

**ITEM 1
COVER PAGE**

PART 2A OF FORM ADV: FIRM BROCHURE

ESO CAPITAL UK LTD

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This brochure provides information about the qualifications and business practices of ESO Capital UK Ltd ("ESO Capital"). If you have any questions about the contents of this brochure, please contact us at +41 44 200 3820 or info@esocapital.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 ESO Capital is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2

MATERIAL CHANGES

This Brochure is ESO Capital's initial Form ADV Part 2A submitted with its application for registration with the SEC; therefore, there are no material changes to report. If ESO Capital makes any material changes to this Brochure, this section will be revised to include a summary of such changes.

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ITEM 4 ADVISORY BUSINESS

A. General Description of Advisory Firm.

ESO Capital UK Ltd("ESO Capital" or the "Investment Adviser") is a limited liability company established under the laws of the United Kingdom in November 2006. The Investment Adviser's place of business has been in its current office since September 2009. The Investment Adviser is registered in the UK at Companies House under company number 5984027

The Investment Adviser is a wholly owned subsidiary of ESO Capital Ltd, a company registered in the Cayman Islands.

B. Description of Advisory Services.

1. Advisory Services.

ESO Capital serves as an Investment Adviser with discretionary trading authority to private pooled investment vehicles, the securities of which are offered to investors on a private placement basis (each, a "Fund" and collectively, the "Funds").

ESO Capital acts as an Investment Adviser to ESO Partners LP, a Cayman partnership, which is an Investment Manager to (1) European Special Opportunities Master Fund I Limited ("Cayman Master Fund I") and European Special Opportunities Fund I Limited ("Cayman Fund I"), and (2) European Special Opportunities Master Fund II Limited ("Cayman Master Fund II") and European Special Opportunities Fund II Limited ("Cayman Fund II", and together with Cayman Master Fund I, Cayman Fund I and Cayman Master Fund II, the "Cayman Funds")

ESO Capital serves as an investment adviser to ESO Management (Luxembourg) Limited SARL, a Luxembourg private limited liability company (société à responsabilité limitée) registered with the Luxembourg trade and companies register under number B164084. ESO Management (Luxembourg) Limited SARL is management company of the European Special Opportunities Select Fund FCP SIF ("Luxembourg Fund").

As used herein, the term "client" generally refers to each Fund and each beneficial owner of a Managed Account. *This Brochure generally includes information about the Investment Adviser and its relationships with its clients and affiliates. While much of this Brochure applies to all such clients and affiliates, certain information included herein applies to specific clients or affiliates only.*

2. Investment Strategies and Types of Investments.

The Investment Adviser provides investment advice with respect to debt and/or equity investments in privately-originated, off-the-run situations backed, among other things, by the assets of European small and medium enterprises (SMEs), financial assets and real estate. SMEs are defined as corporations with less than €300 million of revenues and real estate situations of less than €150 million in total capitalization.

Such investments tend to be illiquid and may include the following:

- origination of privately-negotiated and self-structured financings, including debt or equity, backed by corporate, real estate and other assets;
- acquisition of illiquid, non-traded corporate and real estate loans;
- acquisition of undervalued, distressed and/or defaulted real or financial assets such as real estate, corporate, consumer and litigation claims as well as government issued/linked credits;
- direct or indirect investments in corporate restructurings and distressed / stressed real estate situations.

The descriptions set forth in this Brochure of specific advisory services that the Investment Adviser offers to clients, and investment strategies pursued and investments made by the Investment Adviser on behalf of its clients, should not be understood to limit in any way the Investment Adviser's investment activities. The Investment Adviser may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that the Investment Adviser considers appropriate, subject to each client's investment objectives and guidelines. The investment strategies the Investment Adviser pursues are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any client will be achieved.

C. Availability of Customized Services for Individual Clients.

The Investment Adviser's investment decisions and advice with respect to each Fund are subject to each Fund's investment objectives and guidelines, as set forth in its offering documents. Similarly, the Investment Adviser's investment decisions and advice with respect to each Managed Account are subject to each client's investment objectives and guidelines, as set forth in the client's investment management agreement, as well as any instructions provided by the client to the Investment Adviser.

D. Assets Under Management.

The Investment Adviser manages approximately \$209,000,000 as of January 31, 2012 on a non-discretionary basis; no investment may be acquired on behalf of the Managed Account without the prior consent of the investors acting through the directors appointed by them to the Board. As of January 30, 2012, the Investment Adviser does not manage any assets on a discretionary basis.

