

Part 2A of Form ADV: Firm Brochure

Item 1: Cover Page

BALLAST CAPITAL MANAGEMENT LLC

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February 8th, 2012

This brochure (“Brochure”) provides information about the qualifications and business practices of Ballast Capital Management LLC (“Ballast”). If you have any questions about the contents of this Brochure, please contact us at (212) 404-1783 or send an email to: pc@ballastllc.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.

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

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

Item 2: Material Changes

Item is not applicable at this time.

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Item 4: Advisory Business

The Adviser is an investment adviser with its principal place of business in New York, New York. The Adviser is a Delaware Limited Liability Company organized under the laws of the State of Delaware in November 2011. Ballast commenced operations as an investment adviser on March 1, 2012 and has been registered with the SEC since March 2012.

Ryan O'Sullivan and Robert Kaynor are the founders and managing partners of Ballast Capital Management, LLC. The Adviser manages investment advisory accounts for clients on a discretionary basis. The Adviser currently serves as sub-adviser to Investcorp Ballast Long Short Opportunity Master Fund Limited, Investcorp Ballast Long Short Opportunity Fund Limited and Investcorp Ballast Long Short Opportunity Fund LLC (the "Investcorp Ballast Funds") that employs a long/short domestic equity strategy. The latter two entities are feeder funds which each invest substantially all of their assets in the master fund.

The Adviser may also accept separately managed accounts, including accounts that are private funds, at any time. Under certain circumstances, the Adviser may agree to tailor advisory services for the needs of separately managed account clients. Such separately managed account clients may impose restrictions on investing in certain securities or certain types of securities.

As of March 1, 2011, Ballast had approximately \$50.5 million client assets under management, all of which were managed on a discretionary basis.

Item 5: Fees and Compensation

The investment manager for the Investcorp Ballast Funds, Investcorp Investment Advisers Limited (the “Investcorp Investment Manager”), receives a monthly management fee each calendar month equal to 1/12th of 2% of the net asset value of the Investcorp Ballast Fund. For purposes of calculating the Management Fee, the Net Asset Value of the relevant assets will not be reduced by the amount of any accrued Incentive Fees (below) that have not yet become payable. The Investment Manager will pay a portion of the Management Fee to Ballast.

Additionally, Ballast receives a performance fee equal to 20% of net new profits (realized and unrealized). Performance-based compensation is charged to all investors at the end of the fiscal year or upon redemption, subject to adjustment (if any) following completion of the annual audit of the Funds' financial statements. The Adviser, as contracted Sub-Adviser to the Investcorp Ballast Funds, receives a portion of the management fee and performance-based compensation at the time that the Investcorp Investment Manager receives such amounts. The Adviser and Investcorp Investment Manager may waive or reduce the management fee and/or performance-based compensation for investors that are members, directors, principals, employees or affiliates of the Adviser, the Investcorp Investment Manager or their affiliates.

In addition to the management fees and performance-based compensation, the Investcorp Ballast Fund, a master-feeder structure in which the feeder funds bear a pro rata share of the expenses associated with the related master fund, will also be subject to other investment expenses such as custodial charges, brokerage fees, commissions and related costs; research services; interest expenses; taxes, duties and other governmental charges; legal and organizational expenses; fund administration and accounting costs; audit and tax preparation expenses; transfer and registration fees or similar expenses; costs associated with foreign exchange transactions; other portfolio expenses; and costs, expenses and fees associated with products or services that may be necessary or incidental to the operation of the Investcorp Ballast Fund.

For Separate Accounts in excess of \$100 million, management and performance fees are negotiable. Ballast's fees do not include and are in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by each Separate Account. Separate Accounts may incur certain charges imposed by custodians, brokers and other financial service firms such as custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage *Ballast Capital Management, LLC* accounts and securities transactions.

Item6: Performance-Based Fees and Side-By-Side Management

As indicated above in "Fees and Compensation", Ballast receives performance fees in addition to asset-based management fees.

