

**PART 2A OF FORM ADV:  
FIRM BROCHURE**

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**This Brochure provides information about the qualifications and business practices of Gerry Farber, LLC (the “Adviser”). If you have any questions about the contents of this brochure, please contact Patty L. Nelson at 212-752-1538 or [pnelson@gfarberllc.com](mailto:pnelson@gfarberllc.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 the Adviser also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **ITEM 2 – MATERIAL CHANGES**

This is the first version of the Adviser's Brochure. Accordingly, there are no prior versions of the Brochure and no material changes to be noted.

In the future, when the Adviser amends its Brochure for its annual update and the amended version contains material changes from the last annual update, the Adviser will identify and discuss those changes either on this page or as a separate document accompanying the Brochure. For documentation purposes, the Adviser will provide the date of the last annual update of its Brochure.

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## ITEM 4 – ADVISORY BUSINESS

<p><b>Item 4.A</b></p>	<p><b>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</b></p> <p>Founded in 2007, Gerry Farber, LLC (<b>the “Adviser”</b>) is a Delaware limited liability company that is primarily owned and controlled by Gerald P. Farber (the <b>“Portfolio Manager”</b>). As of the date of this Brochure, the Adviser provides discretionary advisory services to certain pooled investment vehicles organized as private investment funds as follows: Farber Continuum Fund, L.P., a Delaware limited partnership (the <b>“Fund”</b>); and Farber Continuum QP Fund, L.P., a Delaware limited partnership (the <b>“QP Fund”</b> and with the Fund, the <b>“Funds”</b>). The Funds are managed pari passu and are not part of a master-feeder structure.</p> <p>The Fund initially commenced operations as WPG-Farber Partners Fund, L.P. on March 17, 1986. It then changed its name to WPG-Farber Present Fund, L.P. on January 1, 1998, again on December 31, 2001 to WPG-Farber Fund, L.P. and again to Robeco WPG Farber Continuum Fund, L.P. on December 31, 2006. On January 1, 2008, the Fund changed its name to Farber Continuum Fund, L.P.</p> <p>The QP Fund was formed in February 1998 as WPG-Farber, Present QP Fund, L.P., and commenced operations on January 4, 1999. It then changed its name on December 31, 2002 to WPG-Farber QP Fund, L.P. and again the QP Fund changed its name to Robeco WPG Farber Continuum QP Fund, L.P. on December 31, 2006. On January 1, 2008, the QP Fund changed its name to Farber Continuum QP Fund, L.P.</p> <p>Farber Manager, L.L.C., (the <b>“General Partner”</b>) a Delaware limited liability company, of which Gerald P. Farber is the sole member, serves as the general partner of the Funds.</p> <p>Farber Advisers, L.L.C., a Delaware limited liability company of which Mr. Farber is the managing member, has been designated as a <b>“Special Limited Partner”</b> of the Funds.</p> <p>The Adviser may in the future also provide discretionary investment advisory services to separately managed accounts (the <b>“Managed Accounts”</b>, and together with the Funds, the <b>“Advisory Clients”</b>).</p>
<p><b>Item 4.B</b></p>	<p><b>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</b></p> <p>The Funds invest primarily in equity securities of United States corporations traded on national securities exchanges and in the over-the-counter market, with the objective of achieving maximum capital appreciation. In circumstances deemed appropriate by the Portfolio Manager, the Funds also may make investments in bonds or other fixed income securities issued by United States corporations or the United States Government. Current income is not a primary objective, but is considered in attempting to maximize the Funds’ total return on investments. The Funds’ investments in debt instruments are expected to be de</p>

	<p>minimis.</p> <p>Each Fund’s structure, investment objective and strategy is set forth in a confidential private offering memorandum (each a “CPOM”) provided to each investor in the relevant Fund (each an “Investor”).</p>
Item 4.C	<p><b>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</b></p> <p>The Adviser neither tailors its advisory services to the individual needs of Investors nor accepts Investor-imposed investment restrictions. It should be noted that the Adviser has in the past and may in the future, enter into letter agreements or other similar agreements (collectively, “Side Letters”) with one or more Investors that provide such Investors with additional and/or different rights or terms than those set forth in the Funds’ offering documents. In particular, such rights in the past have included increased transparency.</p> <p>In addition, the Adviser may in the future establish Managed Accounts that may be subject to different investment objectives, restrictions, terms and/or fees than those of the Funds. Such investment objectives, fee arrangements and terms would be individually negotiated, and it should be noted that any such Managed Account relationships would generally be subject to significant account minimums.</p>
Item 4.D	<p><b>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</b></p> <p>The Adviser does not participate in wrap fee programs.</p>
Item 4.E	<p><b>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a <i>non-discretionary basis</i>. Disclose the date “as of” which you calculated the amounts.</b></p> <p>As of December 31, 2011, the Adviser manages \$159,022,752 of Advisory Client regulatory assets on a discretionary basis. The Adviser does not currently manage any Advisory Client assets on a non-discretionary basis.</p>

## ITEM 5 – FEES AND COMPENSATION

<p><b>Item 5.A</b></p>	<p><b>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</b></p> <p>The Funds offer interests or shares (as applicable) only to certain qualified investors and admission in the Funds is not open to the general public. Interests or shares (as applicable) are sold only to qualified investors who are “accredited investors” under Rule 501 of Regulation D of the Securities Act of 1933, as amended, and in the case of the QP Fund “qualified purchasers” as such term is defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended.</p> <p>The Adviser deducts fees from each Fund’s assets. With respect to the Funds, the Adviser generally deducts a quarterly management fee (the “<b>Management Fee</b>”) of 1% per annum for the capital accounts of those Investors who became Investors prior to January 1, 2011 and 1.5% per annum for the capital accounts of any subsequent new Investors, determined by taking the average of such capital accounts’ net asset value at the beginning and end of each quarter.</p> <p>The Special Limited Partner also charges performance-based compensation in the form of an incentive allocation (the “<b>Incentive Allocation</b>”). The Incentive Allocation is generally calculated and charged as of the last day of each fiscal year. The Incentive Allocation is subject to a high water-mark provision, such that generally an Investor will not be charged an Incentive Allocation until any net loss previously allocated to such Investor has been offset by subsequent net profits.</p> <p>The Adviser may, in effect, waive, reduce or rebate the Management Fee or Incentive Allocation for certain Investors including the Special Limited Partner, the managing member of Farber Manager, L.L.C. and the members of its families and trusts and other entities for their benefit.</p> <p><b>It is critical that Investors refer to the relevant Fund’s governing documents for a complete understanding of how the Adviser is compensated for its advisory services.</b></p>
<p><b>Item 5.B</b></p>	<p><b>Describe whether you deduct fees from <i>clients</i>’ assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</b></p> <p>The Adviser/Special Limited Partner deducts applicable fees from each Investor’s capital account. Investors do not have the ability to choose to be billed directly for fees incurred.</p> <p>Please see the response to Item 5.A above for a summary of how often fees are deducted.</p> <p><b>It is critical that Investors refer to their respective Fund’s governing documents for a complete understanding of how fees are deducted from their assets. This is particularly true with respect to the description of the performance-based compensation above. The information contained herein</b></p>