ITEM 5 FEES AND COMPENSATION

A. Advisory Fees and Compensation.

The fees applicable to each Fund are set forth in detail in each Fund's offering documents. The fees applicable to each Managed Account are set forth in detail in each Managed Account's investment management agreement. A brief summary of such fees is provided below.

1. Luxembourg Fund

Management Fee

Generally, the Luxembourg Fund will pay the Management Company an annual management fee, payable quarterly in advance. The Management Fee will be (i) 1.00% per annum of the aggregate capital commitments to the Luxembourg Fund less invested capital contributions and (ii) 1.00% per annum of the invested capital contributions. .

Unitholders admitted to the Luxembourg Fund subsequent to the initial closing will initially be responsible for the Management Fee upon their admission in the amount such Unitholders would have had to pay had such Unitholders been admitted at the Initial Closing, plus interest thereon at three-month LIBOR plus 2% per annum from the date such fee would have been paid in such event..

Carried Interest Distribution

Generally, the Investment Manager is entitled to a carried interest distribution (a "Carried Interest Distribution") in an amount equal to 15% of any *realized* appreciation in the net asset value of the Luxembourg Fund, subject to a 8% Preferred Return, certain adjustments and a loss carryforward mechanism.

2. Cayman Fund I

Management Fee

Cayman Fund I will pay the Management Company an annual management fee, payable quarterly in advance. The Management Fee is be USD 1,800,000 per annum, as agreed with the investors.

Incentive Fee

The incentive allocation shares are entitled to receive a performance allocation calculated in respect of each US\$ master share in each calendar year (a “calculation period”). However, the first calculation period commenced on 16 January 2007, being the business day immediately following the initial closing date and will end on 31 December 2007. The performance allocation will be deemed to accrue on a monthly basis as at each valuation day.

For each calculation period, the performance allocation will be calculated in respect of each US\$ master share and will be equal to the relevant percentage of the appreciation in the NAV per US\$ master share during that calculation period above the base NAV per US\$ master share. The base NAV per US\$ master share is the greater of the NAV per US\$ master share at the time of issue of that US\$ master share and the highest NAV per US\$ master share achieved as at the end of any previous calculation period (if any) during which such US\$ master share was in issue. The performance allocation in respect of each calculation period will be calculated by reference to the NAV before deduction for any accrued performance allocation.

The relevant percentage is as follows:

- A) In respect of the first 4 years after the first investment of the committed amount, equal to 10%
- B) In respect of the fifth and each subsequent year after the first investment of the committed amount equal to 5%.

3. Cayman Fund II

Management Fee

Cayman Fund II pays management fees monthly in arrears. Fees are calculated at 1/12th of 1.5% per month of the NAV of the Class A shares; and 1/12th of 2% per month of the NAV of the Class B shares.

Incentive Fee

Cayman Fund II pays incentive fees to the Investment Manager at a rate of 20% of all increase in NAV above a base level, over a return hurdle of 10%.

4. Managed Accounts

All fees for Managed Accounts are subject to negotiation and established pursuant to each managed account’s investment management agreement. Generally the investment management agreements are terminable upon receipt by either party from the other of prior written notice of termination and after the expiration of the specified notice period and the client will be entitled to any unearned portion of the management fee to the extent applicable.

Management fee

The investment advisor generally charges the managed account a management fee for each fiscal quarter equal to 1.0% per annum of the NAV of each managed account, calculated quarterly and payable quarterly in arrears.

Performance compensation

B. Generally the investment advisor is entitled to performance compensation in an amount equal to 10% of any realized appreciation in the NAV of each managed account subject to a 10% preferred return, certain adjustments and a loss carry forward mechanism.

C. Payment of Fees.

Clients are normally billed separately rather than deducted from the assets of such clients. As discussed above, the management fees are normally charged on a quarterly basis and performance fees are charged when investments are realized unless negotiated otherwise.