The presence of performance-related compensation alone might create an incentive for Ballast to favor one or more Separate Accounts over other Separate Accounts, especially if one or more Separate Accounts were more likely to trigger a performance fee or if one or more Separate Accounts were subject to higher performance fees. Ballast has a fiduciary duty to treat all clients fairly and equitably and has adopted policies and procedures to address such potential conflicts. As an example, in order to ensure the fair and equitable allocation of investment opportunities, Ballast has adopted policies and procedures which, among other things, generally require pre-trade pro rata allocations among Separate Accounts participating in an aggregated trade and same day review by Ballast's Chief Compliance Officer. Ballast's policies prohibit preferential allocations to accounts paying higher fees.

Item 7: Types of Clients

Ballast's provides investment management services to individual high net worth investors, institutional investors, and private investment funds.

Additionally, the Adviser may provide investment advisory services to separate managed accounts, provided such managed accounts meet certain size and other appropriate criteria as determined by the Adviser in its sole discretion on a case by case basis.

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

Ballast provides discretionary investment management services focused on in-depth fundamental analysis on both long and short opportunities with an emphasis on capital preservation. Ballast seeks to achieve its investment objective by using bottom-up, fundamental analysis paired with a “Stock Cycle” view to maximize each position's risk/return profile for a given market environment. Ballast focuses on generating alpha from both long and short investments while using low net equity and beta exposures. Ballast seeks to construct a portfolio using a risk management process that takes into account exogenous risk factors such as market cap, duration, liquidity, currency risk, style and other risk factors.

Ballast generally maintains a non-cyclical, absolute return focus to short investments. Ballast targets short investments that have both near and long term catalysts that lead to deteriorating fundamentals. Ballast seeks to maintain a dynamic approach to managing its short strategy as different catalysts are effective in different market environments. Ballast focuses on unsustainable value for its long positions. Ballast's investment team seeks asymmetric risk/reward profiles for long positions, with definable downside exposure. The team uses classic fundamental analysis to seek to identify mispriced improvements, and then pairs this analysis with a “Stock Cycle” view in an effort to enhance the return profile.

Risk of Loss

The success of Ballast's investment activities will depend on the ability to identify investment opportunities as well as to assess the import of news and events that may affect the financial markets. Identification and exploitation of the investment strategies to be pursued by Ballast involves a high degree of uncertainty. No assurance can be given that Ballast will be able to locate suitable investment opportunities in which to deploy all assets or to exploit discrepancies in the securities and derivatives markets.

Short Sales

The Fund may seek to realize additional gains or hedge investments through short sales. Short selling transactions expose the Adviser to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by the Adviser in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs the Adviser might be compelled, at the most disadvantageous time, to replace the borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

Equity Securities

The value of equity securities fluctuates in response to various factors. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example; Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Terrorism and related geopolitical risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Security Futures and Options

The risk of loss when using futures contracts and options increases when imperfect correlations between changes in market value of a security and the prices of the futures contracts and options occur. In addition, the Adviser's investments in security futures and options may encounter a lack of a liquid secondary market for a futures contract and the resulting inability to lose a futures position prior to its maturity date.

Item 9: Disciplinary Information

This item is not applicable.

Ballast has no legal or disciplinary events to report.

Item 10: Other Financial Industry Activities and Affiliations

This item is not applicable.

Ballast has no other financial activities and/or affiliations to report.

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

Ballast believes that high ethical standards are essential for the success of Ballast, and to maintain the confidence of clients and investors in investment funds managed by Ballast. Ballast's long-term business interests are best served by adherence to the principle that the interests of clients come first. We have a fiduciary duty to clients to act solely for the benefit of our clients. All personnel of Ballast, including directors, officers and employees of Ballast must put the interests of Ballast's clients before their own personal interests and must act honestly and fairly in all respects in dealings with clients. All personnel of Ballast must also comply with all federal securities laws. In recognition of Ballast's fiduciary duty to its clients and Ballast's desire to maintain its high ethical standards, Ballast has adopted this Code of Ethics (the "Code") containing provisions designed to prevent improper personal trading, identify conflicts of interest and provide a means to resolve any actual or potential conflicts in favor of Ballast's clients.