	<p>is a summary only and is qualified in its entirety by the relevant Fund's governing documents.</p>
Item 5.C	<p><b>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</b></p> <p>In addition to fees payable to the Adviser, The Funds will incur certain expenses including (but not limited to) the following:</p> <ul style="list-style-type: none"> <li>• expenses directly related to the investment of the Funds' assets, including brokerage commissions;</li> <li>• legal expenses;</li> <li>• accounting, auditing and tax preparation expenses;</li> <li>• fees of the Administrator;</li> <li>• taxes;</li> <li>• insurance premiums;</li> <li>• expenses incurred in connection with the offering and sale of limited partnership interests; and</li> <li>• extraordinary expenses which the Adviser reasonably determines should not be considered normal and recurring expenses of the Adviser.</li> </ul> <p>The Adviser bears all of the Funds' normal and recurring operating expenses and provides to the Funds office space and utilities, telephone, news, quotation and computer equipment and services, administrative services, and secretarial, clerical and other personnel. Expenses other than normal and recurring operating expenses (e.g., taxes, investment expenses, legal expenses, accounting, auditing and tax preparation expenses, fees of the Administrator, insurance premiums, expenses relating to the offer and sale of limited partnership interests, and extraordinary expenses) are borne by the Funds.</p> <p>Please note that Investors will indirectly incur brokerage and other transaction costs related to their investment in the Funds. Please see Item 12 of this brochure for a more detailed discussion of the Adviser's brokerage practices.</p> <p><b>It is critical that Investors refer to the relevant governing documents for a complete understanding of fees and expenses they may pay. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>
Item 5.D	<p><b>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</b></p> <p>As noted in Item 5.A above, with respect to the Funds, the Adviser deducts the Management Fee quarterly in arrears. To the extent a capital contribution is made as of any day that is not the first day of a fiscal quarter, the Management Fee is prorated.</p> <p>Investors generally may withdraw from a Fund by providing written notice to the Adviser. In each case, withdrawals will be subject to significant conditions and</p>

	<p>restrictions, which are also set forth in the relevant Fund’s governing documents. Such conditions, restrictions, and limitations may include, without limitation:</p> <ul style="list-style-type: none"> <li>○ The condition that withdrawal requests be properly submitted in accordance with the relevant Fund documents and in a timely manner;</li> <li>○ The condition that any relevant holding period applicable to the interests has expired;</li> <li>○ The condition that withdrawals, the calculation of net asset value, or the ability of Investors to withdraw have not been suspended (in whole or in part);</li> <li>○ Restrictions on the timing of withdrawal payments;</li> <li>○ Limitations on the amount paid to a withdrawing Investor due to hold backs or reserves for certain expenses, Fund liabilities, and contingencies, among others; and</li> <li>○ Limitations on the method of withdrawal payments (i.e., in cash or in kind).</li> </ul> <p>The Adviser, in its sole discretion, may waive or modify any provision relating to withdrawals for Investors.</p> <p><b>It is critical that Investors refer to the relevant Fund’s governing documents for a complete understanding of withdrawal terms. The information contained in this Item 5 is a summary only and is qualified in its entirety by the relevant Fund’s governing documents.</b></p>
<b>Item 5.E</b>	<p><b>If you or any of your <i>supervised persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</b></p> <p>Not applicable to the Adviser.</p>
<b>Item 5.E.1</b>	<p><b>Explain that this practice presents a conflict of interest and gives you or your <i>supervised persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client’s</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend “no-load” funds.</b></p> <p>Not applicable to the Adviser.</p>
<b>Item 5.E.2</b>	<p><b>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</b></p> <p>Not applicable to the Adviser.</p>
<b>Item 5.3.3</b>	<p><b>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</b></p> <p>Not applicable to the Adviser.</p>



<b>Item 5.E.4</b>	<p><b>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</b></p> <p>Not applicable to the Adviser.</p>
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## ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

If you or any of your *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *supervised persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *supervised persons* face by managing these accounts at the same time, including that you or your *supervised persons* have an incentive to favor accounts for which you or your *supervised persons* receive a *performance-based fee*, and describe generally how you address these conflicts.

As noted in Item 5.A above, the Special Limited Partner receives performance-based compensation in the form of an Incentive Allocation. While each Fund managed by the Adviser pays performance-based compensation, it should be noted that an Incentive Allocation is typically not charged to the Special Limited Partner, the managing member of Farber Manager, L.L.C. and the members of its families and trusts and other entities for their benefit.

The possibility that the Adviser may receive performance-based compensation creates a potential conflict of interest in that it may create an incentive to make investments that are riskier or more speculative than in the absence of such a performance-based fee. Investors are provided with clear disclosure as to how performance-based compensation is charged with respect to each Fund and the risks associated with such performance-based compensation prior to making an investment.

The Adviser recognizes that it is a fiduciary and as such must act in the best interests of the Advisory Clients and Investors. Further, the Adviser recognizes that it must treat all clients fairly and must refrain from favoring one client's interests over another's.

The foregoing summary does not purport to be complete and is qualified in its entirety by the detailed information contained in each Fund's offering materials, governance documents and other constituent agreements, including information regarding performance-based compensation paid to the Adviser. Prospective Investors are urged to carefully review the same prior to making any investment decision.

## ITEM 7 – TYPES OF CLIENTS

**Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.**

The Adviser provides investment advisory services to pooled investment vehicles operating as private investment funds. Each Investor in the Funds must meet the eligibility provisions outlined in Item 5.A above. The minimum initial investment for each Fund is \$1,000,000. These minimums are subject to waiver at the discretion of the General Partner.

Managed Accounts may be set up for certain large or strategic investors, at the Adviser's sole discretion and will be subject to individually negotiated terms.

## ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Item 8.A	<p><b>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</b></p> <p>The Adviser provides investment advisory services to the Funds. As the investment adviser to the Funds, the Adviser seeks to achieve above-average capital appreciation primarily through (i) long positions in, and options on, primarily equity securities of medium-to-large size companies traded on national securities exchanges and in the over-the-counter market which the Portfolio Manager believes to be under-priced relative to anticipated future earnings, cash flow or asset value and (ii) short positions in, and options on, such companies when the Portfolio Manager believes them to be overvalued. Additionally, when deemed appropriate by the Portfolio Manager, the Funds use leverage and options on stock indices. Options are used both as independent profit opportunities and to hedge existing long and short positions. Furthermore, the Funds may invest in illiquid or restricted securities of both public and private companies.</p> <p>In making investment decisions, the Portfolio Manager generally considers the following:</p> <ul style="list-style-type: none"> <li>• macroeconomic and microeconomic factors likely to influence the direction of the stock market;</li> <li>• the impact of the above factors on specific industry groups and individual companies within each industry; and</li> <li>• structural changes within an industry that may affect its future profitability or companies within that industry.</li> </ul> <p>Most importantly, the Funds seek to identify investment opportunities in undervalued and overvalued securities, as well as in special situations. The Portfolio Manager believes that the increasing institutional dominance of the equity markets has created unusual opportunities in secondary stocks. An undervalued or overvalued security may be described as a security of a company which seems underpriced or overpriced relative to its future earnings, cash flow or asset value. A “special situation” may be described as a security of a company in which an unusual and possibly non-repetitive development is taking place which, in the opinion of the Portfolio Manager, may cause the security to attain a higher market value independently, to a degree, of the trend in the securities markets in general. The particular development (actual or prospective) which may qualify a security as a special situation may be one of many different types, such as a technological improvement or important discovery or acquisition which, if the expectation for it materialized, would effect a substantial change in the company’s business; a reorganization; a recapitalization or other development involving a security exchange or conversion; a merger, liquidation or distribution of cash, securities or other assets; a break-up or workout of a holding company; litigation which, if resolved favorably, would improve the value of the company’s stock; a new or changed management; or material changes in management policies. A</p>
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	<p>special situation may often involve a comparatively small company which is not well known and which has not been closely watched by investors generally, but it may also involve a large company.</p> <p>Investments in smaller or lesser-known companies can involve greater risks than investments in large well-known companies with greater market liquidity. The Portfolio Manager attempts to minimize risk by carefully analyzing each investment and seeking to maintain contact with the management of companies invested in by the Funds. The Funds have not established standards for diversification of investments. Portfolio holdings are concentrated in those industries and companies which, in light of investment considerations, market risks and other factors, the Portfolio Manager believes provide an opportunity for the maximum potential capital appreciation.</p> <p><b>Each of the Funds has broad and flexible investment authority. The Funds may have other strategies or engage in other activities than those described herein. It is critical that Investors refer to the relevant Fund's governing documents for a complete understanding of that Fund's investment objective and strategy. The information contained in this Item 8 is a summary only and is qualified in its entirety by the relevant Fund's governing documents.</b></p> <p><b>An investment in the Funds may be deemed speculative and is not intended as a complete investment program. The Funds are designed only for experienced and sophisticated persons who are able to bear the risk of substantial impairment or total loss of their investment in the Funds.</b></p>
<b>Item 8.B</b>	<p><b>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.</b></p> <p><b>General Risks Associated with Trading Activities.</b> In the ordinary course of business, the Funds are exposed to and manage a variety of risks including, but not limited to, market risk, credit risk, liquidity risk, operational risk and other more specific risks described below. The Funds may seek to identify, measure and monitor risk through various control mechanisms, including position limits, capital-usage limits, stress testing, and diversifying exposures and activities. In addition to the Adviser's effective management of risk, the success of the Funds' investment activities will also depend on the Adviser's ability to identify and exploit these price discrepancies in the market. Identification and exploitation of market opportunities involve uncertainty and no assurance can be given that the Adviser will be able to locate investment opportunities or to correctly exploit these price discrepancies. A reduction in the pricing inefficiency of the markets in which the Funds will seek to invest will reduce the scope for the Funds' investment strategies.</p> <ul style="list-style-type: none"> <li>• <u>Market Risk.</u> Market risk is the risk of potential adverse changes to the value of financial instruments and their derivatives because of changes in market conditions like interest and currency rate movements and volatility in commodity or security prices. The trading strategy utilized by the Funds involve some, and occasionally a significant degree of, market risk.</li> </ul>

