

Form ADV Part 2A: Firm Brochure

EAC Management LP

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Principal Office

EAC Management L.P.
55 East 59th Street, 15th Floor
New York, NY 10022
Telephone: 212-500-2820
Fax: 212-500-2816

This brochure provides information about the qualifications and business practices of EAC Management LP and its affiliates (collectively “EAC” or “Advisor”). For more information on the disclosure requirements required for Part 2A see the “General Instructions for Part 2 of Form ADV” by visiting www.sec.gov/rules/final/2010/ia-3060.pdf. If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer at 212-500-2812 or email lorenzo@eaclp.com.

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

EAC is registered as an investment adviser with the United States Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940 (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training. In addition, the information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Item 2: Material Changes

In February 2012, EAC filed its application to register as an investment adviser with the SEC. Accordingly, pursuant to disclosure rules under the Advisers Act, this Brochure has been compiled by EAC to provide new and prospective investors with clearly written, meaningful, current disclosure of its business practices, conflicts of interest and background of its advisory personnel. We encourage all recipients of this Brochure to read it carefully in its entirety.

In the future, this Item will identify and discuss the material changes since the last annual update to assist investors and make them aware of certain information that has changed since the prior year's Brochure and that may be important to them.

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Item 4: Advisory Business

EAC is an investment advisory firm organized as a limited partnership under the laws of the State of Delaware. Mike Donatelli, Managing Member of EAC Management LLC, the General Partner of the Advisor, (the “Managing Member”) founded the Advisor in 2003 and is its principal owner. A number of other investment professionals will work with the Managing Member to execute the Advisor’s investment strategy.

EAC serves as the investment manager to, and provides discretionary advisory services for, several related collective investment vehicles, including private limited liability companies and foreign investment companies; together with any respective parallel funds, special purpose and/or subsidiary investment vehicles (EAC Partners Master Fund, Ltd. (the “Master Fund”), EAC Partners, L.P. and EAC Partners, Ltd., collectively “the Funds”). Investment and trading activities are conducted through the Master Fund in a “master-feeder” structure. The purpose of the Master Fund is to achieve trading and administrative efficiencies. The Master Fund’s operating and overhead expenses are shared pro rata amongst the other Funds.

EAC also serves as an investment manager to and provides discretionary advisory services for separately managed accounts of high net worth individuals, institutions and other entities (the “Separate Accounts”).

The Funds and the Separate Accounts (collectively “Clients”) invest in public equity securities, derivatives and other instruments in the global markets. As of December 31, 2011 EAC managed \$335 m of assets on a discretionary basis on behalf of its Clients.

In providing services to its Clients, EAC directs and manages the investment and reinvestment of each Client’s assets, and provides reports to Clients and Investors. Investment advice is provided directly to Clients and not individually to the limited partners and shareholders in the Funds (the “Investors”). EAC manages the assets of Clients in accordance with the terms of each Client’s confidential offering and/or private placement memoranda, individual management, membership or shareholder agreements and other governing documents applicable to each Client (the “Governing Client Documents”).

Investors may not restrict investments by the Funds in any capacity, and an investment in the Funds may be subject to lock-up and other withdrawal provisions. Shares or partnership interests in the Funds are not registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and the Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, interests or shares in the Funds are offered and sold exclusively to Investors satisfying the applicable eligibility and suitability requirements, either in private transactions within the United States or in offshore transactions.

Item 5: Fees and Compensation

EAC provides investment advisory services to each Client pursuant to separate investment advisory and/or letter agreements (the “Agreements”). The Agreements with each Client, along with specific organizational documents of the Funds, set forth in detail the fee structure relevant to each such Client.

EAC typically receives compensation from fees based on a percentage of assets under management and profit allocations. Clients and Investors should review all fees charged by EAC and others to fully understand the total amount of fees to be paid by a Client and, indirectly, by the Investors in the Funds.