The Code includes policies and procedures reasonably designed to prevent the unlawful use of material non-public information by Ballast or any of its officers or employees.

Ballast's principals and employees generally may not trade for his or her own account, or the account of an affiliated party (an "Affiliated Account") without the prior written consent of Mr. O'Sullivan, or, in his absence, the Chief Operating Officer, Philip Cialdella. All officers and employees are required to pre-clear personal securities transactions in private placements and are required to have duplicate copies of confirmations or statements sent to Ballast in order to monitor compliance with our personal trading policies and procedures. Personal securities transactions in exchange-traded funds are permitted, but must be reported to Ballast's Chief Compliance Officer.

Adherence to the Code and the related restrictions on personal investing is considered a basic condition of employment by Ballast. If you have any doubt as to the propriety of any activity, you should consult with the Chief Compliance Officer, who is charged with the administration of this Code of Ethics.

Clients or prospective clients may obtain a copy of Ballast's Code by contacting Philip Cialdella, the Chief Compliance Officer, via e-mail at pc@ballastllc.com or by telephone at (212) 404-1783.

Item 12: Brokerage Practices

Trade Aggregation and Allocation

Ballast has the discretionary authority to decide which securities are to be purchased and sold for clients and the quantity of those securities to be purchased and sold.

Ballast has the discretionary authority, in its sole judgment, to determine the broker or dealer to be used for each securities transaction for all of its clients.

Ballast considers a number of factors in selecting brokers or dealers to execute transactions and determining the reasonableness of the broker-dealers compensation. Such factors include, among others, the following:

- i. financial stability of the broker-dealer;
- ii. the actual executed price of the security and the broker-dealers commission rates;
- iii. research;
- iv. custodial and other services provided by such broker-dealers that are expected to enhance Ballast's general portfolio management capabilities;
- v. the size and type of the transaction;
- vi. the difficulty of execution and the broker-dealers ability to handle difficult trades;
- vii. the operational facilities of the brokers and/or dealers involved (including back office efficiency);
- viii. and the ability to handle a block order for securities and distribution capabilities.

In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealers compensation, Ballast need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Ballast does not negotiate "execution only" commission rates, thus clients may be deemed to be paying for research and other services provided by the brokers who are included in the commission rate. On at least an annual basis, the Chief Investment Officer, Chief Operating Officer, Compliance Officer and other portfolio management staff if necessary will meet to evaluate the execution performance of brokers.

Ballast endeavors to act at all times in the best interests of its clients.

Soft Dollars

As indicated above, Ballast may consider the quality and amount of research and/or trading services that are provided when evaluating a broker's ability to provide best execution. These services are of the type described in Section 28(e) of the Securities Exchange Act of 1934, as amended, a "safe harbor" to investment managers who use commission dollars of their advisory accounts (so-called "soft-dollar" arrangements) to obtain investment research, brokerage and other services. In order to avail itself of the Section 28(e) safe harbor, such service must provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities, and the cost of such service must bear a reasonable relationship to the value of the service being provided. Ballast will utilize allocations of commission dollars to acquire various research and portfolio management tools, such as investment quotation services, news services and economic, industry and individual company research reports, among others. Such

research and other services obtained are also used for all Separate Accounts and accordingly, a service may be used to benefit Separate Accounts other than those whose trades generated the commissions paid to the broker providing the services.