D. Additional Fees and Expenses.

Generally, each client will bear its own operating expenses, including, but not limited to, investment expenses (e.g., brokerage commissions, acquisition fees, expenses relating to short sales, clearing and settlement charges, loan servicing fees, custodial fees, initial and variation margin, interest expense), professional fees (including, without limitation, expenses of consultants and experts' fees relating to particular investments and retainer fees for sourcing services), travel and other expenses related to investments, entity level taxes, legal expenses, fees of the administrator, internal and external accounting, loan-monitoring, portfolio tracking software, audit and tax preparation expenses, appraisal and valuation fees, premiums for directors and officers, errors and omissions and lender liability insurance, expenses relating to the offer and sale of fund share or units, including travel, printing and mailing fees, the Management Fees and extraordinary expenses.

E. Additional Compensation and Conflicts of Interest.

No supervised persons accept compensation for the sale of securities or other investment products.

ITEM 6
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Investment Adviser and its affiliates accept performance-based fees from every client. As a result, the Investment Adviser and its affiliates do not face certain conflicts of interest that may arise when an investment adviser accepts performance-based fees from some clients, but not from other clients.

ITEM 7
TYPES OF CLIENTS

The Investment Adviser generally provides investment advice to Funds and managed accounts as described above. Beneficial owners of managed accounts include institutions, high net worth individuals and other sophisticated investors. The Investment Advisor generally requires a minimum investment commitment of \$20 million for a prospective client to open a managed account, although such commitment may be drawn over time.

ITEM 8

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies.

The descriptions set forth in this Brochure of specific advisory services that the Investment Adviser offers to clients, and investment strategies pursued and investments made by the Investment Adviser on behalf of its clients, should not be understood to limit in any way the Investment Adviser's investment activities. The Investment Adviser may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that the Investment Adviser considers appropriate, subject to each client's investment objectives and guidelines. The investment strategies the Investment Adviser pursues are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any client will be achieved.

The following investment strategies are employed:

- (i) Purchasing of existing whole loans, loan portfolios or assets at stressed, distressed or undervalued prices. Transaction types will include, without limitation, secured or unsecured term loans, working capital facilities, senior or junior real estate debt facilities, non-performing or sub-performing secured or unsecured loan portfolios, claims, mortgages, equity securities, profit participations and contract rights, as well as hard assets such as real estate, machinery and inventories.
- (ii) Provision capital to self-structured credit, equity or asset opportunities targeting European SMEs. SMEs are defined as corporations with less than €300 million of revenues and real estate situations of less than €150 million in total capitalization. In general, such credit instruments would be secured by hard assets, corporate cash flow, loan books, other financial assets, various claims, equity securities, profit participations and other suitable instruments that secure the Fund's investments. Investments could include, without limitation, rescue financings, loan to own transactions, DIP financings, low LTV mezzanine loans and other special situation credit investments.
- (iii) Investing in corporate restructuring situations through debt or equity instruments.

In general, when accessing new opportunities the focus is on the realizable liquidation value of any collateral backing the investment and the quality, reliability and predictability of the underlying cash flows under certain stress scenarios. The investment approach emphasizes downside protection and capital preservation.

While the Investment Adviser believes that investments in private secured credit investments in European corporate and real estate opportunities may be structured to offer the opportunity for downside protection and upside potential, such investments involve substantial risks. There can be no assurance that such investment will be managed and liquidated successfully or that such investments will be able to generate returns for investors.

B. Material, Significant, or Unusual Risks Relating to Investment Strategies.

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the clients advised by the Investment Adviser. These risk factors include only those risks the Investment Adviser believes to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by the Investment Adviser.

Investments in Debt Securities.

The investments may be made in private debt securities and instruments, including loans, bonds and other instruments, that are unrated, and whether or not rated, such debt instruments may have speculative characteristics. In addition, the investment may be made in obligations of issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganization and liquidation proceedings. The issuers of such instruments may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal. Such instruments are regarded as speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk exposure to adverse conditions. In addition, an economic recession could severely disrupt the market for these instruments, may have an adverse impact on the value of such instruments and may increase the incidence of default for such instruments.

In addition, it is possible that certain debt instruments may become non-performing and possibly go into default. Furthermore, the obligor or relevant guarantor may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments, if any, with respect to such loans.

Investments in Small Cap Equity Securities.