Management Fee

Clients pay EAC an annual management fee (the “Management Fee”) at a rate of 1.5% per annum. The Management Fee is payable quarterly in advance. EAC and its affiliates reserve the right to waive or reduce management fees for certain Clients and Investors, including employees, family members, strategic partners, advisors and consultants and others as may be determined in EAC’s sole discretion. In the limited circumstances when a redemption/withdrawal is made as of a date other than the end of a calendar quarter, the Management Fee will be appropriately pro-rated and the excess returned to the relevant Client or Investor.

Profit Allocation

Generally, on the last day of a Fiscal Year or the date of a redemption, distribution or transfer of an Investor’s shares/interest, a portion of each Client or Investor’s new net income may be allocated to the capital account of EAC or an affiliate as a “profit allocation.” The manner of calculation of such profit allocation is disclosed in the Governing Client Documents, and may vary by Client or Investor. Generally, however, 20% of the investment profits of Clients are allocated as profit allocation to EAC or its affiliates, subject to a High Water Mark. As is the case with Management Fees, EAC and its affiliates reserve the right to waive or reduce profit allocation for certain Clients or Investors, including employees, strategic partners, advisors and consultants and others as may be determined in EAC’s sole discretion.

Other Expenses Charged to Clients and Investors

In addition to management fees and profit allocations, Investors will bear indirectly the fees and expenses charged to the Funds. The Master Fund will bear transaction fees and costs in connection with its investments and trading, including assignment fees, hedging costs, spreads, mark-ups on securities, swaps and forwards, commodity trading-related expenses, short dividends, currency and other hedging costs, brokerage commissions (including options and futures trades), interest expenses in respect of margin accounts, repurchase agreements and other indebtedness and other similar costs and expenses. The Funds, as investors in the Master Fund, will generally each bear a *pro rata* share of these costs and expenses.

Clients other than the Funds will generally bear expenses relating, without limitation, to trading losses, custodial fees, brokerage commissions and income, withholding or transfer taxes and legal fees and expenses. All expenses incurred directly in connection with researching and acquisition or investment opportunities shall be borne by the Client. Any expenses attributable to more than one Client shall be allocated on an equitable basis among all such Clients.

Clients and Investors should review all fees charged by EAC, its affiliates, and others to fully understand the total amount of fees to be paid by Clients and, indirectly, their Investors.

Organizational Expenses

The Master Fund will pay (including through reimbursement of EAC) the expenses of organizing the Funds and the initial offering of shares and interests in the Funds.

Other Expenses

The Advisor is responsible for all office overhead expenses of an ordinary and recurring nature, which include rent, supplies, secretarial expenses, stationary, charges for furniture and fixtures, employee insurance, payroll taxes and compensation of analysts and other personnel and other reasonable overhead expenses of the Funds as determined by EAC and its affiliates in its sole discretion. All other expenses are borne by the Funds including legal, accounting, auditing, administration and other professional expenses, research expenses (including research-related travel) and investment expenses such as commissions, interest on margin accounts and other indebtedness, custodial fees, bank service fees and other expenses related to the purchase, sale or transmittal of the Funds' assets as determined by EAC and its affiliates in its sole discretion. Organizational expenses of the Funds are borne by the Funds.

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

EAC or its affiliates receive performance-based compensation in the form of a "profit allocation," which calculation is based on the new net income generated during a performance period. The fact that a significant portion of the Advisor's compensation (and its affiliates' and investment professionals' compensation) is directly computed on the basis of profits generated by the trading activities of Clients may create an incentive for EAC to make investments on behalf of Clients that are riskier or more speculative than would be the case in the absence of such compensation. The profit allocation compensation received by the Advisor may vary by Client. This may present a conflict of interest in that EAC may have an incentive to make riskier or more speculative investments for those Clients that provide higher levels of profit allocation compensation to the Advisor.

From time to time, EAC may permit certain Investors (including, but not limited to, EAC and Mr. Donatelli, as well as the affiliates, principals, partners and employees of EAC and their respective families and any estate planning and/or other vehicles established by or on behalf of any of them) to acquire interest in the Funds on different economic terms than other Investors. The Funds also may offer additional interests in the Funds subject to different Management Fees or Profit Allocations in EAC's sole discretion and without prior notice to or consent of the Investors.

