negative economic conditions. A deterioration in a borrower's financial condition and prospects may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of the Funds capitalizing on any guarantees they may have obtained from the borrower's management or other parties. Although the Funds

will sometimes seek to be the senior, secured lender to a borrower, some, if not the majority, of the Funds' mezzanine loans may be subordinated to a senior lender, and the Funds' interest in any collateral would, accordingly, likely be subordinate to another lender's security interest.

Uncovered Risks. The Investment Manager intends to employ various "risk-reduction" techniques designed in an attempt to minimize the risk of loss in portfolio positions. A substantial risk remains, nonetheless, that such techniques will not always be possible to implement and when possible will not always be effective in limiting losses. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but the Investment Manager establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedge transactions also limit the opportunity for gain if the value of a portfolio position should increase. Moreover, it may not be possible for the Investment Manager to hedge against a fluctuation that is so generally anticipated that the Investment Manager is not able to enter into a hedging transaction at a price sufficient to protect from the decline in value of the portfolio position anticipated as a result of such a fluctuation. In addition, a hedging transaction may not be entered into if the expense associated with such hedging transaction is perceived as being too costly. The success of the Investment Manager's hedging transactions will be subject to the Investment Manager's ability to correctly predict market fluctuations and movements. Therefore, while the Investment Manager may enter into such transactions to seek to reduce risks, unanticipated market movements and fluctuations may result in a poorer overall performance for the Funds than if the Funds had not engaged in any such hedging transactions. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio position being hedged may vary.

Derivative Instruments. The Funds may buy or sell (write) both call options and put options, and when the Funds write options, they may do so on a "covered" or an "uncovered" basis. A call option is "covered" when the writer owns securities of the same class and amount as those to which the call option applies. A put option is covered when the writer has an open short position in securities of the relevant class and amount. The Funds' option transactions may be part of a hedging strategy (i.e., offsetting the risk involved in another securities position) or a form of leverage, in which the Funds have the right to benefit from price movements in a large number of securities with a small commitment of capital. These activities involve risks that can be substantial, depending on the circumstances.

In general, the principal risks involved in options trading can be described as follows, without taking into account other positions or transactions the Funds may enter into. When the Funds buy an option, a decrease (or inadequate increase) in the price of the underlying security in the case of a call, or an increase (or inadequate decrease) in the price of the underlying security in the case of a put, could result in a total loss of the Funds' investment in the option (including commissions). The Funds could mitigate those losses by selling short, or buying puts on, the securities as to which they hold call options, or by taking a long position (e.g., by buying the securities or buying calls on them) in securities underlying put options.

When the Funds sell (write) an option, the risk can be substantially greater than when it buys an option. The seller of an uncovered call option bears the risk of an increase in the market price of the underlying security above the exercise price. The risk is theoretically unlimited unless the option is "covered." If it is covered, the Funds would forego the opportunity for profit on the underlying security should the market price of the security rise above the exercise price. If the price of the underlying security were to drop below the exercise price, the premium received on the option (after transaction costs) would provide profit that would reduce or offset any loss the Funds might suffer as a result of owning the security.

Swap Transactions. The Investment Manager may engage in credit default swap and other swap transactions. Swap contracts are not traded on exchanges and are not subject to the same type of government regulation as exchange markets. As a result, many of the protections afforded to participants on organized exchanges and in a regulated environment are not available in connection with these transactions. The swap markets are “principals’ markets,” in which performance with respect to a swap contract is the responsibility only of the counterparty to the contract, and not of any exchange or clearinghouse, although this may change in the future. As a result, the Funds may be subject to the risk of the inability or refusal to perform with respect to swap contracts on the part of the counterparties with which the Investment Manager trades. There are no limitations on daily price movements in swap transactions. Currently, speculative position limits are not applicable to swap transactions, although the Funds’ swap counterparties may limit the size or duration of positions available to the Funds as a consequence of credit considerations.

Forward Contract Trading. A portion of the Funds’ assets may be traded in forward contracts. Such forward contracts are not traded on exchanges and are executed directly through forward contract dealers. There is no limitation on the daily price moves of forward contracts, and a dealer is not required to continue to make markets in such contracts. There have been periods during which forward contract dealers have refused to quote prices for forward contracts or have quoted prices with an unusually wide spread between the bid and asked price. Arrangements to trade forward contracts may therefore experience liquidity problems. The Funds therefore will be subject to the risk of credit failure or the inability of or refusal of a forward contract dealer to perform with respect to its forward contracts.