In certain circumstances, investments may be made in equity securities without restriction as to market capitalization, such as those issued by small and mid-capitalization companies. The securities of SMEs might not be traded in volumes typical of securities of larger companies. Because smaller companies normally have fewer shares outstanding than larger companies, it may be more difficult to buy and sell significant amounts of smaller company shares without an unfavorable impact on prevailing market prices. Thus, the securities of SMEs are generally less liquid, and subject to more abrupt or erratic market movements than larger capitalized companies. Additionally, the risk of bankruptcy or insolvency of many smaller companies, with the attendant losses to investors, is higher than for larger companies. Fraud. Of concern in investments is the possibility of material misrepresentation or omission on the part of the borrower. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying the loans or may adversely affect the ability of the Company to perfect or effectuate a lien on any collateral securing the loan. The Investment Adviser relies upon the accuracy and completeness of representations made by borrowers to the extent reasonable when it makes its investments, but cannot guarantee such accuracy or completeness.

Counterparty Risk.

The Investment Adviser works with other counterparties that are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, might not be available in connection with transactions, for example loan syndication transactions. This exposes the Investment Adviser's clients to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the client to suffer a loss. The ability of the Investment Adviser to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses.

Uncertain Exit Strategies.

Due to the illiquid nature of many of the investments, as well as the uncertainties of the reorganization and active management process, the Investment Adviser is unable to predict with confidence what the exit strategy will ultimately be for any given core position, or that one will definitely be available. Exit strategies which appear to be viable when an investment is initiated may be precluded by the time the investment is ready to be realized due to economic, legal, political or other factors.

Valuation.

Investments which the Investment Adviser believes are fundamentally undervalued or overvalued may not ultimately be valued in the capital markets at prices and/or within the time frame anticipated. In particular, purchasing investments at prices which the Investment Adviser believes to be distressed or below fair value is no guarantee that the price of such investments will not decline even further. The valuations of investments are made in good faith, but may or may not reflect the realizable value of any given position which may be materially lower than the Investment Adviser's estimations. As market dynamics shift over time, what may have been a highly successful valuation model may become outdated or inaccurate.

Concentration Risks.

Although the Investment Adviser's objective is to acquire a diversified portfolio, only a limited number of investments may be made and the returns may be affected by the performance of only a few investments.

Eurozone.

The Investment Adviser advises on investments in Europe. In light of recent market developments, it is possible that a country may leave the Eurozone and return to a national currency, and as a result may leave the EU and/or that the Euro will cease to exist in its current form and/or lose its legal status in one or more countries in which it currently has such status. The effect of such potential events on the investments is at this stage impossible to predict with any certainty.

C. Risks Associated With Particular Types of Securities.

Loans.

There are no restrictions on the credit quality of the loans in which the Investment Adviser may advise the Funds and Managed Account to invest in, and many of the loans in which the Funds and Managed Account invest may be unrated. Loans may be deemed to have substantial vulnerability to default in payment of interest and/or principal. Certain of the loans may have large uncertainties or major risk exposures to adverse conditions, and may be considered to be predominantly speculative. Generally, such loans offer a higher return potential than better quality loans, but involve greater volatility of price and greater risk of loss of income and principal. The market values of certain of these loans also tend to be more sensitive to changes in economic conditions than better quality loans. Bank loans are subject to unique risks, including: (i) the possible invalidation of an investment transaction as a fraudulent conveyance under relevant creditors' rights laws; (ii) so-called lender-liability claims by the issuer of the obligations; (iii) environmental liabilities that may arise with respect to collateral securing the obligations; and (iv) limitations on the ability of the Fund or Managed Account to directly enforce its rights with respect to participations. In analyzing each bank loan or participation, the Management Company will compare the relative significance of the risks against the expected benefits of the investment. Successful claims by third parties arising from these and other risks will be borne by the Fund or Managed Account.

High-Yield Securities.

The Investment Adviser may advise the Funds and/or managed account to invest in bonds or other fixed-income securities, including without limitation "higher yielding" (including non-investment grade) debt securities. Such securities are generally not exchange traded and, as a result, these securities trade in the over-the-counter marketplace, which is less transparent and may have wider bid/ask spreads than the exchange-traded marketplace. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing securities. 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. High-yield securities are generally more volatile and may or may not be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured by substantially all of the issuer's assets. High-yield securities may also not be protected by financial covenants or limitations on additional indebtedness.

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. It is possible that a major economic recession could severely disrupt the market for such securities and may have an adverse impact on the value of such securities. In addition, it is possible that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default of such securities.

Distressed Obligations.