EAC offers certain Clients the opportunity to participate in separately managed accounts which are managed with an investment approach that is generally similar to the approach EAC anticipates taking in respect of the Funds. There are no restrictions on the ability of EAC and its affiliates to manage accounts of Clients following the same or different investment objective, philosophy and strategy as those used for the Funds. The results of the Funds' activities may differ significantly from the results achieved by EAC for any other Clients for which it may manage or provide investment advisory services. EAC seeks to allocate orders and investment opportunities in a manner that it believes is in the best interests of all Clients. Although such allocations may be *pro rata*, they will not necessarily be so, where EAC's allocation policies (*e.g.*, differing objectives or other considerations) dictate a different result. In cases where a limited amount of an instrument is available for purchase, the allocation of such instrument may necessarily reduce the amount available for purchase by each Client. There can be no assurance that a particular order or

investment opportunity will be allocated in a particular manner. If conflicts arise in the allocation of investment opportunities, EAC will seek to resolve such conflicts fairly. EAC's policy does not require that each opportunity be made available to all Clients, leaving significant discretion to EAC. For example, there may be accounts with different objectives, so that the same transaction would not necessarily be made available to all accounts.

Item 7: Types of Clients

EAC provides discretionary management and advisory services to Clients directly, and, with regard to the Funds, subject to the direction and control of the General Partner or Board of Directors of each Fund, and not individually to the Funds' Investors. Clients and Investors may include, but are not limited to, high net worth individuals, pension plans (corporate, state and foreign), sovereign wealth funds, endowments, foundations, banks, pooled investment vehicles (e.g., funds-of-funds), trusts, estates or charitable organizations, and corporate or business entities.

The minimum commitment for an Investor is \$5 million; however, EAC maintains discretion to accept less than the minimum investment threshold. Investors will be required to meet certain suitability qualifications, such as being an "accredited investor" within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act and "qualified purchasers" as defined in Section 2(a)(51)(A) of the U.S. Investment Company Act of 1940 (the "Company Act") and the rules promulgated thereunder. The Funds have the right to permit participation by other Investors if such participation and the related offers and sales would not result in the requirement to register the offer or sale of shares or interests under the Securities Act or to register the Funds under the Company Act. All Investors must meet other suitability requirements. Details concerning applicable Investor suitability criteria are set forth in the respective Governing Client Documents and subscription materials, which are furnished to each Investor.

The Funds may enter into separate agreements, commonly referred to as "side letters," or other similar agreements with a particular Investor in connection with its admission to one of EAC's Funds without the approval of any other Investor, which would have the effect of establishing rights under or supplementing the terms of the applicable Fund's subscription documents and agreements with respect to such Investor in a manner more favorable to such Investor than those applicable to other Investors. Such terms may include, but are not limited to, (i) the reduction, waiver or different calculation of Management Fees and the Profit Allocation, including with respect to investments made by EAC and Mr. Donatelli, as well as the affiliates, principals, partners and employees of EAC and their respective families and any estate planning and/or other vehicles established by or on behalf of any of them; (ii) the commitment to permit future investments in the Fund by such Investors when the Fund is otherwise closed to new or additional investments; and (iii) undertakings designed to protect an Investor from violating an applicable statute or administrative regulation.

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

The investment criteria of EAC are designed to identify attractive opportunities by investing in securities offering merger arbitrage opportunities. EAC may also invest in distressed securities, high yield securities, in derivatives, and in other instruments, both in the United States and globally. The Advisor's investment strategy is opportunistic in that it seeks to apply rigorous bottom-up research and in-depth analysis to identify investment opportunities in a wide range of

industry sectors and geographic locations. Long and or short positions may be taken in the securities of companies engaged in merger acquisition transactions. Such positions may involve intra-day trading, or be held for days or several months at a time. EAC may also invest in the securities of issuers it deems to be (or perceived to be) distressed and trading at a discount. The Advisor may choose to invest in high yield securities when it believes it has identified mispricings in the value of an issuer's high yielding bonds. EAC may employ leverage to enhance returns subject to regulatory limits and contractual limitations imposed by prime brokers and other lenders. Leverage may take the form of trading on margin, investing in derivative instruments that are inherently leveraged, and entering into other forms of direct or indirect borrowing.