Futures Trading Is Speculative and Highly Leveraged. The Investment Manager may engage in a limited amount of futures trading. A principal risk in trading futures is the traditional volatility and rapid fluctuation in the market prices. The profitability of such futures trading will depend primarily on the prediction of fluctuations in market prices. Price movements for futures are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; weather and climate conditions; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the psychological emotions of the market place. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument and currency markets, and such intervention (as well as other factors) may cause these markets to move rapidly.

The low margin deposits normally required in futures trading permit an extremely high degree of leverage. Accordingly, a relatively small price movement in a futures contract may result in immediate and substantial loss or gain to the investors. For example, if at the time of purchase 10% of the price of a futures contract is deposited as margin, a 10% decrease in the price of the futures contract would, if the contract were then closed out, result in a total loss of the margin deposit before any deduction for brokerage commissions. Thus, like other leveraged investments, any futures trade may result in losses in excess of the amount invested. Any increase in the amount of leverage applied in trading will increase the risk of loss by the amount of additional leverage applied.

Highly Volatile Instruments. The prices of derivative instruments, including forward contracts, swaps and options, are highly volatile. Price movements of forward contracts and other derivative contracts in which the Funds’ assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies and

financial instrument options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The Funds also are subject to the risk of the failure of any exchange on which its positions trade or of their clearinghouses.

Possible Effects of Speculative Position Limits. The U.S. Commodity Futures Trading Commission (“CFTC”) and certain U.S. exchanges have established speculative position limits on the maximum net long or short futures and options positions which any person or group of persons acting in concert may hold or control in particular futures contracts. The CFTC has adopted a rule requiring each U.S. exchange to set speculative position limits, subject to CFTC approval, for all futures contracts and options traded on such exchange which are not already subject to speculative position limits established by the CFTC or such exchange. The CFTC has jurisdiction to establish speculative position limits with respect to all futures contracts and options traded on exchanges located in the United States, and any exchange may impose additional limits on positions on that exchange. Generally, no speculative position limits are in effect with respect to the trading of forward contracts or trading on non-U.S. exchanges. With respect to trading in futures subject to such limits, the Investment Manager may reduce the size of the positions which would otherwise be taken in such futures and not trade certain futures in order to avoid exceeding such limits. Such modification, if required, could adversely affect the operations and profitability of the Funds.

Trading May Be Illiquid. It may not always be possible to execute a buy or sell order at the desired price or to liquidate an open position, either due to market conditions on exchanges or due to the operation of daily price fluctuation limits or “circuit breakers.” During a single trading day, no trades may be executed at prices beyond the daily limit. Once the price of a particular futures contract has increased or decreased to the limit point, positions in the futures contract neither can be taken nor liquidated unless traders are willing to effect trades at or within the limit, which would be unlikely if underlying market prices moved beyond the limit. Futures prices have occasionally moved the daily limit for several consecutive days with little or no trading. In addition, even if futures prices have not moved the daily limit, the Investment Manager may not be able to execute trades at favorable prices if little trading in the contracts it wishes to trade is taking place. It is also possible that an exchange or the CFTC may suspend trading, order the immediate settlement of a particular contract or order that trading in a particular contract be conducted for liquidation purposes only. Options trading may be restricted in the event that trading in the underlying instrument becomes restricted, and options trading may itself be illiquid at times, irrespective of the condition of the market of the underlying instrument, making it difficult to offset option positions in order to either realize gain thereon, limit losses or change positions in the market.

Absence of Regulation in OTC Transactions. The Investment Manager may engage in OTC transactions. In general, there is less governmental regulation and supervision of OTC transactions compared with transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, may not be available in connection with OTC transactions. The Funds will therefore be exposed to greater risk of loss through default than if trading on its behalf were confined to regulated exchanges. Nonetheless, OTC transactions, including transactions in OTC derivatives such as credit default swaps, may come under stricter regulation in the future, which could impact the Funds’ ability or willingness to enter into OTC transactions.