The Investment Adviser may advise the Funds and/or managed account to invest in obligations of issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganization and liquidation proceedings. These obligations are likely to be particularly risky investments, although they also may offer the potential for correspondingly high returns. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments may also be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and the bankruptcy court's power to disallow, reduce, subordinate, re-characterise debt as equity or disenfranchise particular claims. Such companies' obligations may be considered speculative, and the ability of such companies to pay their debts on schedule could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry or specific developments within such companies. In addition, there is no minimum credit standard that is a prerequisite to the investments in any security, and a significant portion of the obligations in which the Funds or managed account invest in may be less than investment grade. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that value of the assets collateralising the investments will be sufficient or that prospects for a successful reorganisation or similar action will become available. In any reorganisation or liquidation proceeding relating to a company in which the Funds or managed account invest, they may lose the entire investment, may be required to accept cash or securities with a value less than its original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from the investments may not compensate the clients adequately for the risks assumed. In addition, under certain circumstances, payments and distributions may be disgorged if any such payment is later determined to have been a fraudulent conveyance or a preferential payment.

In liquidation (both in and out of bankruptcy) and other forms of corporate reorganisation, there exists the risk that the reorganisation either will be unsuccessful (due to, for example, failure to obtain requisite approvals), will be delayed (for example, until various liabilities, actual or contingent, have been satisfied) or will result in a distribution of cash or a new security the value of which will be less than the purchase price of the security in respect to which such distribution was made.

Real Estate-Related Securities.

The Investment Adviser may advise the Funds and/or managed account to invest in securities issued by entities which invest in real estate such as "real estate investment trusts". Real estate investments generally will be subject to the risks incident to the ownership and operation of real estate and/or risks incident to the making of non-recourse mortgage loans secured by real estate. Such risks include, without limitation, the risks associated with both the domestic and international general economic climates; local real estate conditions; risks due to dependence on cash flow; risks and operating problems arising out of the absence of certain construction materials; changes in supply of, or demand for, competing properties in an area (as a result, for instance, of over-building); the financial condition of tenants, buyers

and sellers of properties; changes in availability of debt financing; energy and supply shortages; changes in the tax, real estate, environmental, and zoning laws and regulations; various uninsured or uninsurable risks; natural disasters; and the ability of the Funds, Managed account or third-party borrowers to manage the real properties. In addition, the Funds and/or managed account may incur the burdens of ownership of real property, which include the paying of expenses and taxes, maintaining such property and any improvements thereon, and ultimately disposing of such property.

Small Cap Equity Securities.

The Investment Adviser may advise to invest in equity securities without restriction as to market capitalization, such as those issued by small and mid-cap capitalization companies. The securities of SMEs might not be traded in volumes typical of securities of larger companies. Because smaller companies normally have fewer shares outstanding than larger companies, it may be more difficult to buy and sell significant amounts of smaller company shares without an unfavorable impact on prevailing market prices. Thus, the securities of SMEs are generally less liquid, and subject to more abrupt or erratic market movements than larger capitalized companies. Additionally, the risk of bankruptcy or insolvency of many smaller companies, with the attendant losses to investors, is higher than for larger companies. The Funds or managed account may purchase securities in all available securities trading markets. In addition to the risks related to the performance of the issuer and movements in the equity markets, there are numerous inter-related and difficult-to-quantify economic factors, as well as market sentiment, subjective and extraneous political, climate-related and terrorist factors, government activities and regulations and inflation, that influence the value of equities. Further, despite the heavy volume of trading in equity securities, periodic illiquidity, mispricings and market disruptions may occur.

ITEM 9
DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of the Investment Adviser's advisory business or the integrity of the Investment Adviser's management.

ITEM 10
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-Dealer Registration Status.

The Investment Adviser and its management persons are not registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Adviser Registration Status.

The Investment Adviser and its management persons are not registered as, and do not have any application to register as, futures commission merchants, commodity pool operators, commodity trading advisors or associated persons of the foregoing entities but may be required to register in the future.

C. Material Relationships or Arrangements with Industry Participants.

None

D. Material Conflicts of Interest Relating to Other Investment Advisers.

The Investment Adviser does not recommend or select other investment advisers for its clients.