Item 13: Review of Accounts

Ballast's investment team, led by Robert Kaynor, review the investments in the portfolio of the investment fund (e.g. Investcorp Ballast Long/Short US Opportunity Fund) that it advises (the "Fund") for soundness of opportunity and risk/reward profile in light of current market conditions on a regular basis. Each position is reviewed regularly. Positions are also reviewed anytime there is a fundamental event (e.g. earnings announcements, mergers or acquisitions, dividends paid, etc.), a technical event (e.g. price dislocation in the underlying market, industry, sector, or sub-sector), or MAC (Material Adverse Change). The review process includes updating and verifying the inputs to the qualitative model.

In addition to the reviews, Investors also generally receive performance snapshots on a monthly basis and Ballast delivers a monthly investor letter discussing performance and market trends, among other things.

Item 14: Client Referrals and Other Compensation

This item is not applicable.

Ballast currently has no arrangements with affiliated nor unaffiliated third parties pursuant to which such third parties will be paid a referral fee for soliciting and introducing investors to Ballast.

Item 15: *Custody*

This item is not applicable.

Ballast does not accept physical custody of Separate Account assets, including the receipt of securities, cash or checks, at any time.

Separate Accounts will enter into separate custodial/clearing agreements directly with their broker-dealer or custodian, and generally receive account statements from their broker-dealer, bank or other qualified custodian that holds and maintains their investment assets.

Item 16: Investment Discretion

Ballast provides investment advisory services on a discretionary basis to clients. Ballast may consider the following factors, among others, in allocating securities among clients: (i) client investment objectives and strategies; (ii) client risk profiles; (iii) tax status and restrictions placed on a client's portfolio by the client or by applicable law; (iv) size of the client account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows. Although it is Ballast's policy to allocate investment opportunities to eligible client accounts on an equitable and a pro rata basis (based on the value of the assets of each participating account relative to value of the assets of all participating accounts) when applicable, these factors may lead Ballast to allocate securities to client accounts in varying amounts.

Certain client accounts that are typically managed on a pari passu basis may from time to time receive differing allocations of securities because of these factors. Allocations will be made among client accounts eligible to participate in initial public offerings (IPOs) and secondary offerings on a pro rata basis, except when the Adviser determines in its discretion that a pro rata allocation is not appropriate, which may include a client's investment guidelines explicitly prohibiting participation in IPOs or secondary offerings and a client's status as a "restricted person" under applicable regulations.

Ballast may execute cross transactions between discretionary client accounts, except as otherwise noted below. Cross transactions enable the Ballast to execute a trade between two clients for the same security at a set price, thereby possibly avoiding an unfavorable price movement that may be created through entrance into the market and saving commission costs for both accounts.

Cross transactions may include rebalancing transactions that are undertaken so that, after withdrawals or contributions have occurred, the portfolio compositions of similarly managed accounts remain substantially similar. Cross transactions between client accounts are not permitted if they would constitute principal trades or trades for which Ballast or its affiliates are compensated as a broker unless client consent has been obtained based upon written disclosure to the client of the capacity in which the Adviser or its affiliates will act.

Separate Accounts are required to enter into a formal investment management agreement (IMA) with Ballast setting forth the terms and conditions under which Ballast will manage their assets. Ballast manages all Separate Accounts on a discretionary basis. When Ballast is granted full trading authority over the account, providing for full discretion to buy, sell or otherwise effect investment transactions, discretion is granted under a formal investment management agreement.

Separate Account consent is not required in connection with such transactions. Separate Accounts may provide certain restrictions to and guidelines for Ballast's management of their portfolios, which shall be set forth in the applicable investment management agreement with each Separate Account. Ballast's Chief Compliance Officer is responsible for ensuring that Ballast has information setting forth each Separate Account's investment objectives, policies and restrictions and for making investments that are consistent with this information. It is the responsibility of Ballast's Chief Compliance Officer to monitor compliance with Separate Account objectives, policies and restrictions.

Item 17: Voting Client Securities

Ballast has adopted Proxy Voting Policies and Procedures ("Procedures") that are designed to ensure that when it does vote proxies for client securities, the Adviser votes in the best interests of its clients. The Procedures require that the Adviser identify and address conflicts of interest between the Adviser and its clients.