Bankruptcy Rules. Bankruptcy law applicable to all U.S. futures commission merchants (each, an “FCM”) requires that, in the event of the bankruptcy of such a FCM, all property held by the FCM, including certain property specifically traceable to a customer, will be returned, transferred or distributed to the FCM’s

customers only to the extent of each customer's pro rata share of all property available for distribution to customers. In the event of an insolvency of an FCM or other counterparty which is not regulated by the CFTC, the CFTC's segregation protections would not be available to the Funds. If any FCM retained holding the Funds' assets were to become bankrupt, it is possible that the Funds would be able to recover none or only a portion of its assets held by such FCM.

Institutional Risks. Institutions, such as brokers and dealers will have custody of the assets of the Funds. These firms may encounter financial difficulties that impair the operating capabilities or the capital position of the Funds.

Counterparty Risk. The Funds will be subject to the risk of the inability of counterparties to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes, which could subject the Funds to substantial losses.

In the current market conditions, counterparty risk is far greater and more difficult to predict. Counterparties may become bankrupt or have their assets frozen or seized as a result of government intervention or regulation. For example, in September 2008, Lehman Brothers Holdings Inc., a major investment bank based in the United States, filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code. While none of its U.S. broker-dealer subsidiaries was included in the Chapter 11 filing and all of its U.S. registered broker-dealer subsidiaries currently continue to operate, certain of Lehman Brothers subsidiaries, including Lehman Brothers International (Europe), have been placed under the administration chartered to wind down their respective business. The insolvency of the Funds' counterparties is likely to impair the operational capabilities or the assets of the Funds. If one or more of the Funds' counterparties were to become insolvent or the subject of liquidation proceedings in the United States (either under the Securities Investor Protection Act or the United States Bankruptcy Code), there exists the risk that the recovery of the Funds' securities and other assets from such prime broker or broker-dealer will be delayed or be of a value less than the value of the securities or assets originally entrusted to such prime broker or broker-dealer. The Funds are not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty.

Inside Information. From time to time, the Investment Manager or its affiliates may, for a variety of reasons, come into possession of material, non-public information, and such information may limit the ability of the Funds to buy and sell investments. The Funds may not be free to act upon any such information. Due to these restrictions, the Funds may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

Trade Errors. On occasion, errors may occur with respect to trades executed on behalf of the Funds. Trade errors can result from a variety of situations, including, for example, when the wrong security is purchased or sold, when the correct security is purchased or sold but for the wrong account, and when the wrong quantity is purchased or sold (e.g., 1,000 shares instead of 10,000 shares are traded). Trade errors frequently result in losses but may, occasionally, result in gains. The Investment Manager will endeavor to detect trade errors prior to settlement and correct and/or mitigate them in an expeditious manner. To the extent an error is caused by a third party, such as a broker, the Investment Manager will strive to recover any losses associated with such error from such third party. The Investment Manager will determine whether any trade error has resulted from gross negligence on its part, and, unless it finds that to be the case, any losses will be borne by (and any gains will benefit) the Funds. The Investment Manager has established internal policies regarding the manner in which such determinations are to be made, but investors should be aware that, in making such determinations, the Investment Manager will have a conflict of interest.

Risks Relating to the Funds and the Investment Manager

Reliance on the Investment Manager. The Investment Manager will make the investment decisions on behalf of the Funds. The Investment Manager and its principals and affiliates are not required to devote substantially all their business time to the Funds' business.

Dependence on Management. The Funds' success depends on the skill and acumen of the Investment Manager, who will have investment discretion over the Funds' assets. The death, incapacity or retirement of either managing member may adversely affect investment results.

Dependence on Key Personnel. The Investment Manager is dependent on the services of certain key personnel, and if the services of such key personnel were to become unavailable, the Directors might deem it in the Funds' best interest to terminate the Funds.

Contingent Liabilities. A Fund may find it necessary upon redemption by an investor to set up a reserve for undetermined or contingent liabilities and withhold a certain portion of such investor's redemption amount. This could occur, for example, in the case of lawsuits or other events that are not a part of the regular operations of the Funds.

Mandatory Redemption or Withdrawal. The Funds may require an investor to redeem shares, or withdraw as a limited partner, through forced redemption under the circumstances described in the applicable PPM and Fund organizational documents.