	<p>The profitability of the Funds, depends, in part, upon the Adviser correctly assessing future price movements of securities and other financial instruments. The Funds cannot assure any Investor that the Adviser will accurately predict these price movements. General economic conditions that affect the prices of securities and other financial instruments and liquidity of markets in which the Funds trade could affect adversely the success of the Funds' trading program. Consequently, the securities and other financial instruments held by the Funds may be difficult to sell at quoted price.</p> <ul style="list-style-type: none"> <li>• <u>Credit Risk.</u> The Funds expects to maintain trading relationships with counterparties that include U.S. and non-U.S. broker-dealers and other financial institutions; these relationships could result in concentration of credit risk. The Funds could also be exposed to credit risk if counterparties fail to fulfill their obligations or the value of any collateral becomes inadequate. The Funds seek to control credit risk by frequently monitoring net exposure to individual counterparties, and requiring additional collateral where appropriate, but there can be no guarantee that the Funds will not incur losses due to default on the part of a counterparty to a transaction.</li> <li>• <u>Liquidity Risk.</u> Liquidity risk arises in the general funding of the Funds' trading activities. It includes the risk of the Funds not being able to fund trading activities at settlement dates, or liquidate securities positions in a timely manner at a reasonable price. The Funds may invest in securities which are subject to legal or other restrictions on transfer, which are thinly-traded or for which no liquid market exists. The market prices, if any, for such securities tend to be volatile and may not be readily ascertainable, and the Funds may not be able to sell them when they desire to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid securities 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. The Funds may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. Finally, if a substantial number of Investors were to withdraw from the Funds and the Funds did not have a sufficient amount of cash and liquid securities to satisfy in cash such requests, the Funds might have to meet such redemption requests through distributions of illiquid securities. The Funds seek to manage this liquidity risk by investing primarily in marketable securities and obtaining financing for their trading activities through the use of margin agreements with the Funds' prime brokers.</li> <li>• <u>Operational Risk.</u> Operational risk is the potential for loss caused by a deficiency in information, communication, transaction processing and settlement and accounting systems. The Funds (or their agents) maintain controls that include systems and procedures to record and reconcile transactions and positions, and to obtain necessary documentation for their trading activities.</li> </ul>
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	<p><b>Derivative Financial Instruments and Techniques.</b> The Funds may use derivative financial instruments, including, without limitation, options, swaps, notional principal contracts, contracts for differences, futures and forward contracts, and may use derivative techniques for hedging and for other trading purposes, including for the purpose of obtaining the economic benefit of an investment in an entity without making a direct investment. The risks posed by such instruments and techniques, which can be extremely complex and may involve leveraging of the Funds' assets, include: (1) credit risks (the exposure to the possibility of loss resulting from a counterparty's failure to meet its financial obligations); (2) market risk (adverse movements in the price of a financial asset or commodity); (3) legal risks (the characterization of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could preempt otherwise enforceable contract rights); (4) operations risk (inadequate controls, deficient procedures, human error, system failure or fraud); (5) documentation risk (exposure to losses resulting from inadequate documentation); (6) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (7) system risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (8) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (9) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty).</p> <p>The Adviser may trade in credit default, total return and interest rate swaps. The primary risk associated with credit default swaps is that if a certain event were to occur with respect to the underlying entity which is the object of the swap (i.e., bankruptcy, debt restructuring or acceleration, or the failure to pay principal or interest when due), the Adviser (if the seller) would have to pay the buyer of the swap a premium. The risks posed in investing in total return swaps, where one party pays interest (floating or fixed) on a certain amount in exchange for receiving amounts equal to the change in value of the referenced asset, are that the Adviser will inaccurately predict the future value of the referenced asset. Finally, the primary risk associated with the Adviser being a party to an interest rate swap (i.e., when a fixed interest rate is swapped for that of a variable interest rate), is that the Adviser will incorrectly predict the future variable interest rate.</p> <p>In connection with the Funds' futures trading, because low margin deposits are normally required, the Funds' futures trading may be highly leveraged, and accordingly, a relatively small price movement in a futures contract may result in an immediate and substantial loss to the Funds. Futures trading also involves the additional risk of potential clearing house and clearing broker default. In certain non-US commodity exchanges which, in certain countries, are essentially "principals' markets" in which performance of the commodity future contract is the sole responsibility of the individual member with whom the trader has entered into a commodity contract and not of an exchange or clearing house. In such cases, the Funds would be exposed to the risk of the inability of, or refusal by, the counterparty to settle the transaction or perform its obligations under such contract.</p> <p>Use of derivatives and other techniques such as short sales for hedging purposes</p>
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	<p>involves certain additional risks, including (i) dependence on the ability to predict movements in the price of the securities hedged; (ii) imperfect correlation between movements in the securities on which the derivative is based and movements in the assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short-term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in value of such position may be limited.</p> <p><b>Emerging Markets.</b> In addition to the risks associated with investments outside of the United States, investments in emerging markets (i.e., the developing countries) may involve additional risks. 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.</p> <p>The issuers of some of non-U.S. securities, such as banks and other financial institutions, may be subject to less stringent regulations 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.</p> <p>Many of the laws that govern private and foreign investments, securities transactions, creditors' rights and other contractual relationships in non-U.S. countries, particularly in developing countries, are new and largely untested. As a result, the Funds may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets, and lack of enforcement of existing regulations. Regulatory controls and corporate governance of companies in developing countries may confer little protection on investors. Anti-fraud and anti-insider trading legislation is often rudimentary. The concept of fiduciary duty is also limited when compared to such concepts in developed country markets. In certain instances, management may take significant actions without the consent of investors. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the Funds and their operations. Furthermore, it may be difficult to obtain and enforce a judgment in certain of non-U.S. countries in which assets of the Funds are invested.</p> <p><b>Hedging Transactions.</b> The General Partner may or may not employ hedging techniques. These techniques could involve a variety of derivative transactions, including futures contracts, exchange-listed and over-the-counter put and call options on securities, financial indices, forward foreign currency contracts, and</p>
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	<p>various interest rate transactions (collectively, “Hedging Instruments”). Hedging techniques involve risks different than those of underlying investments. In particular, the variable degree of correlation between price movements of Hedging Instruments and price movements in the position being hedged creates the possibility that losses on the hedge may be greater than gains in the value of the Funds’ positions. In addition, certain Hedging Instruments and markets may not be liquid in all circumstances. As a result, in volatile markets, the Funds may not be able to close out a transaction in certain of these instruments without incurring losses substantially greater than the initial deposit. The ability of the Funds to hedge successfully will depend on the ability of the Adviser to predict pertinent market movements, which cannot be assured. The Adviser is not required to hedge and there can be no assurance that hedging transactions will be available or, even if undertaken, will be effective. In addition, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations. The daily variation margin deposit requirements in futures contracts that may be sold by the Adviser would create an ongoing greater potential financial risk than would options transactions, where the exposure is limited to the cost of the initial premium and transaction costs paid by the Adviser. Moreover, the portfolio will always be exposed to certain risks that cannot be hedged, such as credit risk (relating both to particular securities and counterparties).</p> <p><b>Short Sales; Options; Leverage.</b> As a part of its trading strategies, the Funds expect to sell “short” a security in anticipation of realizing a gain in such security should there be a decline in its market value. The Funds may also use short sales for hedging purposes. A short sale is effected by selling a security which a Fund does not own, or selling a security which a Fund owns but does not deliver upon consummation of the sale. In order to make delivery to the buyer of a security sold short, the Funds must borrow the security. In so doing, it incurs the obligation to replace that security, whatever its price may be, at the time it is required to deliver it to the lender. The Funds must also pay to the lender of the security any dividends or interest payable on the security during the borrowing period and may have to pay a premium to borrow the security. This obligation must, unless the Fund then owns or has the right to obtain, without payment, securities identical to those sold short, be collateralized by a deposit of cash or marketable securities with the lender. Short selling is subject to the theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. There can be no assurance that the security necessary to cover the short position will be available for purchase by the Funds. In addition, purchasing securities to close out the short position can itself cause the price of the relevant securities to rise further, thereby increasing the loss incurred by the Funds.</p> <p>The Funds may engage in the trading of options, including interest rate and stock index options. Such trading can provide a greater potential for profit or loss than an equivalent investment in the underlying asset. The value of an option may decline because of a change in the value of the underlying asset relative to the strike price, the passage of time, changes in the market’s perception as to the future price behavior of the underlying asset, or any combination thereof. In the case of the purchase of an option, the risk of loss of an investor’s entire investment (i.e., the premium paid plus transaction charges) reflects the nature of</p>
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	<p>an option as a wasting asset that may become worthless when the option expires. Where an option is written or granted (i.e., sold) uncovered, the seller may be liable to pay substantial additional margin, and the risk of loss is unlimited, as the seller will be obligated to deliver, or take delivery of, an asset at a predetermined price that may, upon exercise of the option, be significantly different from the market value.</p> <p>The Funds utilize leverage in their portfolios. This results in the Funds controlling substantially more assets than their equity. Leverage increases returns to the investors if the Funds earns a greater return on investments purchased with borrowed funds than the Funds' cost of borrowing such funds. However, the use of leverage exposes the Funds to additional levels of risk, including, (i) greater losses from investments than would have otherwise been the case had the Funds not borrowed to make the investments, (ii) margin calls or interim margin requirements may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Funds' cost of borrowing such funds. In the event of a sudden, precipitous drop in value of the Funds' assets, the Funds might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying the losses incurred by it.</p> <p><b>Currency.</b> The Funds may invest in securities and instruments denominated in non-US. currencies. Such investments are subject to the risk that the value of a particular currency will change in relation to the U.S. dollar, which is the base currency of the Funds. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. The Funds may seek to hedge these risks by investing directly in non-US. currencies and buying and selling option or forward contracts thereon. The Funds cannot, however, assure any Investor that those strategies, if implemented, will be effective.</p> <p><b>Investments in Initial Public Offerings.</b> The Funds may purchase securities of companies in initial public offerings of any equity security ("new issues") or shortly thereafter. Special risks associated with these securities may include a limited number of interests available for trading, unseasoned trading, lack of investor knowledge of the company, and a limited operating history. These factors may contribute to substantial price volatility for the interests of these companies and, thus, the Funds' Interests. The limited number of interests available for trading in some initial public offerings may make it more difficult for the Funds to buy or sell significant amounts of interests without an unfavorable impact on prevailing market prices. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.</p> <p><b>Lack of Diversification.</b> The Funds will endeavor to diversify their portfolios, however it is not required to do so. Under certain market conditions the Funds may hold a few, relatively large positions in relation to the capital of the Funds. Consequently, a loss in any such position could ultimately result in significant losses to the Funds and a proportionately higher reduction in the net asset value of</p>
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	<p>the Funds than if its capital had been spread over a wide number of positions.</p> <p><b>Please refer to the offering documents of the Funds for a detailed description of the material risks related to an investment in the Funds.</b></p>
Item 8.C	<p><b>If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</b></p> <p><b>Equities.</b> Equities may involve substantial risks and may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. In particular, equity prices are directly affected by issuer specific events, as well as general market conditions. In addition, in many countries investing in common stocks is subject to heightened regulatory and self-regulatory scrutiny as compared to investing in debt or other financial instruments.</p> <p><b>Fixed Income Securities.</b> The Funds may invest in bonds or other fixed income securities of U.S. and non-U.S. issuers, including, without limitation, bonds, notes and debentures issued by corporations; debt securities issued or guaranteed by sovereign borrowers, agencies or instrumentalities thereof; and commercial paper. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities in which the Funds invest will change in response to fluctuations in interest rates. In addition, the value of certain fixed-income securities can fluctuate in response to perceptions of credit worthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk).</p> <p><b>High-Yield Securities.</b> The Funds may also invest in high-yield securities or in bonds of issuers that do not have publicly traded equity securities, making it more difficult to hedge the risks associated with such investments. High-yield securities face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payments. The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities are often highly leveraged and may not have available to them more traditional methods of financing. 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, 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 of such securities. As with other investments, there may not be a liquid market for certain high yield securities, which could result in the Funds being unable to sell such securities for an extended period of time, if at all. In addition, as with other types of investments, the market for high yield securities has historically been subject to disruptions that have caused substantial volatility in the prices of such securities. Consolidation in the financial services industry has resulted in there being fewer market makers for</p>