The Adviser generally votes in favor of routine corporate housekeeping proposals, such as electing directors and selection of auditors. For all other proposals, the Adviser will determine whether a proposal is in the best interests of its clients and may take into account the following factors, among others:

- i. whether the proposal was recommended by management and the Adviser's opinion of management;
- ii. whether the proposal acts to entrench existing management; and (iii) whether the proposal fairly compensates management for past and future performance.

Clients may obtain a copy of the Adviser's Procedures and information about how the Adviser voted a client's proxies by contacting Philip Cialdella by telephone at (212) 404-1783 or via e-mail (pc@ballastllc.com).

Ballast will not take any action or render any advice to Separate Accounts with respect to the voting of proxies solicited by, or with respect to issuers of any securities held in a Separate Account. In such cases, the Separate Account shall be responsible for directing the manner in which proxies solicited by issuers shall be voted and for making elections relative to mergers, acquisitions, tender offers, bankruptcy proceedings, class actions and other events pertaining to the Separate Account's investment assets. Separate Accounts also correspondingly instruct each custodian to forward to the Separate Account copies of all proxies and shareholder communications relating to the Separate Account's investment assets.

To the extent that Ballast assumes the duty of voting proxies for a Separate Account, Ballast will vote them in accordance with guidelines provided by a Separate Account and, in the absence of guidelines; Ballast will endeavor to vote proxies in the best interests of each Separate Account. Although voting certain proxies may be subject to the discretion of Ballast, Ballast is of the view that voting proxies in accordance with the following general guidelines is in the best interests of the Separate Account:

- i. Ballast will generally vote in favor of routine corporate housekeeping proposals including, but not limited to the following:
 - a. election of directors (where there are no related corporate governance issues);
 - b. selection or reappointment of auditors; or
 - c. an increase in or reclassification of common stock.
- ii. Ballast will generally vote in favor of proposals by management or shareholders concerning compensation and stock option plans that will make management and employee compensation more dependent on long-term stock price performance.
- iii. Ballast will generally vote against proposals that make it more difficult to replace members of the issuer's board of directors or board of managers, introduce unequal voting and make it more difficult for an issuer to be taken over by outsiders (and in favor of proposals to do the opposite).

- iv. Ballast will generally vote against proposals to move the company to another state less favorable to shareholders' interests, or to restructure classes of stock in such a way as to benefit one class of shareholders at the expense of another, such as dual classes (A and B shares) of stock.

If a material conflict of interest exists, the Adviser will determine whether voting in accordance with the guidelines set forth in the Procedures is in the best interests of the client or to take some other appropriate action.

Item 18: Financial Information

Ballast does not require or solicit prepayment of any fees.

Ballast has never been the subject of a bankruptcy petition.

Item 19: Requirements for State-Registered Advisers

This item is not applicable - Please see table below re the Hedge Fund Registration Process

Hedge Fund Registration Process

[1.] New deadline: March 30, 2012.

The SEC recommends filing the application for registration by February 14, 2012. (This includes Part II of Form ADV, or brochure equivalent.

Submission via IARD sytem

[2.] \$150mm in gross assets requires SEC registration. (e.g.: If a fund has \$75mm in net assets, but has a levered multiplier of 2, they meet the \$150mm req.)

Firms that fall under the \$25mm to \$100mm will be termed "MID-SIZED ADVISORS"

\$25 to \$100mm in gross assets shifts to the states - EXCEPT NEW YORK, WY, and MN. With principal office/place of business in NY; Register with SEC.

[3.] Standard information disclosure: basic org and ops info on the fund. General info on ownership and size of fund and fund data.

Identification of Auditors, Prime Brokers, Custodians, Administrators, and Marketers.

A uniform calculation for "assets under management."

[4.] I will continue to review the 235 pager to find potential valuable points, and will keep you apprised. The above is complete, though.