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

A. Code of Ethics.

As an investment adviser, the Firm stands in a position of trust and confidence with respect to our clients. Accordingly we have a fiduciary duty to place the interests of our clients before the interests of the Firm and our Employees. In order to assist the Firm and our Employees in meeting our obligations as a fiduciary, the Firm has adopted a Code of Ethics (the "Code"). The Code incorporates the following general principles which all Employees are expected to uphold:

- Employees must at all times place the interests of our Funds first.
- All personal securities transactions must be conducted in a manner consistent with the Code and avoid any actual or potential conflicts of interest or any abuse of an Employee's position of trust and responsibility.
- Employees must not take any inappropriate advantage of their positions at the Firm.
- Information concerning the identity of securities and financial circumstances of the Funds and their investors must be kept confidential.
- Independence in the investment decision-making process must be maintained at all times.

Clients may request a copy of the Code by contacting the Investment Adviser at the address or telephone number listed on the first page of this document.

B. Investing in Securities That You or a Related Person Recommends to Clients.

[The Code places restrictions on personal trades by employees, including that they disclose their personal securities holdings and transactions to the Investment Adviser on a periodic basis, and requires that employees pre-clear certain types of personal securities transactions.

The Investment Adviser, its affiliates and its employees may give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken for clients. These activities may adversely affect the prices and availability of other securities or instruments held by or potentially considered for one or more clients. Potential conflicts also may arise due to the fact that the Investment Adviser and its personnel may have investments in some Funds but not in others or may have different levels of investments in the various Funds.

The Investment Adviser has established policies and procedures to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code, as described above, and regular monitoring of employee transactions and trading patterns for actual or perceived

conflicts of interest, including those conflicts that may arise as a result of personal trades in the same or similar securities made at or about the same time as client trades.]

C. Conflicts of Interest Created by Contemporaneous Trading.

The Investment Adviser manages investments on behalf of a number of clients. Certain clients have investment programs that are similar to or overlap and may, therefore, participate with each other in investments. It is the policy of the Investment Adviser to allocate investment opportunities among all clients fairly, to the extent practical and in accordance with each client's applicable investment strategies, over a period of time. The Investment Adviser will have no obligation to purchase or sell a security for, enter into a transaction on behalf of, or provide an investment opportunity to any client solely because the Investment Adviser purchases or sells the same security for, enters into a transaction on behalf of, or provides an opportunity to any client if, in its reasonable opinion, such security, transaction or investment opportunity does not appear to be suitable, practical or desirable for the client.

It is the policy of the Investment Adviser to allocate investment opportunities fairly and equitably over time. This means that such opportunities will generally be allocated among clients for which participation in the respective opportunity is considered appropriate, taking into account, among other considerations (a) whether the risk-return profile of the proposed investment is consistent with the account's objectives; (b) the potential for the proposed investment to create an imbalance in the account's portfolio; (c) liquidity requirements; (d) potentially adverse tax consequences; (e) regulatory restrictions that would or could limit an account's ability to participate in a proposed investment; and (f) the need to re-size risk in the account's portfolio. Such considerations may result in allocations among clients on other than a pari passu basis. In certain circumstances, investment opportunities will be allocated solely to the client, fund or account with respect to which the opportunity has been generated.

ITEM 12 BROKERAGE PRACTICES

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions.

As noted previously, the Investment Adviser has none discretionary authority to advise the Fund[s] and managed accounts, including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions or markups and markdowns paid. The Investment Adviser's authority is limited by its own internal policies and procedures and each Fund's and/or managed account investment guidelines.

1. Research and Other Soft Dollar Benefits.

The Investment Adviser does not currently receive research or other products or services from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits").

2. Brokerage for Client Referrals.

Neither the Investment Adviser nor any related person receives client referrals from any broker-dealer.

3. Directed Brokerage.

The Investment Adviser does not recommend, request or require that a client direct the Investment Adviser to execute transactions through a specified broker-dealer.

ITEM 13 REVIEW OF ACCOUNTS

A. Frequency and Nature of Review of Client Accounts or Financial Plans.

The Investment Adviser performs periodic reviews of each client's portfolio. Such reviews are conducted by the members of the Investment Adviser's asset management committee.

B. Factors Prompting Review of Client Accounts Other than a Periodic Review.

A review of a client account may be triggered by any unusual activity or special circumstances.

C. Content and Frequency of Account Reports to Clients.

The Investment Adviser generally provides annual audited financial statements to its clients within 120 days of the applicable client's fiscal year end.