EAC has broad and flexible investment authority and may invest at any time in long or short positions in publicly-traded or privately negotiated domestic or foreign common stocks, preferred stocks, warrants or rights, bonds, notes, debentures, debt participations, fixed income securities, convertible securities, partnership interests, swaps, options, distressed and high yield securities, futures, investment companies and foreign currencies. EAC will generally not invest in commodities, commodity contracts, commodity futures, financial futures or options until the Advisor has registered or obtained an exemption from registration with the Commodity Futures Trading Commission.

Associated Risks

All investing involves a risk of loss that Clients and Investors should be prepared to bear. The investment strategy offered by the Advisor could lose money over short or even long periods. No guarantee or representation is made that a Client will achieve its investment objective or will receive a return of its capital.

The descriptions contained below are a brief overview of different risks related to the Advisor's investment strategy; however, it is not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that may arise in connection with the management and operations of the Advisor.

Potential Loss of Investment. There is no assurance that the Advisor will be able to generate returns for its Clients or that the returns will be commensurate with the risks of investing in the types of securities described herein. There can be no assurance that a Client's investment objectives will be achieved or that there will be any return of capital. The past investment performance of the entities with which officers and employees of the Advisor have been associated cannot be taken to guarantee future results of any Client.

Merger Arbitrage Transactions. EAC will invest in the securities of a company engaging in an extraordinary transaction or event after the event has been announced. The price offered for securities of a company involved in an announced deal will generally be at a significant premium above the market price prior to the announcement, the failure of a proposed transaction to close is generally followed by a significant decline in the value of the securities as their market price returns to a level comparable to that which existed prior to the announcement of the transaction. Furthermore, the difference between the price paid for securities of a company involved in an announced transaction and the anticipated value to be received for such securities upon consummation of the proposed transaction will often be small. If the proposed transaction appears

likely not to be consummated or, in fact, is not consummated or is delayed, the market price of the securities will usually decline sharply, perhaps below the price at which the security was purchased. The number of such opportunities available varies greatly and is based on many factors beyond the control of the Advisor.

If put options are purchased with respect to securities anticipated to be received in an exchange or merger and the proposed transaction is not consummated, the market price of the securities may rise above the exercise price of the put options, resulting in the cost of the put options not being recovered. If put options are purchased with respect to securities which are the subject of a proposed cash tender offer or cash merger and the transaction is consummated, the options may not be exercised and the premiums paid therefor may be lost. In addition, premiums paid for put options increase transaction costs and, in certain situations, may result in a sufficient reduction in the spread between the acquisition price and the anticipated price to be received to make the investment so unattractive based upon a return on capital/risk-reward analysis that the Advisor may determine not to take a portfolio position. Since options expire on specific dates, in the event consummation of a transaction is delayed beyond the expiration of a put option held, the anticipated benefit of the option may be lost.

It may be determined that the offer price for a security which is the subject of a tender offer is likely to be increased either by the original bidder or by another party. In those circumstances securities may be purchased above the offer price and such purchases are subject to the added risk that the offer price will not be increased or that the original offer will be withdrawn. The consummation of mergers, tender offers, and exchange offers can be prevented or delayed by a variety of factors including without limitation: (i) opposition by the management or stockholders of the target company which will often result in litigation to enjoin the proposed transaction; (ii) intervention of a regulatory agency; (iii) efforts by the target company to pursue a “defensive strategy” including a merger on less favorable terms with, or a friendly tender offer by, a company other than the offeror; (iv) in the case of a merger, failure to obtain the necessary stockholder approvals; (v) market conditions resulting in material changes in securities prices; (vi) compliance with any applicable securities laws; (vii) inability to obtain adequate financing; and (viii) material adverse changes in target or acquiring companies.