Limitations on Transfer. The equity interests in the Funds have not been registered under federal or certain state securities acts, and are subject to restrictions on transfer contained in such acts. In addition, an investor may not sell, transfer, or assign its interest in any Fund other than pursuant to the terms of such Fund's PPM and organizational documents. Transferability may also be subject to certain restrictions pursuant to exemptions in the various states where interests are offered.

Possible Indemnification Obligations. Pursuant to the Funds' investment management agreements and organizational documents, the Funds are obligated to indemnify the Directors, the Investment Managers, and the General Partner and their affiliates and certain of their current or former principals, officers, directors, members, managers, employees and agents under certain circumstances. The Funds also may be obligated to indemnify certain other persons as well under agreements entered into with such persons. In the event that the Funds or a party which it has agreed to indemnify was named as a defendant in an action, arbitration, claim, demand, dispute, investigation, lawsuit or other proceeding, the Funds would bear the additional costs of defending and indemnifying against such action and would be at further risk if the Funds or any indemnified party failed to prevail in the litigation. Accordingly, a Investor may be entitled to a more limited right of action than it would otherwise have received absent the limitations in these agreements. In the opinion of the SEC, indemnification for liabilities arising out of violations of the Securities Act is against public policy and therefore may be unenforceable. Nothing contained in these agreements will be deemed to be a waiver of any rights an investor may have under U.S. federal or state securities or other laws.

Litigation. Litigation can and does occur in the ordinary course of the management of an investment portfolio of securities. The Funds may be engaged in litigation both as a plaintiff and as a defendant. This risk is somewhat greater where the Funds exercise control or significant influence over a company's direction, including as a result of board participation. Such litigation can arise as a result of issuer defaults, issuer bankruptcies and/or other reasons. In certain cases, such issuers may bring claims and/or counterclaims against the Funds, the Directors, the Investment Manager and/or their respective principals and affiliates

alleging violations of securities laws and other typical issuer claims and counterclaims seeking significant damages. The expense of defending against claims made against the Funds by third parties and paying any amounts pursuant to settlements or judgments would, to the extent that (i) the Funds have not been able to protect itself through indemnification or other rights against the portfolio companies or (ii) is not entitled to such protections or (iii) the portfolio company is not solvent, be borne by the Funds pursuant to indemnification obligations and reduce net assets.

Regulatory and Other Business Developments. The Funds' business is subject to comprehensive regulation by the SEC, other regulators and self regulatory organizations and exchanges that are authorized to take extraordinary actions in the event of market emergencies. The regulatory environment for private funds is evolving, and changes in the regulation of private funds and their trading activities may adversely affect the ability of the Funds to pursue its investment strategy, its ability to obtain leverage and financing and the value of investments held by the Funds. There has been an increase in governmental, as well as self regulatory, scrutiny of the alternative investment industry in general. For instance, the SEC issued an emergency order in September 2008 to temporarily ban short-selling of any publicly traded securities of certain financial firms and require institutional investment managers, including certain hedge fund managers, to make daily disclosure on a weekly basis of short positions on publicly traded equity securities. On or about the same time, most major trading jurisdictions (e.g., United Kingdom, Australia, Germany, Ireland, Taiwan, South Korea, Singapore) enacted emergency regulations, imposing similar regulations to those enacted by the SEC. It is impossible to predict what, if any, changes in regulations may occur, but any regulations which restrict the ability of the Funds to trade in securities or the ability of the Funds to employ, or brokers and other counterparties to extend, credit in its trading (as well as other regulatory changes that result) could have a material adverse impact on the Funds' portfolio.

Side Letters. The Funds may enter into letter agreements with certain strategic investors granting reduced compensation, different liquidity, access to portfolio information and other terms which may not be afforded to the other Investors in the Funds. The Funds are not required to notify the other investors of any such side letters or any of the rights or terms or provisions thereof, nor will the Funds be required to offer such additional or different rights or terms to the other investors. The other investors will generally have no recourse against the Funds or any of its affiliates in the event that certain Investors receive additional or different rights or terms as a result of such side letters.