Investors in the Funds and managed account receive periodic (normally either a monthly or quarterly) letters from the Investment Adviser documenting the performance of their Fund or managed account, along with a commentary by the Investment Adviser, although the Investment Adviser may provide certain investors with information on a more frequent and detailed basis if agreed to by the Investment Adviser. In addition, the Investment Adviser issues investors tax reports and audited financial statements concerning their respective Funds within 120 days of the end of the Fund's fiscal year. While all investors generally receive similar information, to the extent an investor receives additional information (that other investors have not received), which is in addition to information provided in a Fund's regular reports to investors, such information may provide such investor with greater insight into the Fund's activities. This may enhance such investor's ability to make investment decisions with respect to the Fund and possibly affect such investor's decision to request a redemption from the Fund.]]¹

¹ [NOTE: ESO to confirm.]

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits for Providing Services to Clients.

The Investment Adviser does not receive economic benefits from non-clients for providing investment advice and other advisory services. ESO Capital has a share in an investment sourcing firm, Realflex LLP ("Realflex"). Realflex may receive a fee of up to 1% of the deal size for sourcing a deal for ESO Capital. Realflex does not source deals solely for ESO Capital.

B. Compensation to Non-Supervised Persons for Client Referrals.

Neither the Investment Adviser nor any related person directly or indirectly compensates any person who is not a supervised person, including placement agents, for client referrals.

The Investment Adviser has entered into a placement agreement, (the "Placement Agreement") with Eaton Partners (the "Placement Agent"), , pursuant to which the Placement Agent has agreed to introduce potential investors (Note: this is to potential new funds). Pursuant to the terms of the Placement Agreement, the Investment Manager will pay the Placement Agent a placement fee equal to 2.75% of the aggregate capital contributions made by each investor introduced to a Fund by the Placement Agent.

Comment [A1]:
Realflex sources deals but does not introduce clients so I do not believe it has to be mentioned.

ITEM 15 CUSTODY

The Investment Adviser is deemed to have custody of client funds and securities because it has the authority to obtain client funds or securities, for example, by deducting advisory fees from a client's account or otherwise withdrawing funds from a client's account. Account statements related to the clients are sent by qualified custodians to the Investment Adviser.

The Investment Adviser is subject to Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). However, it is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to each Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception", which, among other things, requires that each Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

ITEM 16
INVESTMENT DISCRETION

The Investment Adviser serves as the investment adviser with non-discretionary trading authority to each Fund and also provides non-discretionary advisory services for the managed accounts.

The Investment Adviser's investment advice with respect to each Fund are subject to each Fund's investment objectives and guidelines, as set forth in its offering documents.

Similarly the Investment Advisor's investment decisions and advice with respect to each managed account are subject to each client's investment management agreement, as well as any instructions provided by the client to the Investment Advisor. The Investment Adviser or an affiliate of the Investment Adviser entered into an investment advisory agreement, or similar agreement, with each Fund or beneficial owner of each managed account, pursuant to which the Investment Adviser or an affiliate of the Investment Adviser was granted non-discretionary trading authority.

ITEM 17
VOTING CLIENT SECURITIES

A. Policies and Procedures Relating to Voting Client Securities.

In compliance with Advisers Act Rule 206(4)-6, the Investment Adviser has adopted proxy voting policies and procedures. The general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, "Proxies") in a prudent and diligent manner that will serve the applicable client's best interests and is in line with each client's investment objectives.

The Investment Adviser may take into account all relevant factors, as determined by the Investment Adviser in its discretion, including, without limitation:

- the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities;
- the anticipated associated costs and benefits;
- the continued or increased availability of portfolio information; and
- industry and business practices.

In limited circumstances, the Investment Adviser may refrain from voting Proxies where the Investment Adviser believes that voting would be inappropriate, taking into consideration the cost of voting the Proxies and the anticipated benefit to its clients. Generally, clients may not direct the Investment Adviser's vote in a particular solicitation.

Conflicts of interest may arise between the interests of the clients on the one hand and the Investment Adviser or its affiliates on the other hand. If the Investment Adviser determines that it may have, or is perceived to have, a conflict of interest when voting Proxies, the Investment Adviser will vote in accordance with its Proxy voting policies and procedures. Clients may obtain a copy of the Investment Adviser's Proxy voting policies and its Proxy voting record upon request.

B. No authority to Vote Client Securities and Client Receipt of Proxies

The Investment Advisor does not have authority to vote client securities with respect to Managed Accounts.

ITEM 18
FINANCIAL INFORMATION

The Investment Adviser is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.

ITEM 19
REQUIREMENTS FOR STATE-REGISTERED ADVISERS