

PART 2A FORM ADV

FIRM BROCHURE

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March 2012

Here are a few important details before you begin.

This brochure provides information about the qualifications and business practices of MIG Absolute Return LLC. If you have any questions about the contents of this brochure, please contact us at 949 474-5800 and/or ir@migcap.com. 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.

Additional information about MIG Absolute Return LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Being a “registered investor adviser” or describing ourselves as being “registered” does not imply a certain level of skill or training.

THIS BROCHURE IS NOT AN OFFER TO SUBSCRIBE FOR OR PURCHASE ANY SECURITIES.

Item 2. Material Changes

As this is MIG Absolute Return LLC's first annual update since the adoption of the new format for the brochure, a summary of material changes is not provided.

Item 3. Table of Contents

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Item 4. Advisory Business

A. Organization and Ownership

MIG Absolute Return LLC (“**MIG**” or the “**Investment Manager**”) is a Delaware limited liability company organized on January 1, 2004 and has been registered with the SEC as an investment adviser since February 2012. MIG is owned by certain family trusts established by the Merage family.

B. Advisory Services

MIG provides and may provide investment advisory services to clients, including pooled investment vehicles organized outside the U.S. (the “**Funds**”) as well as certain alternative investment vehicles established by the Funds to make portfolio investments on behalf of one or more investors in such Funds (together with the Funds, each a “**MIG Fund**” or a “**Client**” and collectively, the “**MIG Funds**” or the “**Clients**”).

MIG is a discretionary investment adviser which specializes in the provision of advisory and discretionary services for its Clients, with a primary focus on achieving superior long-term investment returns for investors in their MIG Funds through rigorous fundamental research. MIG provides discretionary advisory services for the MIG Funds described below:

MIG Master and Feeder Funds

MIG Onshore Fund, L.P. is a Delaware limited partnership and an unregulated hedge fund and a feeder fund of MIG Master Fund, L.P. (the “**Master Fund**”) which is organized in the Cayman Islands. Similarly, MIG Offshore Fund, Ltd., an exempted company formed under the laws of the Cayman Islands invests, directly or indirectly, substantially all or all of its assets in the Master Fund. The Master Fund seeks to leverage operational expertise within consumer-facing industries through rigorous fundamental research to achieve superior long-term, risk-adjusted investment returns while minimizing the risk of permanent capital loss.

MIG Diversified Fund, L.P.

MIG Diversified Fund, L.P. is a Delaware limited partnership and an unregulated hedge fund of funds. The Fund seeks to deliver absolute returns with moderate beta and volatility to traditional asset classes such as equity and credit. The fund is globally inclusive and multi-strategy focused, and seeks to allocate capital to Investment Managers that demonstrate an ability to achieve repeatable top quartile performance at the strategy and sector level.

MIG Sector Select Fund, L.P.

MIG Sector Select Fund, L.P. is a Delaware limited partnership and an unregulated hedge fund of funds. The Fund seeks to obtain absolute returns by investing in equity long

short funds managed by sector specialists. The overall portfolio will invest utilizing a positive net beta exposure. The investment objective is to allocate to Investment Managers that demonstrate an ability to achieve repeatable top quartile performance versus its peer group.

MIG Quantitative Funds

MIG US Large Cap Fund, L.P. (“MIG US Large Cap”): MIG US Large Cap is a long-only fund that uses a disciplined quantitative investment process based on both proprietary and public academic research to select large capitalization stocks in the US. The strategy seeks to generate excess returns relative to US Large Cap benchmarks while maintaining risk characteristics similar to the benchmark.

MIG US Small Cap Fund, L.P. (“MIG US Small Cap”): MIG US Small Cap is a long-only fund that uses a disciplined quantitative investment process based on both proprietary and public academic research to select small capitalization stocks in the US. The strategy seeks to generate excess returns relative to US Small Cap benchmarks while maintaining risk characteristics similar to the benchmark.

MIG Global Fund, L.P. (“MIG Global”): MIG Global is a long-only fund that uses a disciplined quantitative investment process based on both proprietary and public academic research to select stocks in developed and emerging markets excluding the US. The strategy seeks to generate excess returns relative to global equity benchmarks while maintaining risk characteristics similar to the benchmark.

C. Tailoring of Investment Advice

MIG tailors its investment decisions for each MIG Fund in accordance with the terms of the applicable private placement memorandum (“PPM”), limited partnership agreement and investment management agreement.

D. Wrap Fee Programs

MIG does not provide portfolio management services to any wrap fee programs.

E. Assets Under Management

MIG manages both discretionary and non discretionary accounts. As of December 31, 2011, discretionary account assets under management were \$249,252,194 and non-discretionary account assets under management were \$230,086,083.

Item 5. Fees and Compensation

A. Management Fees

The specifics of each management fee arrangement are fully described in the limited partnership agreement for each MIG Fund. For the MIG Funds that pay a management fee, MIG charges a management fee payable monthly in arrears, generally in the range of 1.25% to 1.75% per annum of the Fund's capital account balance as of the end of each such calendar month.

B. Payment of Management Fees

When management fees are charged, the MIG Funds shall pay the fees monthly in arrears. The management fees will be equal to $1/12^{\text{th}}$ of the annual management fee rate times the value of the applicable MIG Fund's capital account balance as of the end of each such calendar month.

C. Other Fees

Clients and investors in MIG Funds may pay or otherwise bear various additional fees and expenses. These are outlined below.

Prime Brokers and Custodians: Prime brokers and custodians receive such fees as may be agreed with the MIG Fund from time to time. The prime brokers and custodians currently receive prime brokerage fees at normal commercial rates which are based upon a combination of transaction charges, interest costs and debit and credit balances. As further discussed in **Item 12.A**, Clients will incur brokerage and other transaction costs relating to MIG's advisory services.

Early Withdrawal Fees: The specifics of each withdrawal fee arrangement are fully described in the limited partnership agreements for each MIG Fund. For Class A interests of the MIG Feeder Funds, MIG charges an early withdrawal fee of 3% in the event of a redemption in the first twelve months of an investment. Under certain circumstances, the redemption fee may be waived at the discretion of MIG.

Other Fees and Expenses of the MIG Master and Feeder Funds: Each MIG Master and Feeder Fund bears its own operating and other expenses and its *pro rata* share of the Master Fund's expenses, as applicable, including, but not limited to, investment-related expenses (*e.g.*, brokerage commissions and transaction costs, clearing and settlement charges, custodial fees, interest expense, consulting, investment banking and any other professional fees or compensation relating to particular investments or contemplated investments, investment-related travel and lodging expenses and research-related expenses, including, without limitation, quotation equipment and services), expenses related to risk management provided by third parties, third-party valuation services, legal and compliance expenses (which include, without limitation, indemnification expenses and expenses associated with regulatory filings relating to the Investment Fund and for its respective portfolio), internal and external accounting, audit and tax preparation

expenses, organizational expenses, entity-level taxes, fees to the administrator, expenses related to the maintenance of the Investment Fund's registered office, corporate licensing, extraordinary expenses and other similar expenses related to the Investment Fund. Each Investment Fund has paid or reimbursed the Firm and/or its affiliates for all expenses related to organizing the Fund, including, but not limited to, legal and accounting fees, printing and mailing expenses and government filing fees (including blue sky filing fees).

Other Fees and Expenses of the MIG Diversified Fund, L.P. and MIG Sector Select Fund, L.P.: Each of MIG Diversified Fund, L.P. and MIG Sector Select Fund, L.P. bears its own operating and other expenses, as applicable, including, but not limited to, investment-related expenses (e.g. custodial fees, interest expense, consulting, investment banking and any other professional fees or compensation relating to particular investments or contemplated investments, investment-related travel and lodging expenses and research-related expenses, including, without limitation, quotation equipment and services), expenses related to risk management provided by third parties, third-party valuation services, legal and compliance expenses (which include, without limitation, indemnification expenses and expenses associated with regulatory filings relating to each Fund and for its respective portfolio), internal and external accounting, audit and tax preparation expenses, organizational expenses, entity-level taxes, fees to the administrator, expenses related to the maintenance of each Fund's registered office, corporate licensing, extraordinary expenses and other similar expenses related to the Fund. Each Fund has paid or reimbursed the MIG and/or its affiliates for all expenses related to organizing the Fund, including, but not limited to, legal and accounting fees, printing and mailing expenses and government filing fees (including blue sky filing fees).