Classes or Series of Shares/Exempted Limited Partnerships are not a Separate Legal Entity. A Fund Capital Account will be created in the Master Fund for each Series of Shares issued by the Offshore Fund. The profits and losses attributable to a Series of Shares (or to a Fund Capital Account) will be allocated only to such Series (or to such Fund Capital Account). However, a creditor of the Offshore Fund (or the Master Fund) will generally not be bound to satisfy its claims from a particular Series of Shares (or a particular Fund Capital Account). Rather, such creditor generally may seek to satisfy its claims from the assets of the Offshore Fund (or the Master Fund) as a whole. Notwithstanding registration under the Exempted Limited Partnership Law (as amended), an exempted limited partnership such as the Master Fund is not a separate legal person distinct from its partners under Cayman Islands law. Under Cayman Islands law, any property of the exempted limited partnership will be held or deemed to be held by the general partner, and if more than one, then by the general partners jointly upon trust, as an asset of the partnership in accordance with the terms of the partnership agreement. Similarly, the general partner for and on behalf of the partnership incurs the debts or obligations of the exempted limited partnership.

Item 9 – Disciplinary Information

The Investment Manager has no information to disclose applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

The Investment Manager and Mason Management, the general partner of the Onshore Fund and the Master Fund, Mason Management LLC, are each exempt from registration as a commodity pool operator and/or as a commodity trading advisor in respect of the operations of each applicable Fund, and pursuant to exemptions available under the Commodity Exchange Act, as amended, and the regulations promulgated by the Commodity Futures Trading Commission thereunder.

As described in Item 4, Mason serves as the Investment Manager of the Onshore Fund and the Offshore Fund. Mason Management LLC, which is an affiliate of Mason, is the general partner of the Onshore Fund and the Master Fund; the Offshore Fund invests substantially all of its capital through a “master-feeder” structure in the Master Fund. Mason may sponsor or establish other investment funds and separately managed accounts during the same period in which it provides services to the Funds. The Investment Manager and its principals and affiliates may have a conflict of interest in allocating management time, services and function among the Funds and such other funds and accounts for which they may provide services. Mason addresses this potential conflict of interest through its Code of Ethics, which emphasizes compliance with Mason’s fiduciary duties owed to all clients and sets forth policies and procedures regarding the periodic review of all portfolios managed by Mason. See Items 11 and 13, .

The Investment Manager, its affiliates, and their respective personnel, may also invest in the Funds, and in securities or other assets in which the Funds or other managed accounts invest, subject to applicable law and Mason’s Code of Ethics. The Investment Manager and its principals and affiliates may have conflicts of interest because they may have a financial incentive to favor the Fund(s) in which it is invested and/or to engage in “front-running” by engaging in personal securities trading based on knowledge of pending securities transactions on behalf of the Funds. Mason addresses any potential conflicts of interest through its Code of Ethics, which requires the allocation of securities among the Funds and the managed accounts (if any) on a systematic or equitable basis and sets forth policies and procedures for personal securities transactions. See Item 11.

The Investment Manager, its affiliates, and their respective personnel have no other financial industry activities or affiliations to report.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Mason has adopted a Code of Ethics for all of its supervised persons describing Mason's high standard of business conduct, and the fiduciary duty owed to Mason's clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All personnel must acknowledge the terms of the Code of Ethics annually, or as amended.

The Code of Ethics is designed to ensure that the personal securities transactions, activities and interests of the employees and other supervised persons of the Investment Manager will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees and other supervised persons to invest for their own accounts. Employee trading is continually monitored under the Code of Ethics, and the personal trading policies and procedures in the Code of Ethics are intended to reasonably prevent conflicts of interest between the Investment Manager and its clients.

It is also the Investment Manager's policy when purchasing a security for one of its Clients from the account of another of its Clients, for purposes of rebalancing its Clients' investments or any other purpose, to determine independently for each Client that such purchase or sale would be appropriate based upon the Client's investment/risk parameters, assets under management, liquidity and portfolio exposure. It should be noted that in general positions are re-balanced based on each Client's proportionate share of assets under management. Furthermore, such a transaction between Clients will only be done in a manner that is equitable to the Clients involved and only in the absence of any opportunity for the Investment Manager to earn any additional compensation (other than its customary advisory fees) as a result of the transaction.