Often a tender or exchange offer will be made for less than all of the outstanding securities of an issuer or a higher price will be offered for a limited amount of the securities, with the provision that if a greater number is tendered, securities will be accepted pro rata. Thus a portion of the tendered securities may be returned. After completion of the tender offer, the market price of the securities may decline below their cost resulting in a loss on this portion of the securities.

International Investing. Investing outside the United States may involve greater risks than investing in the United States. These risks include: (i) less publicly available information; (ii) varying levels of governmental regulation and supervision; and (iii) the difficulty of enforcing legal rights in a foreign jurisdiction and uncertainties as to the status, interpretation and application of laws. Moreover, foreign companies are generally not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to United States companies. Foreign markets also have different clearance and settlement procedures, and in certain markets there have been times when settlements have failed

to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could result in periods when assets of clients are uninvested and no return is earned thereon. The inability of the Advisor to make intended investments due to settlement problems or the risk of intermediary counterparty failures could cause clients to miss investment opportunities. The inability to dispose of an investment due to settlement problems could result either in losses to clients due to subsequent declines in the value of such investment or, if clients have entered into a contract to sell the security, could result in possible liability to the purchaser. Transaction costs of buying and selling foreign securities, including brokerage, tax and custody costs, also are generally higher than those involved in domestic transactions. Furthermore, foreign financial markets, while generally growing in volume, have, for the most part, substantially less volume than U.S. markets, and securities of many foreign companies are less liquid and their prices more volatile than securities of comparable domestic companies. The economies of individual non-U.S. countries may also differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, volatility of currency exchange rates, depreciation, capital reinvestment, resources self-sufficiency and balance of payments position.

Illiquid Investments. The Advisor may from time to time make investments in restricted, as well as thinly traded, instruments and securities (including privately placed securities and instruments, which are assets subject to Rule 144A). There may be no trading market for these securities and instruments, and the Advisor might only be able to liquidate these positions, if at all, at disadvantageous prices. As a result, clients may be required to hold such securities despite adverse price movements.

Short Sales. Short selling or the sale of securities not owned by a Client necessarily involves certain risks. Such transactions expose the Client to the risk of loss in an amount greater than the initial investment and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by a Client in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requires a short squeeze can occur wherein a Client might be compelled at the most disadvantageous time to replace borrowed securities previously sold short with purchases on the open market possibly at prices significantly in excess of the proceeds received earlier.

Special Situations. EAC may invest in issuers involved in (or the target of) acquisition attempts or tender offers or issuers involved in work outs, liquidations, spin offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of business enterprise, there exists the risk that the transaction in which such business enterprise is involved will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to clients of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, Clients may be required to sell an investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled issuers in which Clients may invest, there is a potential risk of loss by Clients of the entire investment in such issuers.

Leverage. Losses incurred on clients' leveraged investments will increase in direct proportion to the degree of leverage employed. Clients will also incur interest expense on the borrowings used to leverage its positions. The use of leverage also may result in the forced liquidation of positions (which may otherwise have been profitable) as a result of margin or collateral calls. To the extent the assets of clients have been leveraged through the borrowing of money, the purchase of securities on margin or otherwise, the interest expense and other costs and premiums incurred in relation thereto may not be recovered. If gains earned by a client's portfolio fail to cover such costs, the value of a client's portfolio may decrease faster than if there had been no borrowings.

Small to Medium Capitalization Companies. EAC may invest in the securities of companies with small-to-medium-sized market capitalizations. While the Advisor believes these investments often provide significant potential for appreciation, these 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 more illiquid than that of larger capitalization stocks.