Other Fees and Expenses of the MIG Quantitative Funds: Each MIG Quantitative Fund bears its own operating, investment-related expenses (e.g. custodial fees, interest expense, consulting, investment banking and any other professional fees or compensation relating to particular investments or contemplated investments and research-related expenses, including, without limitation, quotation equipment and services), expenses related to risk management provided by third parties, third-party valuation services, legal and compliance expenses (which include, without limitation, indemnification expenses and expenses associated with regulatory filings relating to the Fund and for its respective portfolio), internal and external accounting, audit and tax preparation expenses, organizational expenses, entity-level taxes, fees to the administrator, expenses related to the maintenance of the Fund's registered office, corporate licensing, extraordinary expenses and other similar expenses related to the Fund. Each MIG Quantitative Fund has paid or reimbursed the Firm and/or its affiliates for all expenses related to organizing the Fund, including, but not limited to, legal and accounting fees, printing and mailing expenses and government filing fees (including blue sky filing fees).

To the extent that fees and expenses of the MIG Funds (including management fees) are identifiable with a particular share class, MIG charges such fees and expenses solely to the relevant class, as applicable. Investors bear other expenses of certain MIG Funds pro rata in accordance with their account balances.

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

D. Fees Payable in Advance

Clients generally do not pre-pay management fees to MIG.

If a Fund or an investor in a Fund terminates its account in accordance with the terms of its investment management agreement with MIG, MIG will prorate the management fee payable by such Fund or such investor for such calendar month to reflect the number of days in such calendar month that the agreement was in effect.

E. Compensation for the Sale of Securities

Neither MIG nor any of its supervised persons accepts any compensation for the sale of securities or other investment products, including interests in the MIG Funds.

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

Performance-Based Profits Allocations

The specifics of each performance fee arrangement are fully described in the limited partnership agreements for each MIG Fund. For those MIG Funds that are charged a performance fee, at the end of each fiscal year an aggregate amount of up to 20% (depending on the performance fee arrangement of the applicable MIG Fund) of the excess of any net capital appreciation allocated to the applicable MIG Fund's capital account shall be reallocated from such capital account to the capital account for the MIG Fund's general partner. No performance fee shall be allocated to a capital account until the loss recovery account relating to such capital account has recovered any credits for aggregate net capital depreciation, if any, allocated to such capital account for such year (taking into account, for these purposes, the management fee and any other withdrawals of capital from such capital account.). At MIG's sole discretion performance allocations maybe be reduced, waived or calculated differently.

The fact that the MIG Funds compensate MIG and its affiliates based on the performance of the investments managed by MIG may create an incentive for MIG to give certain MIG Funds preferential treatment in the allocation of more attractive investment opportunities and/or to make investments on behalf of MIG Funds that are riskier or more speculative than would be the case in the absence of a performance-based fee. MIG has established policies and procedures to address this particular conflict of interest. In particular these procedures require that, to the extent reasonably possible, Clients with the same investment strategies share in the allocation of investment opportunities equally. On at least an annual basis, MIG performs a review of Client accounts to ensure that no accounts are favored in the allocation process.

Item 7. Types of Clients

MIG generally provides investment advice to hedge funds, funds of hedge funds and their affiliated collective investment schemes. MIG Master Fund has and is looking to invest the funds of banks and thrift institutions, pension and profit sharing plans, trusts, estates and charitable organizations, endowments, corporations, high net worth individuals, and funds of hedge funds. The MIG Diversified Fund, L.P. and MIG Sector Select Fund, L.P. have and are looking to invest the funds of banks and thrift institutions, pension and profit sharing plans, trusts, estates and charitable organizations, endowments, corporations and high net worth individuals. MIG Quantitative Funds are looking to invest the funds of banks and thrift institutions, pension and profit sharing plans, trusts, estates and charitable organizations, endowments, corporations and high net worth and retail investors. Each of the MIG Funds is a pooled investment vehicle, however, MIG may offer investment adviser through managed accounts in certain instances.

Generally, there is a minimum initial investment amount for the MIG Funds. These are set forth in the applicable MIG Fund's limited partnership agreement. For MIG Master Fund, the minimum initial investment is \$2 million or more. The minimum investment amount thereafter is \$250,000. The minimum investment amounts generally can be waived at the discretion of MIG.

The MIG Funds generally offer and sell their securities to U.S. persons only if those U.S. persons are (i) "accredited investors" within the meaning of Rule 501(a) under the U.S. Securities Act of 1933, as amended (the "1933 Act"), in reliance upon the exemption from the registration requirements of the 1933 Act provided in Rule 506 under the 1933 Act and (ii) "qualified purchasers" within the meaning of Section 2(a)(51)(A) of the U.S. Investment Company Act of 1940, as amended. Investors in the MIG Funds must be "qualified clients" as that term is defined under Rule 205-3 under the Investment Advisers Act of 1940, as amended.

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

The principal investment strategies which are pursued by the MIG Funds are outlined below. The material risks specific to each investment strategy, including any particular type of security in which the investment strategy focuses are also outlined.

Investments in investment strategies managed by MIG are generally subject to normal market fluctuations and other risks inherent in investing in securities. The entire market of a particular asset class or geographical sector may fall, having a more pronounced effect on an investment strategy heavily invested in that asset class or region. The descriptions of specific strategies below should not in any way be understood as limiting an MIG Fund's investment activities. An MIG Fund may engage in investment strategies not described herein, but MIG and its affiliates consider appropriate. Each MIG Fund's investment program is speculative and entails substantial risks. There can be no assurance that an MIG Fund's investment objective will be achieved or that significant losses will not be incurred. Investments may vary substantially on a monthly, quarterly or annual basis. MIG will disclose to Clients the existence and nature of any side letter or arrangement entered into by the applicable MIG Fund containing any material term (as defined by the Alternative Investment Management Association).

Additional information regarding the methods of analysis, investment strategies and investment risks associated with investing in each MIG Fund is contained in its PPM or other offering documentation.

MIG Master and Feeder Funds

The MIG Master Fund, L.P., the MIG Onshore Fund, L.P. and the MIG Offshore Fund, Ltd. (the "**MIG Master Funds**") seek to generate absolute returns by leveraging the operational expertise of the investment team within consumer-facing industries. This is accomplished through in-depth fundamental business analysis combined with rigorous financial analysis to achieve superior long-term, risk-adjusted investment returns while minimizing the risk of permanent capital loss.

The Firm believes that valuation is critical and that long-term investment success demands a portfolio that is structured to preserve capital in periods of market stress. To achieve this goal, the Firm will attempt to select investment longs which are believed to have significant upside potential, limit the position size on short sales and focus intently on portfolio and risk management. The Firm will strive to achieve the MIG Master Funds' investment objective by gaining superior knowledge independently by using the Firm's principals' unique experience as owners/operators of a multi-billion dollar consumer company and their developed network of contacts. MIG will strive to identify and monitor a database of companies where it has a proprietary business model view.

Long positions enter the portfolio primarily based on fundamental research with an aim to reach pre-determined price targets, typically over a three-year timeframe. Generally, positions are scaled into the portfolio with an estimated initial size of 3 to 5%. Positions are sold typically by scaling down as they achieve price targets on the upside, or if

fundamental research indicates a change in thesis. Generally, a long position may not exceed 10% of the overall equity.

Short positions enter the portfolio primarily based on fundamental research with an identifiable catalyst typically with a 6-12 month timeframe. Generally, positions are scaled into the portfolio with an estimated initial size of 1 to 3%. Positions are closed typically by scaling down as they achieve price targets on the downside, or if fundamental research indicates a change in thesis. Generally, a short position may not exceed 5% of the overall equity. However, the use of indices and ETFs as shorts to hedge certain risks may exceed 5% for an individual index or ETF.

Notwithstanding anything to the contrary above, MIG may, in its sole discretion and without notice to investors, decide, when deemed appropriate by it, to not keep positions within the targets and/or estimates mentioned above. In such circumstances, the portfolio may deviate materially from such targets and estimates.

An investment in the MIG Master Funds involves the following risks:

Dependence on Key Individuals. Investors have no authority to make decisions on behalf of the MIG Funds. The success of the MIG Funds is dependent upon the expertise of Richard P. Merage to develop and implement investment strategies that achieve the MIG Funds' investment objective. If the MIG Funds were to lose the services of Mr. Richard P. Merage, the consequences to the MIG Funds could be material and adverse.