	<p>high yield securities, which may result in further risk of illiquidity and volatility with respect to high yield securities, and this trend may continue in the future.</p> <p><b>Non-U.S. Securities.</b> The Funds may acquire securities of non-U.S. issuers. Investing in these securities involves considerations and possible risks not typically involved in investing in securities of U.S. issuers, including instability of some non-U.S. governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, changes in governmental administration or economic or monetary policy (in the United States or abroad) or changed circumstances in dealings between nations. The application of non-U.S. tax laws (e.g., the imposition of withholding taxes on dividend or interest payments) or confiscatory taxation may also affect investment in non-U.S. securities. Higher expenses may result from investment in non-U.S. securities than from investment in U.S. securities because of the costs that must be incurred in connection with conversions between various currencies and because non-U.S. brokerage commissions may be higher than commissions in the United States. Non-U.S. securities markets also may be less liquid, more volatile and less subject to governmental supervision than in the United States. The Funds might have greater difficulty taking appropriate legal action in non-U.S. courts. Investments in non-U.S. securities could be affected by other factors not present in the United States, including lack of uniform accounting, auditing and financial reporting standards and potential difficulties in enforcing contractual obligations.</p> <p>As part of its trading strategy, the Funds may own stock of non-U.S. issuers, which may include passive foreign investment companies. The Funds may not receive sufficient information from such passive foreign investment companies to make an election available to Investors, who could be treated as indirect shareholders of such passive foreign investment companies, to include the income from such passive foreign investment companies in U.S. taxable income currently. Under the passive foreign investment company rules, this may result in Investors having to treat all gain and certain “excess distributions” as ordinary income subject to an interest charge under rules that allocate such gain or distributions ratably over a holder’s holding period, a potentially adverse tax result.</p> <p><b>It is critical that Investors refer to the relevant governing documents for a complete understanding of the risks associated with the types of investments that the Adviser may make. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>
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## ITEM 9 – DISCIPLINARY INFORMATION

If there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Items 9.A, 9.B, and 9.C list specific legal and disciplinary events presumed to be material for this Item. If your advisory firm or a *management person* has been *involved* in one of these events, you must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in your or the *management person's* favor, or was reversed, suspended or vacated, or (2) you have rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the “date” of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. If your advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not listed in Items 9.A, 9.B, or 9.C, but nonetheless is material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of its management, you must disclose the event. Similarly, even if more than ten years have passed since the date of the event, you must disclose the event if it is so serious that it remains material to a *client's* or prospective *client's* evaluation.

<b>Item 9.A</b>	<p><b>A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a <i>management person</i></b></p> <ol style="list-style-type: none"> <li><b>1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any <i>felony</i>; (b) a <i>misdemeanor</i> that <i>involved</i> investments or an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;</b></li> <li><b>2. is the named subject of a pending criminal <i>proceeding</i> that involves an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;</b></li> <li><b>3. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation; or</b></li> <li><b>4. was the subject of any <i>order</i>, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a <i>management person</i> from engaging in any <i>investment-related</i> activity, or from violating any <i>investment-related</i> statute, rule, or <i>order</i>.</b></li> </ol> <p>Not applicable to the Adviser. But please see Item 9.C below.</p>
<b>Item 9.B</b>	<p><b>An administrative <i>proceeding</i> before the SEC, any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> in which your firm or a <i>management person</i></b></p> <ol style="list-style-type: none"> <li><b>1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its</b></li> </ol>