Reliance on Key Personnel. The operations of EAC are substantially dependent upon the skill, judgment and expertise of certain key personnel, including Mr. Donatelli. The death, disability or other unavailability of such personnel could be material and adverse to clients.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or investor's evaluation of the adviser or the integrity of the adviser's management. Neither EAC nor any of its officers, directors, employees or other management persons, have been involved in any legal or disciplinary events that would require disclosure in response to this Item.

Item 10: Other Financial Industry Activities and Affiliations

EAC organizes and sponsors the Funds, which are private investment companies. These pooled investment vehicles managed by EAC are controlled by affiliated entities ("Affiliated Entities"). EAC or the Affiliated Entities will be responsible for all decisions regarding portfolio transactions of the Funds and have full discretion over the management of the Funds' investment activities. While the Affiliated Entities are not separately registered as investment advisers with the SEC, all of their investment advisory activities are subject to the Investment Advisers Act of 1940, as amended (the "Advisers Act") and the rules thereunder. In addition, employees and persons acting on behalf of the Affiliated Entities are subject to the supervision and control of EAC. Thus, the Affiliated Entities, all of its employees and the persons acting on its behalf would be "persons associated with" the registered investment adviser so that the SEC could enforce the requirements of the Advisers Act on the Affiliated Entities.

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

Pursuant to Rule 204A-1 under the Advisers Act, EAC has adopted a written Code of Ethics (the “Code”) predicated on the principle that the Advisor owes a fiduciary duty to Clients. The Code is designed to address and avoid potential conflicts of interest and is applicable to all officers, directors, members, partners or employees of EAC (the “Employees”), and each Employee’s spouse, minor children and other family members living in his or her household. The Advisor requires its Employees to act in Clients’ best interests, abide by all applicable regulations and avoid any action that is, or could even appear to be, legally or ethically improper.

The Advisor generally requires: pre-clearance before entering into transactions in certain securities, and engaging in transactions in any IPO or limited offering (i.e., private placement); periodic reporting of Employees’ personal securities transactions and holdings; and prompt internal reporting of Code violations. Employees are generally permitted to conduct personal securities transactions in mutual funds, U.S. government securities and money market funds, among others, without preclearance. EAC endeavors to maintain current and accurate records of all personal securities accounts of its Employees in an effort to monitor all such activity. A copy of EAC’s Code is available upon request.

The Advisor, its employees or a related entity will have an investment in each Fund. Therefore, EAC, its employees or a related entity participate in transactions effected for Clients.

Item 12: Brokerage Practices

EAC may select the prime brokers for the Master Fund and may cause Clients to pay, or authorize the payment and reimbursement of, brokerage commissions. In choosing brokers and dealers, EAC is not required to consider any particular criteria. For the most part, EAC seeks the best combination of brokerage cost and execution quality. However, EAC is not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. EAC may consider the value of various services or products, beyond execution, that a broker-dealer provides to Clients and/or EAC. Because many of those services could benefit EAC, EAC may have a conflict of interest in allocating Clients’ brokerage business. EAC may utilize brokers who may direct or refer investment opportunities or introduce prospective Investors and Clients, but such referrals will not be a criteria for selection of brokers. EAC is not required to allocate either a stated dollar or stated percentage of its transactions to any broker-dealer for any minimum time period, and will review such relationships periodically.

EAC uses its best efforts to assure that trade orders are entered correctly; however, to the extent that a trade error occurs, it will be corrected as soon as practicable and reported to EAC’s CCO. EAC is responsible for errors arising from its own gross negligence or willful misconduct and is not responsible for the errors of other persons, including third party brokers and custodians, unless expressly agreed to by the Advisor.

Purchase and sale transactions (including swaps) may be effected between Clients subject to the following guidelines: (i) such transactions shall be effected for cash consideration at the market

price of the particular securities, and (ii) no extraordinary brokerage commission fee (i.e. except for customary transfer fees or commissions) or other remuneration shall be paid in connection with any such transaction.