Risks Associated With Investments in Securities. An investment in the MIG Funds is highly speculative and involves a high degree of risk, including the risk that the entire amount invested may be lost. Substantially all of the MIG Funds' assets will be invested in securities, some of which may be particularly sensitive to economic, market, industry, regulatory and other variable conditions. The markets in which the MIG Funds expect to invest have recently experienced and continue to experience significant volatility and losses. No assurance can be given as to when or whether adverse events might occur that could cause immediate and significant losses to the MIG Funds. An investment in the MIG Funds should not in itself be considered a balanced investment program, but rather is intended to provide diversification in a more complete investment portfolio. Investors should be able to withstand the loss of their entire investment in the MIG Funds.

Availability of Investment Strategies. Identification and exploitation of the investment strategies to be pursued by the MIG Funds involve a high degree of uncertainty. No assurance can be given that the MIG Funds will be able to locate suitable investment opportunities in which to deploy all of their respective assets. A reduction in market liquidity or the pricing inefficiency of the markets in which the MIG Funds seek to invest, as well as other market factors, will reduce the scope of the MIG Funds' investment strategies.

Equity Securities. The MIG Funds will invest in equity securities and equity-related security derivatives. The value of these financial instruments generally will vary with the performance of the issuer and movements in the equity markets. As a result, a MIG Fund

may suffer losses from investments in equity instruments of issuers whose performance diverges from MIG's expectations or if equity markets generally move in a single direction and the MIG Fund has not hedged against such a general move.

Equity Price Risk. The MIG Funds' investment portfolios will include long and short positions in equity securities. Equity securities fluctuate in value in response to many factors, including, among others, the activities and financial condition of individual companies, geographic markets, industry market conditions, interest rates and general economic environments. In addition, events such as the domestic and international political environments, terrorism and natural disasters, may be unforeseeable and contribute to market volatility in ways that may adversely affect investments made by the MIG Funds.

Short Selling. One or more MIG Funds may engage in short selling of securities. Short selling involves selling securities which may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the MIG Funds of buying those securities to cover the short position. There can be no assurance that the securities necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating any loss. Short sale transactions have been subject to increased regulatory scrutiny in response to recent market events, including the imposition of restrictions on short selling certain securities and reporting requirements. A MIG Fund's ability to execute a short selling strategy may be materially adversely impacted by temporary and/or new permanent rules, interpretations, prohibitions, and restrictions adopted in response to these adverse market events. Temporary restrictions and/or prohibitions on short selling activity may be imposed by regulatory authorities with little or no advance notice and may impact prior trading activities of the MIG Fund. Additionally, the SEC, its foreign counterparts, other governmental authorities and/or self-regulatory organizations may at any time promulgate permanent rules or interpretations consistent with such temporary restrictions or that impose additional or different permanent or temporary limitations or prohibitions. The SEC might impose different limitations and/or prohibitions on short selling from those imposed by various non-U.S. regulatory authorities. These different regulations, rules or interpretations might have different effective periods.

Regulatory authorities may impose restrictions that adversely affect a MIG Fund's ability to borrow certain securities in connection with short sale transactions. In addition, traditional lenders of securities might be less likely to lend securities under certain market conditions. As a result, a MIG Fund may not be able to effectively pursue a short selling strategy due to a limited supply of securities available for borrowing. A MIG Fund may also incur additional costs in connection with short sale transactions, including in the event that it is required to enter into a borrowing arrangement in advance of any short

sales. Moreover, the ability to continue to borrow a security is not guaranteed and a MIG Fund is subject to strict delivery requirements. The inability of a MIG Fund to deliver securities within the required time frame may subject the MIG Fund to mandatory close out by the executing broker-dealer. A mandatory close out may subject the MIG Fund to unintended costs and losses. Certain action or inaction by third-parties, such as executing broker-dealers or clearing broker-dealers, may materially impact the MIG Fund's ability to effect short sale transactions. Such action or inaction may include a failure to deliver securities in a timely manner in connection with a short sale effected by a third-party unrelated to the MIG Fund.

Preferred Securities. The MIG Funds may invest in preferred stock of U.S. and non-U.S. companies. Preferred stock, unlike common stock, offers a stated dividend rate payable from a corporation's earnings. These dividends may be cumulative or non-cumulative, participating or auction rate. If interest rates rise, the fixed dividend on preferred stocks may be less attractive, causing the prices of preferred stocks to decline. Preferred stock may have mandatory sinking fund provisions and call/redemption provisions prior to maturity, a negative feature when interest rates decline. Dividends on some preferred stock may be "cumulative", requiring all or a portion of prior unpaid dividends to be paid before dividends are paid on the issuer's common stock.

Preferred stock also generally has a preference over common stock on the distribution of a corporation's assets upon liquidation of the corporation, and may be "participating", which means that it may be entitled to a dividend exceeding the stated dividend in certain cases.

Preferred securities may include provisions that permit the issuer, at its discretion, to defer distributions for a stated period without any adverse consequences to the issuer. If a MIG Fund owns a preferred security that is deferring its distributions, the MIG Fund may be required to report income for tax purposes although it has not yet received such income.

Preferred securities are generally subordinate to the rights associated with an issuer's debt securities in terms of priority to corporate income and liquidation payments, and therefore are subject to greater credit risk than more senior debt instruments. Preferred securities may be substantially less liquid than many other securities.

Debt Securities. From time to time, one or more MIG Funds may invest in bonds or other fixed income securities of U.S. and non-U.S. issuers, including, without limitation, commercial paper and "higher yielding" (and, therefore, higher risk) debt securities. The issuers of such instruments (including sovereign issuers) may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal. Such instruments may be regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk exposure to adverse conditions. It is likely that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such

securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

Derivatives. One or more MIG Funds may utilize both exchange-traded and over-the-counter derivatives, including, but not limited to, futures, forwards, swaps, options and contracts for differences, as part of its investment strategies and for hedging purposes. Regulatory restraints may restrict the instruments that a MIG Fund may trade. Derivative instruments are highly volatile, involve certain special risks and expose investors to a number of risks, including risk of loss, market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further losses exceeding any margin deposited. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in net asset value of a MIG Fund, incorrect collateral calls or delays in collateral recovery. The MIG Funds may also sell covered and uncovered options on securities. Furthermore, special risks may apply to instruments that are invested in by a MIG Fund in the future that cannot be determined at this time or until such instruments are developed or invested in by the MIG Funds To the extent that such options are uncovered, the MIG Fund could incur an unlimited loss.

Use of Options. One or more MIG Funds may buy or sell (write) both call options and put options (either exchange-traded, over-the-counter or issued in private transactions). A MIG Fund's options transactions may be part of a hedging tactic (*i.e.*, offsetting the risk involved in another securities position) or a form of leverage, in which the MIG Fund has 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 large, 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 a MIG Fund may enter into.

When a MIG Fund buys 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 security in the case of a put, could result in a total loss of the MIG Fund's investment in

the option (including commissions). The MIG Fund could mitigate those losses by selling short the securities as to which it holds call options or taking a long position (*i.e.*, by buying the securities or buying options on them) on securities underlying put options.

When a MIG Fund sells (writes) 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, an increase in the market price of the security above the exercise price would cause the MIG Fund to lose the opportunity for gain on the underlying security--assuming it bought the security for less than 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 MIG Fund might suffer as a result of owning the security.

The seller of an uncovered put option theoretically could lose an amount equal to the entire aggregate exercise price of the option, if the underlying security were to become valueless. If the option were covered with a short position in the underlying security, this risk would be limited, but a drop in the security's price below the exercise price would cause a MIG Fund to lose some or all of the opportunity for profit on the "covering" short position--assuming the MIG Fund is short for more than the exercise price. If the price of the underlying security were to increase above the exercise price, the premium on the option (after transaction costs) would provide profit that would reduce or offset any loss the MIG Fund might suffer in closing out its short position.

Some or all of the MIG Funds may invest in exchange-traded funds ("ETFs"), which are a type of index fund bought and sold on a securities exchange. An ETF trades like common stock and represents a fixed portfolio of securities designed to track a particular market index. A MIG Fund could purchase an ETF to temporarily gain exposure to a portion of the U.S. or a foreign market while awaiting purchase of underlying securities. The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although lack of liquidity in an ETF could result in it being more volatile and ETFs have management fees that increase their costs. ETFs are also subject to other risks, including: (a) the risk that their prices may not correlate perfectly with changes in the underlying index; and (b) the risk of possible trading halts due to market conditions or other reasons that, in the view of the exchange upon which an ETF trades, would make trading in the ETF inadvisable. An exchange-traded sector fund may also be adversely affected by the performance of that specific sector or group of industries on which it is based.