	<p><b>authorization to do business; or</b></p> <p><b>2. was <i>found</i> to have been involved in a violation of an <i>investment-related</i> statute or regulation and was the subject of an <i>order</i> by the agency or authority</b></p> <p>(a) <b>denying, suspending, or revoking the authorization of your firm or a <i>management person</i> to act in an <i>investment-related</i> business;</b></p> <p>(b) <b>barring or suspending your firm’s or a <i>management person’s</i> association with an <i>investment-related</i> business;</b></p> <p>(c) <b>otherwise significantly limiting your firm’s or a <i>management person’s</i> <i>investment-related</i> activities; or</b></p> <p>(d) <b>imposing a civil money penalty of more than \$2,500 on your firm or a <i>management person</i>.</b></p> <p>Not applicable to the Adviser. But please see Item 9.C below.</p>
Item 9.C	<p><b>A self-regulatory organization (SRO) proceeding in which your firm or a management person</b></p> <p><b>1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or</b></p> <p><b>2. was <i>found</i> to have been involved in a violation of the SRO’s rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from <i>investment-related</i> activities; or (iii) fined more than \$2,500.</b></p> <p>With respect to an affiliate of the Funds’ former co-general partner, on May 11, 2006 Robeco USA, L.L.C. (which merged with and into RIM (as defined herein) effective January 1, 2007) consented, without admitting or denying guilt, to a penalty of censure and a fine of \$100,000 by the New York Stock Exchange (the “NYSE”), in connection with a finding by the NYSE that it (i) violated NYSE Rule 401 in that it failed to adhere to the principles of good business practice in that during December 2003 it paid compensation as a fee for business procured by its brokerage division, creating a potential conflict of interest between its employee and its customers, and failed to adhere to the principles of good business practice in that it overcharged certain of its ERISA and non-ERISA fund customers for interim cash management services from 1999 - 2004, and (ii) violated NYSE Rule 342 in that it failed to reasonably supervise and control the actions of its employees and to establish and maintain appropriate procedures for supervision and control to ensure compliance with NYSE Rules and federal securities laws with respect to the foregoing violations.</p> <p>Mr. Farber also consented, without admitting or denying guilt, to censure and a fine of \$50,000, of which \$25,000 was paid by Robeco USA, L.L.C., for conduct inconsistent with just and equitable principals of trade in that he entered into an agreement for and accepted compensation in exchange for directing commissions to his employer creating a potential conflict of interest between himself and the</p>

	<p>customer accounts he serviced. The issues cited by the NYSE were discovered by RIM and promptly addressed following an independent investigation that occurred in 2004. The firm instituted a number of remedial actions, including full compensation to any affected client, exiting of the full service broker-dealer business, and additional operational and supervisory procedures. Furthermore, since 2004, there has been a complete change in the senior management of RIM.</p> <p>In January 2008, the Adviser employed RIM as its fund administrator but was later informed that RIM would be closing that division of its business effective June 30, 2008. At that time, the Adviser retained the fund administration services of SS&amp;C.</p>
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## ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Item 10.A	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>Not applicable to the Adviser.</p>
Item 10.B	<p>If you or any of your <i>management persons</i> 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, disclose this fact.</p> <p>Not applicable to the Adviser.</p>
Item 10.C	<p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> <li>1. broker-dealer, municipal securities dealer, or government securities dealer or broker</li> <li>2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)</li> <li>3. other investment adviser or financial planner</li> <li>4. futures commission merchant, commodity pool operator, or commodity trading advisor</li> <li>5. banking or thrift institution</li> <li>6. accountant or accounting firm</li> <li>7. lawyer or law firm</li> <li>8. insurance company or agency</li> <li>9. pension consultant</li> <li>10. real estate broker or dealer</li> <li>11. sponsor or syndicator of limited partnerships</li> </ol> <p>As noted in Item 4.A. above, Farber Manager, L.L.C., an affiliate of the Adviser serves as the general partner of the Funds. Gerald P. Farber is the sole member of this entity.</p> <p>In addition, Farber Advisers, L.L.C., has been designated as a “Special Limited Partner” of the Funds. Gerald P. Farber is the managing member of this entity.</p> <p>The Adviser, the Special Limited Partner and their members, employees, affiliates or their related persons may also invest directly in any one, some or all of the Funds. It should be noted that investments made by such parties generally are not</p>



	<p>subject to the Management Fee or Incentive Allocation described in Item 5 above.</p> <p><b>Other Activities.</b> The Adviser, General Partner and their principals only devote so much time and attention to the business and affairs of the Funds as they, in their discretion, may deem reasonably necessary. The Portfolio Manager may manage other accounts in addition to the Funds. In addition, employees are permitted to engage in outside activities. The Chief Compliance Officer monitors the conflicts associated with such activities through enforcement of the Adviser's Compliance Manual (which requires reporting such outside activities) and Code of Ethics (which requires that employees place the interests of Advisory Clients ahead of their own personal interests).</p>
<b>Item 10.D</b>	<p><b>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</b></p> <p>Not applicable to the Adviser.</p>

## ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Item 11.A	<p><b>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any <i>client</i> or prospective <i>client</i> upon request.</b></p> <p>The Adviser’s Code of Ethics (the “<b>Code</b>”) is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (“<b>Advisers Act</b>”). The Code applies to the Adviser’s access persons (which term includes all employees of the Adviser) (the “<b>Access Persons</b>”) and sets forth a standard of business conduct that takes into account the Adviser’s status as a fiduciary and requires Access Persons to place the interests of Advisory Clients and Investors above their own interests. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of the Adviser’s Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code on at least an annual basis.</p> <p>As required by Rule 204A-1 of the Advisers Act, and as further discussed in Item 11.C below, the Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must pre-clear certain transactions in reportable securities. Access Persons must also provide the Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Rule 204A-1.</p> <p>Further, the Adviser’s Code ensures the protection of nonpublic information about the activities of the Funds. Investors or prospective Investors may obtain a copy of the Adviser’s Code by contacting the Chief Compliance Officer, Patty L. Nelson at 212-752-1538 or <a href="mailto:pnelson@gfarberllc.com">pnelson@gfarberllc.com</a>.</p>
Item 11.B	<p><b>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</b></p> <p><b>Examples:</b> (1) You or a <i>related person</i>, as principal, buys securities from (or sells securities to) your <i>clients</i>; (2) you or a <i>related person</i> acts as general partner in a partnership in which you solicit <i>client</i> investments; or (3) you or a <i>related person</i> acts as an investment adviser to an investment company that you recommend to <i>clients</i>.</p> <p>As described above, the Adviser serves as the investment manager of the Funds and as such recommends interests in the Funds to prospective Investors. In addition, an affiliate of the Adviser, Farber Manager, L.L.C., serves as the general partner of the Funds. Gerald P. Farber is the managing member of this entity. In addition, Farber Advisers, L.L.C., also an affiliate of the Adviser, has been designated as a “Special Limited Partner” of the Funds. Gerald P. Farber is the</p>