Clients or prospective clients may request a copy of Mason's Code of Ethics by contacting Mason's Chief Compliance Officer at 212-771-1206.

Item 12 – Brokerage Practices

Execution of Transactions

Mason is authorized to determine the brokers or dealers to be used for each securities transaction for the Funds, and managed accounts if applicable. The Investment Manager, in seeking to obtain best execution of portfolio transactions for its clients, takes into account such factors as (1) price, (2) the broker's facilities and reliability, (3) the ability of the broker to effect securities transactions, (4) the broker's effectiveness in clearing and settling trades, (5) the broker's ability to prospect for and provide liquidity, (6) the broker's ability to accommodate third party research arrangements and other relevant factors.

Portfolio transactions for the Funds and for other accounts generally are allocated to brokers on the basis of best execution and in consideration of the provision of, or payment of the costs of, certain services that are of benefit to the Investment Manager, its affiliates, the Funds, and the other accounts, to the extent permissible by applicable law and regulations. These services may take the form of, among other things, research services, economic and market information, portfolio strategy advice, industry and company comments, technical data, recommendations, general reports, consultations, performance measuring data, on-line pricing, special execution capabilities, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, order of call, offering to the Investment Manager on-line access to computerized data regarding clients' accounts, clearance, settlement, reputation, financial strength and stability, efficiency of execution and error resolution, quotation services, the availability of stocks to borrow for short trades, and custody, recordkeeping and similar services, and payment of all or a portion of the Funds costs and expenses of operation, such as newswire charges, quotation services, periodical subscription fees, among other products. Accordingly, the Funds may be deemed to be paying for certain of these services with "soft dollars".

Although the Investment Manager believes that each client benefits from many of the services obtained with soft dollars generated by Funds trades, the Funds do not benefit exclusively. The Investment Manager and the other clients may also derive direct or indirect benefits from some or all of these services, particularly to the extent that the Investment Manager uses soft dollars to pay for expenses the Investment Manager would otherwise be required to pay itself. Accordingly, Mason may have an incentive to select a broker based on its interest in receiving such services, rather than based on its clients' interest in receiving most favorable execution. Mason also reserves the right to direct Fund brokerage transactions to brokers who refer prospective investors to the Funds. Brokerage and research services paid by one client may be used to benefit all clients, and Mason does not allocate the specific costs or benefits of research among its Funds.

The Investment Manager need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Accordingly, if the Investment Manager determines in good faith that the commissions and/or spreads charged by a broker are reasonable in relation to the value of the products or services provided by such broker, the Funds may pay commissions to such broker in an amount greater than the amount another broker might charge.

Section 28(e) of the Securities Exchange Act of 1934, as amended, provides a safe harbor that permits an investment manager with investment discretion to obtain research and other products/services provided by a broker-dealer that provide lawful and appropriate assistance to the manager in making investment decisions on behalf of its clients if the manager determines, in good faith, that the commissions and/or spreads charged by such broker are reasonable in light of the services provided.

As described above, Mason enters into arrangements with brokers providing for the use of soft dollars to pay for the cost of certain research products or services which fall within the “safe harbor” provision of Section 28(e), as well as certain research products and services which Mason believes benefit the Funds in a manner that is consistent with the principles delineated in Section 28(e).

Mason has adopted policies and procedures to monitor all soft dollar activities and maintain effective controls. All soft dollar arrangements must be in writing. The Chief Compliance Officer reviews soft dollar arrangements with brokers prior to implementation, and periodically compares such arrangements against its internal records.

Mason generally aggregates securities to be purchased or sold on behalf of clients in order to seek more favorable prices, lower brokerage commissions or more efficient execution. If an order is only partially filled as of the end of the trading day, then the quantity of securities allocated to each client are generally allocated on a pro-rata basis, based on the size of the original allocation to such account, subject to adjustments for rounding, odd lots and certain other allocation considerations.