Illiquid Securities. From time to time, the MIG Funds may invest in structured products, derivatives and other types of unregistered securities, which are generally not publicly traded. A MIG Fund may not be able to readily dispose of such non-publicly-traded financial instruments and, in some cases, may be contractually prohibited from disposing of such financial instruments for a specified period of time. Accordingly, a MIG Fund may be forced to sell its more liquid positions at a disadvantageous time, resulting in a

greater percentage of the portfolio consisting of illiquid securities. In addition, the market prices, if any, for such illiquid financial instruments tend to be volatile, and the MIG Fund may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of illiquid securities also often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets.

Furthermore, there may be limited information available about the assets of such issuers of the financial instruments which may make valuation of such financial instruments difficult or uncertain. It also should be noted that, even those markets which MIG expects to be liquid can experience periods, possibly extended periods, of illiquidity.

Commodity-Related Instruments. The production and marketing of commodities may be affected by actions and changes in governments. In addition, commodity-related instruments may be cyclical in nature. During periods of economic or financial instability, commodity-related instruments may be subject to broad price fluctuations, reflecting volatility of energy and basic material prices and possible instability of supply of various commodities.

Commodity-related instruments may also experience greater price fluctuations than the relevant commodity. In periods of rising commodity prices, such instruments may rise at a faster rate; and conversely, in times of falling commodity prices, such instruments may suffer a greater price decline.

Loans of Portfolio Securities. Some of the MIG Funds may lend their portfolio securities on terms customary in the securities industry, enter into reverse repurchase agreements or enter into other transactions constituting a loan of a MIG Fund's assets. By doing so, the MIG Fund will attempt to increase its income through the receipt of interest on the loan. In the event of the bankruptcy of the other party to a securities loan, the MIG Fund could experience delays in recovering the securities lent. To the extent that the value of the securities lent has increased, the MIG Fund could experience a loss if such securities are not recovered.

Non-U.S. Investments and Emerging Markets. Investing in the securities of companies located outside the U.S. (including, western countries, "emerging market" countries and underdeveloped countries) involves certain considerations not usually associated with investing in securities of U.S. companies, including political and economic considerations, such as greater risks of expropriation and nationalization, confiscatory taxation, the potential difficulty of repatriating funds, general social, political and economic instability and adverse diplomatic developments; the possibility of imposition of withholding or other taxes on dividends, interest, capital gain or other income; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict a MIG Fund's investment opportunities.

In addition, accounting and financial reporting standards that prevail in non-U.S. countries generally are not equivalent to U.S. standards and, consequently, less information is available to shareholders of companies located in such countries than is available to shareholders of companies located in the U.S. Moreover, an issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associate risks, are not expected to be highly correlated with each other and may behave in unpredictable ways. There is also less regulation, generally, of the securities markets in non-U.S. countries.

A MIG Fund may be subject to additional risks which include possible adverse political and economic developments, possible seizure or nationalization of non-U.S. deposits and possible adoption of governmental restrictions which might adversely affect the payment of principal and interest to investors located outside the country of the issuer, whether from currency blockage or otherwise. Furthermore, some of the securities may be subject to brokerage, stamp or other taxes levied by governments, which has the effect of increasing the cost of such investment and reducing the realized gain or increasing the realized loss on such securities at the time of sale. Furthermore, a non-U.S. issuer of debt or the non-U.S. governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due, and a MIG Fund may have limited recourse in the event of a default. Some of these risks do not apply equally to issuers in larger, more developed countries. These risks are more pronounced in investments in issuers in countries with emerging markets or if a MIG Fund invests significantly in a particular country.

Investment in emerging market securities and underdeveloped markets involves a greater degree of risk than an investment in securities of issuers based in developed countries. Among other things, emerging market securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, less favorable tax provisions and a greater likelihood of severe inflation, unstable currency, war and expropriation of personal property than investments in securities of issuers based in developed countries. In addition, a MIG Fund's investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities.

Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighboring exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported.

The issuers of some non-U.S. securities, such as banks and other financial institutions, may be subject to less stringent regulations in emerging markets than would be the case for issuers in developed countries and therefore potentially carry greater risk. Custodial expenses for a portfolio of emerging markets securities generally are higher than for a portfolio of securities of issuers based in developed countries. While MIG will take these factors into consideration in making investment decisions for the MIG Fund, no assurance can be given that they will be able to fully avoid these risks.

Undervalued and Distressed Securities. Some of the MIG Funds may invest in securities that MIG believes are undervalued. Such undervalued securities may include investments in distressed situations, including the purchase of securities of issuers in bankruptcy, at risk of filing for bankruptcy or otherwise being insolvent. The identification of investment opportunities in undervalued securities is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunities for above average returns, these investments involve a high degree of risk and can result in substantial losses. In addition, a MIG Fund may be required to hold such securities for a substantial period of time before realizing their anticipated value. During this holding period, a portion of a MIG Fund's capital would be committed to the securities purchased, thus possibly preventing the MIG Fund from investing in other more lucrative opportunities.

In addition, a MIG Fund may finance such purchases with borrowed funds and thus will have to pay interest on such funds during the holding period. Returns generated from such investments may not adequately compensate a MIG Fund for the risks involved.

Brokerage Commissions/Transaction Costs. The MIG Funds' activities may involve a high level of trading, and the turnover of such portfolio may generate substantial transaction costs. These costs will be borne by the MIG Funds, irrespective of profitability.

Small and Medium Capitalization Companies. While MIG believes securities in companies with small and medium capitalizations often provide significant potential for appreciation, the securities of certain companies, particularly smaller-capitalization companies, involve higher risks in some respects than do investments in securities of larger companies. For example, prices of small-capitalization and even medium-capitalization securities are often more volatile than prices of large-capitalization securities and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than for larger, "blue-chip" companies. In addition, due to thin trading in the securities of some small-capitalization companies, an investment in those companies may be or become illiquid.

Purchasing Securities of Initial Public Offering. From time to time some of the MIG Funds may purchase securities that are part of initial public offerings. The prices of these securities may be very volatile. The issuers of these securities may be undercapitalized, have a limited operating history, and lack revenues or operating income without any prospects of achieving them in the near future. Some of these issuers may only make

available a limited number of shares for trading and therefore it may be difficult for a MIG Fund to trade these securities without unfavorably impacting their prices. In addition, investors may lack extensive knowledge of the issuers of these securities. Rule 5130 and Rule 5131 restricts certain persons from participating in the profits and losses attributable to new issues.

Unforeseen Events. The MIG Funds may be adversely affected by unforeseen events involving such matters as changes in interest rates or the credit status of an issuer, forced withdrawals of securities or acquisition proposals, break-up of planned mergers, unexpected changes in relative value, short squeezes, inability to short stock or changes in tax treatment.

Borrowing. The MIG Funds use borrowings for the purpose of making investments. The use of borrowing creates special risks and may significantly increase a MIG Fund's investment risk. Borrowing creates an opportunity for greater yield and total return but, at the same time, will increase the MIG Fund's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of borrowings that are in excess of the interest costs associated therewith may cause the net asset value of a MIG Fund to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the net asset value of the MIG Fund may decrease more rapidly than would otherwise be the case.

Leverage. Leverage is a component to these MIG Funds' investment strategies, and certain such strategies might not be successful without the use of a substantial amount of leverage. The use of leverage will, in many instances, enable the MIG Funds to achieve a higher rate of return than would be otherwise possible. Accordingly, the MIG Funds are expected to employ leverage in order to obtain higher investment returns.

Generally, with respect to the overall portfolio of the MIG Funds, MIG generally will seek to balance the amount of leverage to be employed and the estimated long-term volatility of the MIG Funds' portfolio. MIG's perception of any strategy's volatility is expected to change from time to time and the market for leverage is expected to be dynamic. Accordingly, the amount, kinds and pricing of leverage utilized with respect to such strategy will also change. An inability of MIG to obtain a desired amount of leverage, however, may limit the MIG Funds' overall investment exposure and/or inhibit inverse correlation, thereby reducing the MIG Funds' performance. Leverage may take the form of, without limitation, any of the financial instruments described herein, including derivative instruments which are inherently leveraged and trading in products with embedded leverage such as options, short sales, swaps and forwards. The instruments and borrowings utilized by the MIG Funds to leverage investments may be collateralized by the portfolio. Accordingly, a MIG Fund may pledge financial instruments in order to borrow additional funds or otherwise obtain leverage for investment or other purposes. The amount of borrowings which a MIG Fund may have outstanding at any time may be substantial in relation to capital.