	<p>managing member of this entity. The Adviser (or its affiliates) have a material financial interest with respect to fees paid by Investors. Management fees are payable without regard to the overall success or income earned by the Advisory Clients and therefore may create an incentive on the part of the Adviser to raise or otherwise increase assets under management to a higher level than would be the case if the Adviser were receiving a lower or no management fee. Performance-based fees may create an incentive for the Adviser to make investments that are riskier or more speculative than in the absence of such performance-based compensation. Advisory Clients and Investors are provided with clear disclosure as to how performance-based compensation is charged and the risks associated with such performance-based compensation prior to making an investment.</p> <p>The fact that the Adviser, the General Partner and the Access Persons may each have financial ownership interests in the Funds creates a potential conflict in that it could cause the Adviser to make different investment decisions than if such parties did not have such financial ownership interests.</p> <p>The Adviser addresses these potential conflicts through regular monitoring of the Funds' portfolios for consistency with the Funds' objectives, strategies, and target capacity. Further, the Adviser carefully considers the risks involved in any investments and provides extensive disclosure to Investors regarding the potential risks that come with an investment in the Funds. The Code requires Access Persons to place the interests of Advisory Clients and Investors over their own or those of the Adviser, and all Access Persons are required to acknowledge their receipt and understanding of the Code. Also, as noted in Item 11.A. and 11.C, Access Persons are subject to personal securities transaction pre-clearance and holding requirements to ensure all Access Persons place the interests of the Advisory Clients above their own.</p>
Item 11.C	<p><b>If you or a <i>related person</i> invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a <i>related person</i> recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</b></p> <p>As noted above, the Adviser's Access Persons and related entities have investments in the Funds. It should be noted that investments in the Funds made by such parties may not be subject to the asset or performance-based fees described in Item 5 above.</p> <p>Subject to strict pre-clearance requirements, Access Persons of the Adviser are permitted to make certain securities transactions in their personal accounts. This presents potential conflicts in that an employee could make improper use of information regarding an Advisory Client's holdings, future transactions or research paid for by the Advisory Clients. For example, an Access Person could take for himself or herself an investment opportunity available to an Advisory Client.</p> <p>The Adviser manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains strict pre-clearance and reporting guidelines for Access Persons. In addition, the Chief Compliance Officer reviews each Access Person's personal transaction reports to make sure each Access Person is conducting his or her personal securities</p>

	<p>transactions in a manner that is consistent with the Code.</p> <p>The Adviser also maintains policies and procedures to prevent insider trading that are designed to prevent the misuse of material, non-public information. The Adviser's personnel are required to certify on an annual basis their compliance with such policies and procedures as well as the Code.</p>
<b>Item 11.D</b>	<p><b>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</b></p> <p>Please refer to Items 11.A, 11.B, and 11.C.</p>

## ITEM 12 – BROKERAGE PRACTICES

Item 12.A.1	<p>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (e.g., commissions).</p> <ol style="list-style-type: none"> <li>1. <b>Research and Other Soft Dollar Benefits.</b> If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create. <ol style="list-style-type: none"> <li>a. Explain that when you use <i>client</i> brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.</li> <li>b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your <i>clients’</i> interest in receiving most favorable execution.</li> <li>c. If you may cause <i>clients</i> to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact.</li> <li>d. Disclose whether you use soft dollar benefits to service all of your <i>clients’</i> accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to <i>client</i> accounts proportionately to the soft dollar credits the accounts generate.</li> <li>e. Describe the types of products and services you or any of your <i>related persons</i> acquired with <i>client</i> brokerage commissions (or markups or markdowns) within your last fiscal year.</li> <li>f. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for soft dollar benefits you received.</li> </ol> </li> </ol> <p>The Adviser recognizes its duty to obtain “best execution” for its Advisory Clients. Consistent with such duty, in determining best execution, the Adviser may take into account the full range and quality of a broker-dealer’s services that benefit an account under management such as brokerage, research and other services. The Adviser does not select brokers solely on the basis of lowest possible commission costs, but by the best qualitative execution. In particular, in selecting broker-dealers to execute securities transactions, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Consistent with best execution, consideration is given</p>
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	<p>to a variety of factors, including but not limited to price, the ability of the brokers to effect the transaction, the brokers' facilities, reliability and financial responsibility, for any research products or services provided by such brokers.</p> <p>While the primary consideration in allocating portfolio transactions to brokers will be to obtain favorable prices and efficient executions, the Adviser does not have an obligation to, and does not always seek to, obtain the lowest priced execution regardless of qualitative considerations. Commission rates are generally negotiable and thus selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable. Accordingly, if the Adviser determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and research products or services provided by such broker, the Funds may pay commissions to such broker in an amount greater than the amount another firm might charge.</p> <p>Further, the Adviser may, if it deems it to be in the best interest of the Funds, utilize "soft dollar" arrangements with certain brokers. Any use of "soft dollars" will come within the safe harbor created by Section 28(e) of the Exchange Act of 1934. Research products or services provided to the Funds may include research reports on particular industries and companies, economic surveys and analyses, recommendations as to specific securities, and other products or services (e.g., quotation equipment and computer related costs and expenses) providing lawful and appropriate assistance to the Portfolio Manager in the performance of his investment decision-making responsibilities. In addition, it should be noted that the Adviser may utilize soft dollar commissions to pay for certain research consulting services. Where a product or service obtained with commission dollars provides both research and non-research assistance to the Adviser, the Adviser makes a reasonable allocation of the cost which may be paid for with commission dollars. Using brokerage commissions to obtain research or other products or services provides the Adviser with a benefit because the firm does not have to produce or pay for such research, products or services. Accordingly, the Funds (and thus Investors) may be deemed to be paying for research and other products or services with "soft" or commission dollars. The Adviser has an incentive to select a broker-dealer based on its interest in receiving the research or other products or services, rather than on a Fund's interest in receiving most favorable execution.</p> <p>The relationship with brokerage firms that provide soft dollar services to the Adviser influences the Adviser's judgment in allocating brokerage business and creates a conflict of interest in using the services of those broker-dealers to execute the Funds' brokerage transactions. It is anticipated that brokerage commissions that the Funds expect to pay to those firms, however, should not differ materially from and are not materially higher than the commissions that it pays to other firms for comparable services. The Adviser believes that these relationships will be beneficial to the Funds, but Fund trades executed through these firms or any other brokerage firm may or may not be at the best price otherwise available.</p> <p>The Adviser will periodically review the execution performance of broker-dealers executing its clients' transactions to make a good faith determination that the value of research and brokerage services received is reasonable in relation to the amount of commissions paid.</p>
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Item 12.A.2	<p><b><u>Brokerage for Client Referrals.</u></b> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</p> <ul style="list-style-type: none"> <li>a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients’</i> interest in receiving most favorable execution.</li> <li>b. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals.</li> </ul> <p>From time to time, the Adviser may place transactions with a broker-dealer that (i) provides the Adviser with the opportunity to participate in capital introduction events sponsored by the broker-dealer; or (ii) refers Investors to the Funds, if, in each case, the broker selection is otherwise consistent with the Adviser’s best execution analysis.</p>
Item 12.A.3	<p><b><u>Directed Brokerage.</u></b></p> <ul style="list-style-type: none"> <li>a. If you routinely <u>recommend</u>, <u>request</u> or <u>require</u> that a <i>client</i> direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their <i>clients</i> to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money.</li> <li>b. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices.</li> </ul> <p>The Adviser has complete discretion in deciding what brokers and dealers the Advisory Clients will use and in negotiating the rates of compensation the Advisory Clients will pay. The Adviser is not committed to continue its prime brokerage relationships with any particular prime brokers for any minimum</p>