Clearing and Settlement

Clearing and settling functions normally include, among other matters, arranging for (i) the receipt and delivery of securities purchased, sold, borrowed and loaned, (ii) the making and receiving of payments therefor, (iii) custody of securities fully paid for or not fully paid for and, therefore, compliance with margin and maintenance requirements, (iv) custody of all cash, dividends and exchanges, distributions and rights accruing to each client’s account, and (v) tendering securities in connection with cash tender offers, exchange offers, mergers or other corporate reorganizations. Each Fund clears and settles a majority of its securities, options, and derivatives transactions through Goldman Sachs & Co. (“Goldman Sachs”) and its affiliates, and JP Morgan Securities Inc. (“JP Morgan”) and its affiliates, both of which are member firms of the New York and American Stock Exchanges and other leading exchanges. As an incentive for using their clearing services, Goldman Sachs and JP Morgan provide, without additional charge, research and stock quotation services. No Fund is committed to continue its relationship with Goldman Sachs or JP Morgan for any minimum period, and Mason may also clear and settle some or all of its transactions through other organizations, which are also member firms of leading global exchanges.

Item 13 – Review of Accounts

The managing members of Mason Management, LLC, and the Investment Manager review the portfolio assets in the privately held Funds and the managed accounts, if any, on a daily basis or more frequently as circumstances warrant. The portfolios of the Funds and managed accounts, if any, are also reviewed by the Investment Manager's Chief Compliance Officer monthly or more frequently as circumstances warrant. In addition, the Investment Manager reviews the values of the securities held by the Funds monthly.

Client accounts are reviewed on a monthly basis, as further detailed in Item 15.

Item 14 – Client Referrals and Other Compensation

The Investment Manager does not currently use client referrals or receive any economic benefit from a third party in connection with providing investment advice or other advisory services to its clients, and Mason has nothing to report for this Item.

Item 15 – Custody

Mason may be deemed to have constructive custody of certain client assets as a result of, among other things, fee payments or the service of its affiliate as general partner of the Onshore Fund and the Master Fund. Actual custody of client assets, however, is and will be maintained in accounts with a “qualified custodian” pursuant to Rule 206(4)-2 under the Advisers Act of 1940. Mason will notify clients in writing of the qualified custodian’s name, address and the manner in which the assets are maintained promptly when the account is opened and following any changes to this information. The qualified custodians presently used by Mason are Goldman Sachs, JP Morgan, Citigroup Global Markets, Inc., The Bank of New York Mellon (as specified in Item 8, and others, as warranted, with proper notification to clients).

The Investment Manager will confirm that the qualified custodians will send monthly statements to the Funds. Investors in all Funds shall also receive monthly reports from the applicable administrator regarding the investment performance and value of assets under management.

To comply with Rule 206(4)-2 under the Investment Advisers Act of 1940, all Funds must be audited annually and must distribute their audited financial statements to each of its investors within 120 days after the end of the fiscal year.

Investors should carefully review the monthly reports and audited financial statements that they receive from Mason.

Item 16 – Investment Discretion

The Investment Manager has discretionary authority from the Funds to select the identity and amount of securities to be bought or sold. As stated above, the Investment Manager will use its experience and knowledge to select, opportunistically, those investments in these three areas which it believes will generate attractive risk-adjusted returns. The Investment Manager may, in its sole discretion, use other investment techniques and strategies (other than event-driven investment strategies) which may, in the Investment Manager's opinion, generate additional capital appreciation with an acceptable level of risk.

The discretionary authority described above is established in the organizational documents and agreements of the Funds and the subscription documents signed by each Fund investor where applicable.

Item 17 – Voting Client Securities

The Investment Manager understands and appreciates the importance of proxy voting, and will vote proxies in the best interests of the Funds and in accordance with the procedures outlined in Mason's Compliance Manual. In the absence of a material conflict of interest (as determined by the Chief Compliance Officer) between the Investment Manager and its client, the portfolio managers and analysts make recommendations as to how proxies will be voted, and the vote is executed by the Chief Compliance Officer, in accordance with the procedures outlined in Mason's Compliance Manual. In the event of a material conflict of interest, the Chief Compliance Officer will make a determination as to how to vote the proxy based on the policies and procedures outlined in Mason's Compliance Manual.

Records of proxy materials and votes are maintained in our offices. A complete copy of Mason's Proxy Voting Policy and Procedures, along with a record of how proxies were voted, is available upon request to the Chief Compliance Officer.

Item 18 – Financial Information

The Investment Manager has nothing to report for this item.