The use of leverage will allow a MIG Fund to borrow in order to make additional investments, thereby increasing exposure to assets, such that total assets are greater than capital. Although leverage increases returns if the MIG Fund earns a greater return on the incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns to the MIG Fund if it fails to earn as much on such incremental investments as it pays for such funds. Therefore, the use of leverage will magnify the volatility of changes in the value of the investments of the MIG Fund. Accordingly, any event which adversely affects the value of an investment would be magnified to the extent the investment is leveraged. The cumulative effect of the use of leverage by a MIG Fund in a market that moves adversely to its investments could result in substantial losses to the MIG Fund, which would be greater than if the MIG Fund were not leveraged.

In the futures markets, margin deposits are typically low relative to the value of the futures contracts purchased or sold. Such low margin deposits are indicative of the fact that any commodity futures contract trading is typically accompanied by a high degree of leverage. Low margin deposits mean that a relatively small price movement in a futures contract may result in immediate and substantial losses to the investor. For example, if at the time of purchase 10 percent of the price of a futures contract is deposited as margin, a 10 percent decrease in the price of the futures contract would, if the contract is then closed out, result in a total loss of the margin deposit before any deduction for the brokerage commission. Thus, like other leveraged investments, any purchase or sale of a commodity contract may result in losses in excess of the amount invested.

The use of short-term margin borrowings results in certain additional risks to the MIG Funds. For example, should the securities pledged to brokers to secure a MIG Fund's margin accounts decline in value, the MIG Fund could be subject to a "margin call", pursuant to which the MIG Fund must either deposit additional funds or securities with the broker, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of a MIG Fund's assets, the MIG Fund might not be able to liquidate assets quickly enough to satisfy such margin requirements.

Some of the MIG Funds may borrow by entering into reverse repurchase agreements. Under a reverse repurchase agreement, an entity sells securities and agrees to repurchase them at a mutually agreed date and price. Reverse repurchase agreements may involve the risk that the market value of the securities retained in lieu of sale by a MIG Fund may decline below the price of the securities the MIG Fund has sold but is obligated to repurchase. In the event the buyer of securities under a reverse repurchase agreement files for bankruptcy or becomes insolvent, such buyer or its trustee or receiver may receive an extension of time to determine whether to enforce the MIG Fund's obligation to repurchase the securities and the MIG Fund's use of the proceeds of the reverse repurchase agreement may effectively be restricted pending such decision. To the extent that, in the meantime, the value of the securities that a MIG Fund has purchased has decreased, the MIG Fund could experience a loss.

Concentration of Investments. Although under normal market conditions MIG expects to diversify investments of the MIG Funds among a number of issuers, MIG may select investments for a MIG Fund that potentially could be concentrated. Such concentration of risk may expose the MIG Fund to losses disproportionate to those incurred by the market in general if the areas in which the MIG Fund's investments are concentrated are disproportionately adversely affected by price movements, and the aggregate return on the MIG Fund's investments may be substantially adversely affected by the unfavorable performance of even a single portfolio investment. Accordingly, a MIG Fund should not be viewed as a complete investment program and the MIG Fund may not be adequately diversified in all market conditions.

Systemic Risk. Credit risk may also arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which some of the MIG Funds will interact on a daily basis.

Counterparty and Custodial Risk. To the extent that a MIG Fund invests in swaps, "synthetic" or derivatives instruments, reverse repurchase agreements, certain types of option or other customized financial instruments, the MIG Fund takes the risk of nonperformance by the other party to the contract. This risk may include credit risk of the counterparty and the risk of settlement default. This risk may differ materially from those entailed in exchange-traded transactions which generally are supported by guarantees of clearing organizations, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. A MIG Fund's use of derivatives and other techniques (such as short sales) involves certain additional risks, including: (i) dependence on the ability to predict movements in the price of the derivative instrument and (ii) imperfect correlations between movements in the assets on which the derivative is based and movements in the reference asset.

In addition, there are risks involved in dealing with the custodians or brokers who settle the MIG Fund trades. Securities and other assets deposited with custodians or brokers may not be identified as being assets of a MIG Fund and hence the MIG Fund may be exposed to a credit risk with respect to such parties. There is a risk that any of such parties could become insolvent. Although MIG regularly monitors the financial condition of the counterparties it uses, if one or more of a MIG Fund's counterparties were to become insolvent or the subject of liquidation proceedings in the U.S. (either under the Securities Investor Protection Act or the Bankruptcy Code), there exists the risk that the recovery of the MIG Fund's 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.

Furthermore, in the event that any of a MIG Fund's prime brokers rehypothecate the MIG Fund's securities held with such prime broker, the MIG Fund might be a general unsecured creditor with respect to any claims related to such securities if such prime broker was the subject of any liquidation or bankruptcy related proceeding. In addition, a MIG Fund may use counterparties located in various jurisdictions outside the U.S. Such local counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency.

However, the practical effect of these laws and their application to a MIG Fund's assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize about the effect of their insolvency on the MIG Fund and its assets.

Investors should assume that the insolvency of any counterparty would result in a loss to the MIG Funds, which could be material. The MIG Funds reserve the right, in their sole discretion, to change counterparties (including, without limitation, brokers and/or custodians) without notice to investors. The MIG Funds are not subject to any formal requirements regarding the credit ratings of such counterparties and, as recent developments have shown, such credit ratings may not be accurate measures of a counterparty's creditworthiness.

Market Liquidity and Leverage. The MIG Funds may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair the MIG Funds' ability to adjust its positions. The size of a MIG Fund's positions may magnify the effect of a decrease in market liquidity for such instruments. Changes in overall market leverage, deleveraging as a consequence of a decision by the prime brokers and custodians, or other counterparties with which a MIG Fund enters into repurchase/reverse repurchase agreements or derivative transactions, to reduce the level of leverage available, or the liquidation by other market participants of the same or similar positions, may also adversely affect the MIG Funds.

Hedging Transactions. A MIG Fund may (but is not required to) utilize financial instruments both for investment purposes and for risk management purposes in order to (i) protect against possible changes in the market value of its investment portfolios resulting from fluctuations in the markets and changes in interest rates; (ii) protect the MIG Fund's unrealized gains in the value of such investment portfolios; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any of its investments in such portfolios; (v) hedge against a directional trade; (vi) hedge the interest rate, credit or currency exchange rate on any of the MIG Fund's liabilities or assets; (vii) protect against any increase in the price of any financial instruments the MIG Fund anticipates purchasing at a later date; or (viii) act for any other reason that MIG deems appropriate. The MIG Fund will not be required to hedge any particular risk in connection with a particular transaction or its portfolios generally.

When MIG decides to hedge one or more positions, the success of such hedging strategy will be subject to MIG ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of such hedging strategy will also be subject to MIG's ability to continually recalculate, readjust, and execute hedges in an efficient and timely manner. While a MIG Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the MIG Fund than if the MIG Fund had not engaged in any such hedging transactions. For a variety of reasons, MIG may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent the MIG Fund from achieving the intended hedge or expose the MIG Fund to risk of loss. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of the MIG Fund's portfolio holdings. Moreover, it should be noted that a MIG Fund's portfolio will always be exposed to certain risks that cannot be hedged.

Currency Exposure. Interests in the MIG Funds will be issued and generally withdrawal proceeds will be paid in U.S. dollars. The assets of a MIG Fund may, however, be invested in securities and other investments which are denominated in currencies other than U.S. dollars. Accordingly, the value of such assets may be affected favorably or unfavorably by fluctuations in currency rates. MIG may hedge the non-U.S. currency exposure of a MIG Fund by entering into currency hedging transactions, such as treasury locks, forward contracts, futures contracts, cross-currency swaps or by shorting non-U.S. debt. However, the assets of a MIG Fund will necessarily be subject to foreign exchange risks. In addition, prospective investors whose assets and liabilities are predominately in other currencies should take into account the potential risk of loss arising from fluctuations in value between the U.S. dollar and other currencies.