EAC is expected to receive “soft dollar” credits from the execution of certain transactions with certain brokers that can be used to purchase research and related services from third parties. Clients may be deemed to be paying for research and related services included in the commissions under these or other circumstances. Research and related services furnished by or through brokers including research and related services purchased with soft dollar credits will be limited to services which constitute research services within the meaning of Section 28(e) of the U.S. Securities Exchange Act of 1934 as amended. These research and related services may include, but are not limited to, written information and analyses concerning specific securities companies or sectors; market, financial and economic studies and forecasts as well as discussions with research personnel; financial and industry publications; statistical and pricing services, along with hardware, software databases and other technical and telecommunication services, lines and equipment utilized in the investment management process. Research services obtained by the use of commissions arising from Client portfolio transactions may be used by EAC in its other investment activities or those of its affiliates. Such research and related services will generally be applicable to all Clients but there may be instances in which their applicability is limited to one account or is not proportional to account equity.

Item 13: Review of Accounts

All investments are carefully reviewed and approved by EAC’s investment team, which includes the Managing Member and other investment personnel. Clients’ investments are reviewed on a continuous basis and the Advisor’s investment personnel meet regularly to discuss investment ideas, economic developments, industry outlook and other issues related to current portfolio holdings and potential investment opportunities.

Clients generally will be provided with monthly unaudited account statements and periodic letters regarding the Advisor’s investment outlook. Investors in the Funds will receive audited year-end financial statements annually.

Item 14: Client Referrals and Other Compensation

EAC will compensate placement agents who introduce new Investors and Clients. The amount paid to placement agents ranges up to 75 bps for three years and all placement fees will be fully disclosed to Investors and Clients referred by placement agents.

Item 15: Custody

EAC has access to the Funds’ accounts since it or an affiliate serves as the General Partner, or on the Board of Directors, of the Funds. The Advisor therefore is deemed to have custody under Rule 206(4)-2 even though EAC does not physically hold the securities and other assets of the Funds. Investors in the Funds will not receive statements from any custodians. Instead, the Funds are subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the audited financial statements are distributed to each Investor. The audited financial statements will

be prepared in accordance with generally accepted accounting principles and distributed within 120 days of each Fund's fiscal year end.

Item 16: Investment Discretion

In accordance with the terms and conditions of the Governing Client Documents, and subject to the direction and control of the General Partner/Board of Directors of each Fund, the Advisor generally has discretionary authority to determine, without obtaining specific consent from Clients, or the Funds and their Investors, the securities and the amounts to be bought or sold on behalf of Clients. However, the Advisor will not, for any of its Clients, make or hold investments in securities that appear on certain Clients' restricted lists unless such Clients provide prior consent thereto. The limitations created by such arrangements could adversely affect Clients' investment results by preventing the Advisor from investing in certain deals.

The Advisor has discretion to agree with Investors in the Funds to waive or modify the application of any provision of the investment terms applicable to such Investor in a "side letter" or in any other manner, without obtaining the consent of any other Investor in such Fund.

Item 17: Voting Client Securities

The Advisor will be responsible for voting client proxies. EAC has developed a written policy and procedures governing its activities in this area. In general, the policy requires the Company to vote client proxies in the best interest of Clients. EAC generally votes in favor of routine corporate housekeeping proposals (e.g. electing directors, selection of auditors, etc.) and generally votes against proposals that make it more difficult to replace directors and against proposals relating to social or political issues. Shareholder-initiated proposals are carefully considered and not automatically voted in accordance with management recommendations. EAC maintains a record of all proxy statements received and votes cast on behalf of clients. If a material conflict of interest over proxy voting arises between EAC and a Client, the Advisor will determine whether voting in accordance with its policy is in the best interest of the Client. EAC will determine whether it is appropriate to notify Clients and/or Investors of the conflict and provide Clients with the opportunity to vote proxies themselves. Clients and Investors may contact the Advisor for a copy of the policy or information with respect to a specific client proxy vote, at no cost.

Item 18: Financial Information

A balance sheet is not required to be provided as EAC (i) does not solicit fees more than six months in advance, (ii) does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients or (iii) has not been subject to any bankruptcy proceeding during the past 10 years.