	<p>period, and the Adviser may select other or additional brokers to act as prime broker for the Advisory Clients. As outlined above, the Adviser recognizes its duty to obtain “best execution” in effecting transactions on behalf of the Advisory Clients.</p>
Item 12.B	<p><b>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</b></p> <p>When appropriate, The Adviser may, but is not required to, aggregate Advisory Client orders to achieve more efficient execution or to provide for equitable treatment among accounts. Advisory Clients participating in aggregated trades will be allocated securities based on the average price achieved for such trades.</p> <p>The Adviser will act in a fair and equitable manner in allocating investment and trading opportunities, among the Advisory Clients. In furtherance of the foregoing, the Adviser will consider participation in all appropriate opportunities within the purpose and scope of each Advisory Client’s objectives, and the Adviser will evaluate such factors as it considers relevant in determining whether a particular situation or strategy is suitable and feasible for each Advisory Client (which factors may include the investment restrictions and objectives of each Advisory Client, whether the Advisory Client is fully exposed to the issuer, the Advisory Client’s risk tolerance and liquidity requirements, the nature of the opportunity in the context of the Advisory Client’s other positions at the time, and available cash flow). It should be noted that the Adviser (for a variety of reasons) may allocate trades solely to one Advisory Client and/or may allocate trades on a non-pro rata basis.</p> <p>The Adviser will maintain documentation for instances in which an investment opportunity is appropriate for more than one Advisory Client but is not allocated between such Advisory Clients on a pro rata basis.</p>



## ITEM 13 – REVIEW OF ACCOUNTS

Item 13.A	<p><b>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.</b></p> <p>The Advisory Clients’ portfolios are under continuous review and their performance is analyzed on a regular basis. It is generally the responsibility of Gerald P. Farber, the Portfolio Manager, to take affirmative steps to ensure that all trades in an Advisory Client account are in compliance with the laws and regulations governing each type of account, and with all Advisory Clients’ investment objectives and guidelines.</p> <p>Further, Patty L. Nelson, in her capacity as Chief Compliance Officer, periodically reviews the firm’s trading and current practices to ensure consistency with applicable law and regulations.</p>
Item 13.B	<p><b>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review.</b></p> <p>Please see Item 13.A. The accounts are under continuous review.</p>
Item 13.C	<p><b>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</b></p> <p>Generally, Investors will receive a monthly email containing their current capital account balance as well as quarterly written statements of account and an annual report containing financial statements audited by an independent public accountant.</p>

## ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Item 14.A	<p>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</p> <p>Not applicable to the Adviser.</p>
Item 14.B	<p>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>supervised person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</p> <p>Although the Adviser has in the past utilized the services of third party solicitors, currently, the Adviser does not have any third party solicitation arrangements in connection with the offering of interests in its Funds. If, in the future, the Adviser engages the services of a third-party solicitor, to the extent applicable (and taking into account current SEC guidance), the Adviser will ensure that all such third party solicitation arrangements are in compliance with Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended.</p>

## ITEM 15 – CUSTODY

If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.

The General Partner (an affiliate of the Adviser) is deemed to have custody of the Funds' assets by virtue of its status as general partner to the Funds. The General Partner maintains the assets of the Funds in accounts with "qualified custodians" pursuant to Rule 206(4)-2 under the Advisers Act. The qualified custodians presently utilized by the Funds are:

**Goldman, Sachs & Co.**

200 West Street  
3<sup>rd</sup> Floor  
New York, NY 10282

**Wells Fargo Bank, NA**

757 Third Avenue  
New York, NY 10017

To ensure compliance with Rule 206(4)-2 under the Advisers Act, the Adviser reasonably believes that all Investors in the Funds will be provided with audited financial statements, prepared by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board, in accordance with U.S. Generally Accepted Accounting Principles, within 120 day of each Fund's fiscal year. The audited financial statements are sent by the Adviser. Investors should carefully review the audited financial statements of the Funds upon receipt.

## ITEM 16 – INVESTMENT DISCRETION

**If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).**

The Adviser has discretionary authority to manage the Funds. The Adviser is authorized to make purchase and sale decisions for the Funds. As explained in Item 4.C above, individual Investors in the Funds do not have the ability to impose limitations on the Adviser's discretionary authority. Prospective Investors are provided with an offering memorandum prior to their investment and are encouraged to carefully review the offering memorandum, along with all supplements and other relevant offering documents, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective Investors should also consult with their legal, tax, or other advisors prior to making any investment. All Investors must execute a subscription agreement, each of which constitutes a legal, valid and binding obligation of the Investor, enforceable in accordance with its terms.

## ITEM 17 – VOTING CLIENT SECURITIES

<p><b>Item 17.A</b></p>	<p><b>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</b></p> <p>The Adviser understands and appreciates the importance of proxy voting. To the extent that the Adviser has discretion to vote the proxies on behalf of the Funds, the Adviser will vote any such proxies in the best interests of the Funds and Investors (as applicable) and in accordance with set compliance procedures.</p> <p>All proxies sent to Funds will be provided to the Chief Compliance Officer. Prior to voting any proxies, the Chief Compliance Officer will first determine which of the Advisory Clients hold the security to which the proxy relates. The Chief Compliance Officer will subsequently determine if there are any conflicts of interest related to the security in question. If no material conflict is identified pursuant to these procedures, the Portfolio Manager will make a decision on how to vote the proxy. In the absence of specific voting guidelines mandated by a particular Investor, the Adviser will endeavor to vote proxies in the best interests of each Advisory Client. If a conflict is identified and deemed “material” the Adviser will determine whether voting the proxy is in the best interests of affected Advisory Clients (which may include utilizing an independent third party to vote such proxies).</p> <p>Generally, the Chief Compliance Officer is responsible for ensuring that the proxy is voted on and submitted in a timely manner. The Adviser keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions and each client request for proxy voting records and the Adviser’s response for the previous five years.</p> <p>It should be noted that the Adviser may delegate certain of its proxy voting and record-keeping responsibilities to an independent third-party.</p> <p>If you have any questions about the Adviser’s proxy policy, its proxy record-keeping procedures or if you would like any detailed information about how proxies are actually voted, please contact the Chief Compliance Officer, Patty L. Nelson at 212-752-1538 or <a href="mailto:pnelson@gfarberllc.com">pnelson@gfarberllc.com</a>.</p>
<p><b>Item 17.B</b></p>	<p><b>If you do not have authority to vote <i>client</i> securities, disclose this fact. Explain whether <i>clients</i> will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) <i>clients</i> can contact you with questions about a particular solicitation.</b></p> <p>Not applicable to the Adviser.</p>

## ITEM 18 – FINANCIAL INFORMATION

Item 18.A	<p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none"> <li>1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.</li> <li>2. Show parenthetically the market or fair value of securities included at cost.</li> <li>3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X.</li> </ol> <p>Not applicable to the Adviser.</p>
Item 18.B	<p>If you have <i>discretionary authority</i> or <i>custody</i> of <i>client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>The Adviser is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.</p>
Item 18.C	<p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p> <p>Not applicable to the Adviser.</p>