To the extent unhedged, the value of a MIG Fund's positions in non-U.S. investments will fluctuate with U.S. dollar exchange rates as well as with the price changes of the investments in the various local markets and currencies. In such cases, an increase in the value of the U.S. dollar compared to the other currencies in which the MIG Fund makes investments will reduce the effect of any increases and magnify the effect of any decreases in the prices of the MIG Fund's financial instruments in their local markets and may result in a loss to the MIG Fund. Conversely, a decrease in the value of the U.S. dollar will have the opposite effect on the MIG Fund's non-U.S. dollar investments.

Soft Dollars. The use of brokerage commissions to obtain research services creates a conflict of interest between MIG and the MIG Funds. This may result in a MIG Fund paying higher brokerage commissions than might be paid if transactions were effected through brokers that do not provide such services. To the extent that MIG is able to acquire these products and services without expending its own resources or at reduced prices, MIG's use of "soft-dollars" would tend to increase its profitability. In addition, the availability of these non-monetary benefits may influence MIG to select one broker rather than another to perform services for a MIG Fund.

MIG Fund-of-Funds

MIG Diversified Fund, L.P. and MIG Sector Select Fund, L.P. seek to generate absolute returns by investing primarily in Investment Managers who employ a variety of alternative investment strategies and can demonstrate an ability to achieve repeatable top quartile performance in their respective peer group. This is accomplished through in-depth fundamental investment analysis combined with in-depth operational due diligence across a diverse universe of strategies, sectors, geographies, and Investment Managers. MIG, however, may concentrate activities in a particular industry or market sector and, at times, may invest a significant portion of the Funds' assets in a single security, industry, or market sector.

MIG searches for investments from a broad range of opportunities, including undervalued assets, fixed income relative value trading, volatility-driven strategies, distressed securities, liquidations, opportunities associated with significant corporate events (actual or anticipated) such as debt restructurings or material changes in a company's business environment, capital structure arbitrage, mortgage and other asset-backed security trading, corporate bond arbitrage, currency and commodity trading, and event-driven equity and debt investments. MIG expects to be active in emerging economies as well as developed markets, and intends, through its investments in Investment Managers and direct investments, to invest across a range of financial instruments, including but not limited to equities, debt instruments, currencies, futures, options and derivative securities.

In determining the allocation of investment resources, MIG seeks to opportunistically allocate capital among its underlying portfolio investments. Capital allocation is anticipated to be opportunistic in that MIG seeks to reduce allocations to strategies as they become less capable of beating their peer group due to numerous factors and will seek out new strategies or Investment Managers that may have greater opportunities for capital appreciation. Because market inefficiencies do not necessarily persist for long periods of time, MIG does not have rigid guidelines for diversification. Rather, MIG continually assesses optimal strategy and fund allocations.

MIG incorporates ongoing investment due diligence and operational due diligence into its investment process. MIG performs operational due diligence and monitors portfolios on an ongoing basis in order to understand and evaluate the underlying managers' policies and funds and the inherent risks involved with their core businesses. This analysis occurs before initial investment and throughout the investment's existence in the portfolio.

The process incorporates both qualitative and quantitative analysis of relevant data points. MIG engages an active research program which sources managers from personal industry contacts, prime brokers, and referrals from other industry participants, databases, industry conferences and solicitation from third party marketing firms. MIG also uses reference checks to validate and source Investment Managers.

On a continual basis, MIG will interview the investment and operational professionals at Investment Managers, a comprehensive peer group of managers, and related industry

professionals to understand each portfolio manager's qualifications and to be satisfied that the managers retain the skills and people needed to execute their investment strategy at a high performing level. MIG will also review the policies and the checks and balances in place to assure the techniques utilized by the underlying managers are in line with the security type found in the relevant portfolio.

The investment objective of MIG Diversified Fund, L.P. is to seek to deliver absolute returns with moderate beta and volatility to traditional asset classes such as equity and credit. The fund is globally inclusive and multi-strategy focused, and seeks to allocate capital to investment managers that demonstrate an ability to achieve repeatable top quartile performance at the strategy and sector level.

The MIG Sector Select Fund, L.P. seeks to obtain absolute returns by investing in equity long short funds managed by sector specialists. The overall portfolio will invest utilizing a positive net beta exposure. The investment objective is to allocate to investment managers that demonstrate an ability to achieve repeatable top quartile performance versus its peer group.

An investment in MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P. involves the following risks that are set forth above: Risks Associated with Investments in Securities, Availability of Investment Strategies, Equity Securities, Equity Price Risk, Short Selling, Preferred Securities, Debt Securities, Derivatives, Use of Options, Illiquid Securities, Commodity-Related Instruments, Loans of Portfolio Securities, Non-U.S. Investments and Emerging Markets, Undervalued and Distressed Securities, Brokerage Commissions/Transaction Costs, Small and Medium Capitalization Companies, Purchasing Securities of Initial Public Offering, Unforeseen Events, Leverage, Concentration of Investments, Systemic Risk, Counterparty and Custodial Risk, Market Liquidity and Leverage, Hedging Transactions and Currency Exposure.

In addition, the following risks are involved in an investment in MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P.

Futures Contracts. The value of futures depends upon the price of the financial instruments, such as commodities, underlying them. The prices of futures are highly volatile, and price movements of futures contracts can be 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, investments in futures are also subject to the risk of the failure of any of the exchanges on which a MIG Fund's positions trade or of its clearing houses or counterparties.

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are

willing to effect trades at or within the limit. This could prevent a MIG Fund from promptly liquidating unfavorable positions and subject the MIG Fund to substantial losses or prevent it from entering into desired trades. In extraordinary circumstances, a futures exchange or the CFTC could suspend trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract.

Risks of the Multi-Manager Strategy and Technique. The success of MIG Diversified Fund, L.P. and MIG Sector Select Fund, L.P. depends on the ability of MIG to select and allocate among individual Portfolio Funds and upon each Portfolio Fund's ability to select individual securities, correctly interpret market data, predict future market movements and otherwise implement its investment strategy. No assurance can be given that the investment strategies to be used by a Portfolio Fund will be successful under all or any market conditions. MIG will not have any control over the investments made by the managers of the Portfolio Funds (the "Portfolio Managers"). MIG may, however, reallocate a Fund's investments among the Portfolio Funds, but MIG's ability to do so may be constrained by the withdrawal limitations imposed by the Portfolio Funds. These withdrawal limitations will prevent MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be, from reacting rapidly to market changes should a Portfolio Manager fail to effect portfolio changes consistent with such market changes and the expectations of MIG. Such withdrawal limitations will also restrict MIG's ability to terminate investments in Portfolio Funds that are poorly performing or have otherwise had adverse changes. In addition, at times when Portfolio Funds offer limited availability to investors, MIG may allocate such limited availability among and between multiple entities and series managed by it or an affiliate, resulting in MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be, portfolio that differs from the portfolio that might result if MIG only managed MIG Diversified Fund, L.P. and/or MIG Sector Select Fund, L.P. Not all of the entities managed by MIG will invest, whether on a pro rata basis or otherwise, in all of the Portfolio Funds invested in by MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be.

The multi-manager approach may also limit MIG's access to information about MIG Diversified Fund, L.P.'s and/ or MIG Sector Select Fund, L.P.'s investments on a regular basis. Investors in the various Portfolio Funds typically have no right to demand such information of the Portfolio Managers. Nevertheless, MIG will use commercially reasonable efforts to periodically gather quantitative and qualitative information from the Portfolio Managers. There is no guarantee that the information will be accurate or timely. Moreover, the information may be proprietary and may not be provided. Although MIG employs a due diligence process to review each Portfolio Manager's back office and accounting systems, there is no assurance that such efforts will detect fraud, malfeasance, inadequate back office systems or other flaws or problems with respect to the Portfolio Manager's operations and activities.

Risks of Portfolio Manager Strategies and Execution. A Portfolio Manager may use proprietary investment strategies that are based on considerations and factors that are not fully disclosed to MIG. These strategies may involve risks under some market conditions that are not anticipated by the Portfolio Manager, MIG, MIG Diversified Fund, L.P. or

MIG Sector Select Fund, L.P. The Portfolio Managers may use investment strategies that differ from those typically employed by traditional managers of portfolios of stocks and bonds, or may diverge from the strategy disclosed to MIG. The strategies employed by the Portfolio Managers may involve significantly more risk and higher transaction costs than more traditional investment methods. In addition, Portfolio Managers may not execute their strategy efficiently or consistent with past practices or its disclosure, leading to underperformance or losses to MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be. MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be, will seek to reduce these risks by spreading the exposures of the Fund among a variety of different Portfolio Managers. However, it is possible that the performance of the Portfolio Managers may be closely correlated in some market conditions, resulting (if those returns are negative) in significant losses to MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be, and its investors. Many of the Portfolio Managers are dependent on the services of a small number of persons and the loss of any such person's services could have a materially adverse effect on MIG Diversified Fund, L.P.'s or MIG Sector Select Fund, L.P.'s investment with such Portfolio Manager. Furthermore, many of the Portfolio Managers will typically manage a relatively small asset base when compared to traditional money managers of mutual funds and many private funds, who often manage billions of dollars. Accordingly, many of the Portfolio Managers may have limited resources in connection with the operation of their businesses and the investment management of their portfolios.

Risk Arbitrage Transactions. Portfolio Managers may seek to purchase securities for MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be, at prices below their anticipated value following the occurrence of a predicted event, including proposed mergers, tender offers or similar transactions. The purchase price of such securities may be in excess of the market price of the securities immediately prior to the announcement of the proposed transaction. If the proposed transaction is not consummated or is delayed, the market price of the security may decline and result in losses to MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be. In certain transactions, MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be, may not be hedged against market fluctuations unrelated to the anticipated transaction but which may affect the value of the consideration to be received. This may result in losses, even if the proposed transaction is consummated.

Event Driven Transactions. MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be, may trade securities whose market value is expected to be meaningfully affected by future events. These outcomes may be uncertain and the trading decisions may be based on whether the MIG believes the market price does not accurately reflect the probability of particular outcomes. MIG will need to forecast the likelihood of the events on which trading decisions are based and analyze the likely impact of the event if it occurs. Such events may include a change in the issuer's corporate or capital structure (such as a merger, spin-off or recapitalization), a debt repayment obligation, a management transition or a bankruptcy or financial restrictions. If the proposed event does not occur or is delayed, the market price of the security may decline and result in losses to MIG Diversified Fund, L.P. or MIG Sector Select Fund,

L.P., as the case may be, if at the time MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be, is net long the security. In certain transactions, MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P. may not be hedged against market fluctuations unrelated to the anticipated event but that may affect the value of the consideration to be received. This may result in losses even if the event occurred and the outcome of the anticipated event was beneficial to the position. It is also possible that the short run market reaction to a particular outcome may be unfavorable even if the long-run result is favorable.

The following risk applies solely to an investment in MIG Diversified Fund, L.P.

Asset Backed-/Mortgage Backed Securities (MIG Diversified Fund). The investment characteristics of asset-backed securities and mortgage-backed securities differ from traditional fixed-income securities. Among the major differences are that interest and principal payments are made more frequently (usually monthly), and that principal may be prepaid at any time because the underlying mortgage loans or other assets generally may be prepaid at any time. The frequency of prepayments of principal will be effected by a variety of economic factors, including the prevailing level of interest rates. Prepayment of principal at rates either slower or faster than anticipated may result in losses to MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be. Credit risk may be significant in asset-backed securities and mortgage-backed securities because of the credit risk inherent in the underlying collateral and, in some cases, due to the issuers of the securities being private, non-governmental entities. Mortgage-backed securities may include collateralized mortgage obligations (“CMOs”) and other mortgage derivatives, such as “stripped” interest only (“IO”) and principal only (“PO”) securities. To the extent that MIG Diversified Fund, L.P. or MIG Sector Select Fund, L.P., as the case may be, make investment in these securities, the prepayment risks, interest rate risks and hedging risks associated with these securities may be significantly magnified.

MIG Quantitative Funds

MIG Quantitative Funds use quantitative investment models to manage and construct portfolios. A proprietary quantitative model based on a number of factors including, but not limited to, valuation, momentum, and quality is used to construct expected return forecasts of stocks in the universe.

A portfolio optimizer then combines the expected return forecasts with a risk model to maximize expected return while controlling for risk relative to the appropriate benchmark to come up with portfolio weights. Besides the expected return and risk of the stocks in the universe, the optimizer considers factors such as trading volume, estimated transaction costs, and weights of stocks, sectors, industries and countries relative to the appropriate benchmark.

MIG US Large Cap is a long-only fund that uses a disciplined quantitative investment process based on both proprietary and public academic research to select large capitalization stocks in the US. The strategy seeks to generate excess returns relative to

US Large Cap benchmarks while maintaining risk characteristics similar to the benchmark.

MIG US Small Cap is a long-only fund that uses a disciplined quantitative investment process based on both proprietary and public academic research to select small capitalization stocks in the US. The strategy seeks to generate excess returns relative to US Small Cap benchmarks while maintaining risk characteristics similar to the benchmark.

MIG Global is a long-only fund that uses a disciplined quantitative investment process based on both proprietary and public academic research to select stocks in developed and emerging markets excluding the US. The strategy seeks to generate excess returns relative to global equity benchmarks while maintaining risk characteristics similar to the benchmark.

An investment in MIG Quantitative Funds involves the following risks that are set forth above: Risks Associated with Investments in Securities, Availability of Investment Strategies, Equity Securities, Equity Price Risk (with respect to long positions only), Derivatives, Illiquid Securities, Loans of Portfolio Securities, Non-U.S. Investments and Emerging Markets, Undervalued and Distressed Securities, Brokerage Commissions/Transaction Costs, Small and Medium Capitalization Companies, Purchasing Securities of Initial Public Offering, Unforeseen Events, Concentration of Investments, Systemic Risk, Counterparty and Custodial Risk, Market Liquidity and Leverage, Hedging Transactions, Currency Exposure and Soft Dollars.

Item 9. Disciplinary Information

Neither MIG nor any of its management persons has been subject to any legal or disciplinary events that are material to a Client's or prospective Client's evaluation of MIG's advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

A. Affiliated Broker-Dealers

Neither MIG nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

B. Affiliated Commodity Advisors

Neither MIG nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. Other Affiliations and Conflicts of Interest

The Funds' General Partner. As discussed in **Item 6** above, an affiliate of MIG serve as a general partner to each MIG Fund and is entitled to receive performance-based carried interest distributions from the applicable Fund. The payment of performance fees may create a conflict of interest. As discussed in **Item 6** above, MIG has established policies and procedures addressing the allocation of investment opportunities among its Clients.

MIG Private Equity LLC and MIG Real Estate LLC. Each of MIG Private Equity LLC and MIG Real Estate LLC is a Delaware limited liability company and is an investment adviser affiliated with the Firm. Each of MIG Private Equity LLC and MIG Real Estate LLC is engaged solely in the business of providing investment advisory services to family clients, as that term is defined under the Advisers Act. As the business activities of MIG Private Equity LLC and MIG Real Estate LLC shall be conducted independent of the Firm in accordance with SEC guidance regarding affiliated entities, MIG does not believe that the activities of MIG Private Equity LLC or MIG Real Estate LLC will conflict with the activities of the Firm.

Conflicts Among the MIG Funds. Conflicts of interest may arise as a result of investment decisions concerning the allocation or purchase of securities eligible for purchase among the various investments held by the MIG Funds. In addition to the existing MIG Funds, MIG may establish one or more additional Funds with investment objectives substantially similar to, or different from, those of an existing MIG Fund. Allocation of available investment opportunities among the Funds could give rise to conflicts of interest. In such an eventuality, MIG recognizes that it must allocate such investment opportunities in a manner that is fair to each of the Funds, in light of the facts and circumstances of each situation. Such allocation procedures may take into account the amount of capital that a Fund has available to make the investment as well as the relative size of each Fund. If there is insufficient supply of an investment for each Fund to make such an investment, MIG may institute "rotation" procedures that will provide a Fund that could not previously make the investment because of insufficient supply with a priority allocation in future investments. The Firm has adopted policies and procedures to reduce potential conflicts of interests between its various MIG Funds.

D. Recommendation of Other Investment Advisors

MIG does not recommend or select other investment advisers for its Clients, however it does select other hedge funds as investments for the MIG Diversified Fund, L.P. and the MIG Sector Select Fund, L.P.

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

A. Code of Ethics

MIG has adopted a Code of Ethics (the “Code”) which is included in its Compliance Manual. This obligates all partners and employees and other persons associated with MIG or designated by the Chief Compliance Officer to put the interests of MIG’s Clients before their own personal interests. The Code has been designed to comply with standards set forth by Rule 204A-1 under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”).

Under the Code, MIG’s staff is required to disclose their securities holdings and business activities. Trading in securities in personal accounts of MIG staff is subject to preclearance by the Chief Compliance Officer or his designee. No staff may purchase a security in an initial public offering without first pre-clearing such investment with the Chief Compliance Officer. Trading in employee accounts is reviewed by the Compliance Officer or his designee. Clients and prospective Clients may obtain a copy of the Code by calling 949-474-5800 or emailing ir@migcap.com.

MIG maintains a restricted list which is composed of companies whose securities are subject to certain trading prohibitions due to MIG’s business activities. All accounts and all personal trading accounts are prohibited from investing in securities on the restricted list without prior approval from the Chief Compliance Officer.

B. Purchases and Sales of Securities in which the Firm has Material Financial Interest

MIG's principals, employees and officers may buy and sell securities for Client accounts in which a principal, employee or officer of MIG or MIG itself has a material financial interest.

C. Purchases and Sales of Securities by Clients and the Firm and/or its Affiliates

MIG’s partners, employees or other related persons generally may not purchase or sell securities or interests in which the MIG Funds invest. MIG has established policies and procedures which require prior approval of all personal trades of MIG’s staff, subject to applicable law, blackout periods and post trade review to reduce the risk of front running. All MIG staff must confirm their compliance with these policies and procedures annually.

D. Purchases and Sales of Securities by Clients and the Firm and/or its Affiliates at the Same Time

See Item 11.C.

Item 12. Brokerage Practices

A. Brokerage

In selecting a broker for each specific MIG Fund portfolio transaction, MIG will use its best judgment to choose the broker-dealers most capable of providing “best execution” on an overall basis. As a matter of policy, broker-dealers will not be selected by MIG solely on the basis of price, but will be selected on the basis of an evaluation by MIG of the overall value and quality of the brokerage services provided by such firms to MIG’s MIG Funds.

Best execution generally requires an investment adviser to “execute securities transactions for clients in a manner that the client’s total cost or proceeds in each transaction is the most favorable under the circumstances.” However, the lowest possible commission cost is not necessarily the determinative factor in achieving best execution. Instead, MIG shall “*consider the full range and quality of a broker’s services in placing brokerage including, among other things, the value of research provided as well as execution capability, commission rate, financial responsibility, and responsiveness to the money manager.*” Therefore, consideration of all relevant factors, including certain intangibles, ranging from “soft dollars” to a broker’s customer service is essential in considering and evaluating best execution.

MIG has developed a list of approved brokers, which shall be reviewed and approved by the Firm’s Risk Committee on no less than an annual basis.

MIG’s portfolio managers will periodically review the brokers appearing on the Approved Broker List throughout the year, with the goal of reviewing each broker at least once annually. The CCO shall monitor all (or a statistically significant sampling of) trades to ensure that only those brokers appearing on the Approved Broker List, or that have otherwise been approved in writing, execute trades on behalf of MIG and its clients. Use of an un-approved broker requires prior approval from either the CCO or a member of the Risk Committee.

Research and Other Soft Dollar Benefits.

With respect to its use of soft dollar benefits, MIG intends to comply with Section 28(e) of the Exchange Act, as applicable. To the extent that MIG utilizes broker commissions to obtain research products and services that would otherwise be an expense of MIG, such use of commissions could be viewed as additional compensation to MIG. This may create a potential conflict of interest between MIG’s fiduciary duty to operate the MIG Funds in the best interest of its Clients and the desire to receive such research products and services. In any instance in which MIG receives soft dollar benefits, a Client may pay commissions to the relevant broker which are greater than the amount another broker might charge for the same transaction, but MIG will only do so if it determine in good faith that such amount of commissions is reasonable in relation to the value of the brokerage, products, research and other services provided by such broker.

MIG generally seeks to allocate soft dollar benefits to the specific MIG Fund that paid for such benefits. However, research services received may be used to service other MIF Funds to the extent MIG believes the research is of assistance to MIG in fulfilling its overall duty to its Clients.

The types of products and services MIG received pursuant to soft dollars are as set out under SEC soft dollar guidance.

MIG has adopted policies and procedures regarding the use of Client commissions. In connection with “soft dollar” any products or service, the Chief Compliance Officer shall be responsible for maintaining appropriate records of MIG’s soft dollar transactions (e.g., purchase orders, and records of determination of mixed-used allocations and service valuations, etc.), and will periodically, but no less frequently than quarterly, review and provide such records to the Risk Committee to help ensure that overall best execution is being obtained and that MIG adheres to its fiduciary duties.

Portfolio managers shall refer brokers and service providers who wish to enter into soft dollar arrangements with MIG to the Chief Compliance Officer. The Chief Compliance Officer shall be responsible for monitoring all soft dollar activities, and shall ensure that MIG’s disclosures with respect to soft dollars (including descriptions of the products and services MIG may obtain with soft dollars) are appropriately disclosed in this brochure and any applicable MIG Fund’s PPM or offering documents, as appropriate.

Brokerage for Client Referrals. The Firm does not consider client referrals in selecting or recommending broker-dealers.

Directed Brokerage. As a general matter, the Firm does not enter into direct brokerage arrangements and the Firm does not anticipate that any of its clients will request directed brokerage arrangements.

Item 13. Review of Accounts

A. Account Review

The risk exposures of each MIG Fund are periodically monitored, reviewed and managed by experienced investment professionals who are employed by MIG. The Firm's Risk Committee also meets quarterly to perform an overall review of each MIG Fund's risk metrics. The MIG Funds' risk metrics are generally reviewed by the Funds' portfolio managers on at least a weekly basis.

B. Factors that Trigger an Account Review

Not applicable.

C. Account Statements

MIG currently provides investors and potential investors with performance analytics reports on a monthly basis (MIG Master Fund only), and provides investors outlook reports on a quarterly basis.

Investors in the MIG Funds typically receive written audited annual reports within 120 days of fiscal year end. Moreover, investors in the MIG Funds may receive certain additional information upon request, as set forth in the applicable investor's or Fund's documentation

Item 14. Client Referrals and Other Compensation

A. Benefits from Others for Providing Investment Advice

MIG does not receive any economic benefits from non-clients for providing investment advice or other advisory services to Clients.

B. Client Referrals

MIG generally does not directly or indirectly compensate any person for client referrals, however, to the extent MIG enlists solicitors for advisory business within the United States, it will do so solely in compliance with Rule 206(4)-3 under the Advisers Act.

Item 15. Custody

The Firm is considered to have custody of certain of the assets of the MIG Funds. The Funds' qualified custodian are Goldman Sachs & Co. and Wells Fargo. All of the MIG Funds' certificated investment securities and cash accounts are held by the qualified custodians on behalf of the applicable Fund(s). The applicable qualified custodian sends account statements, at least quarterly, directly to the investors in the MIG Funds. The Firm requires each MIG Fund to distribute its annual audited financial statements to its investors within 120 days of the Fund's fiscal year-end.

Item 16. Investment Discretion

MIG has discretionary authority to manage securities accounts on behalf of each Client, subject to the investment objectives, strategies and policies set forth in the applicable Client's documentation.

Item 17. Voting Client Securities

A. Proxy Voting Authority

Under Rule 206(4)-6 of the Advisers Act, it is a fraudulent, deceptive or manipulative course of business for an investment adviser to exercise voting authority with respect to client securities, unless the adviser has adopted and implemented written policies and procedures that are reasonably designed to ensure that the adviser votes proxies in the best interests of its clients. Under the Rule, the adviser must also describe its policies to clients and provide them to clients upon request and also provide clients with information on how the adviser voted the proxies on their securities. MIG has adopted Proxy Voting Policies and Procedures and utilizes Institutional Shareholder Services (“ISS”), a third party proxy voting service, to assist it in analyzing and voting proxies for the MIG Master and Feeder Funds and the MIG Quantitative Funds. MIG Diversified Fund, L.P. and MIG Sector Select Fund follow a fund-of-funds strategy and proxies are voted by the applicable underlying fund. A copy of ISS’s Proxy Voting Policies and information about how MIG voted an MIG Fund’s proxies may be obtained by contacting the Chief Compliance Officer by calling 949-474-5800 or emailing ir@migcap.com.

B. Limits on Proxy Voting Authority

Not applicable.

Item 18. Financial Information

A. Prepayment of Fees

The Firm does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

B. Financial Impairment

The Firm is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

B. Bankruptcy Petition

The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19. Requirements for State-Registered Advisers

Not applicable.