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Form ADV Part 2A: Disclosure Brochure

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This brochure provides information about the qualifications and business practices of Galbraith Capital Investment Management Corp. If you have any questions about the contents of this brochure, please contact us at 727-214-5150. 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 Galbraith Capital Investment Management Corp. is available on the SEC's website at www.adviserinfo.sec.gov.

Galbraith Capital Investment Management Corp. is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Generally, Galbraith Capital Investment Management Corp. will notify clients of material changes on an annual basis. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

Item 3 Table of Contents

Item 1 Cover Page	Page 1
Item 2 Material Changes	Page 2
Item 3 Table of Contents	Page 3
Item 4 Advisory Business	Page 4
Item 5 Fees and Compensation	Page 5
Item 6 Performance-Based Fees and Side-By-Side Management	Page 6
Item 7 Types of Clients	Page 7
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	Page 7
Item 9 Disciplinary Information	Page 11
Item 10 Other Financial Industry Activities and Affiliations	Page 11
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	Page 11
Item 12 Brokerage Practices	Page 12
Item 13 Review of Accounts	Page 14
Item 14 Client Referrals and Other Compensation	Page 14
Item 15 Custody	Page 14
Item 16 Investment Discretion	Page 15
Item 17 Voting Client Securities	Page 15
Item 18 Financial Information	Page 15
Item 19 Requirements for State Registered Investment Advisers	Page 15
Item 20 Additional Information	Page 16

Item 4 Advisory Business

Description of Services and Fees

Galbraith Capital Investment Management Corp. is a registered investment adviser primarily based in Safety Harbor, FL. We are organized as a corporation under the laws of the State of Delaware and we have been providing investment advisory services since 2010. We are principally owned by Galbraith Capital, LLC (whose owners are Joseph Galbraith and Steven Greczek) and the Genesis Family Trust. We provide investment management services to separately managed accounts, which management is personalized to each individual client, as well as to private pooled investment vehicles.

The following paragraphs describe our services and fees. As used in this brochure, the words "we", "our" and "us" refer to Galbraith Capital Investment Management Corp. and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm.

Investment Management Services

Separately Managed Accounts

We offer discretionary investment management services to separately managed accounts where our investment advice is tailored to meet our clients' needs and investment objectives. We will meet with you to determine your investment objectives, risk tolerance, and other relevant information (the "suitability information") at the beginning of our advisory relationship. We will use the suitability information we gather from our initial meeting to develop a strategy that enables our firm to give you continuous and focused investment advice and/or to make investments on your behalf. As part of our investment management services, we may customize an investment portfolio for you in accordance with your risk tolerance and investing objectives. We may also invest your assets according to one or more model portfolios developed by our firm. Once we construct an investment portfolio for you, or select a model portfolio, we will monitor your portfolio's performance on an ongoing basis, and will re-balance the portfolio as required by changes in market conditions and in your financial circumstances.

If you participate in our discretionary investment management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account, the broker-dealer to be used and the commission rates to be paid without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and the appropriate trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.

As part of our investment management services, we may use one or more sub-advisers to manage a portion of your account on a discretionary basis. The sub-adviser(s) may use one or more of their model portfolios to manage your account. We will regularly monitor the performance of your accounts managed by sub-adviser(s), and may hire and fire any sub-adviser without your prior approval. We may pay a portion of our advisory fee to the sub-adviser(s) we use; however, you will not pay our firm a higher advisory fee as a result of any sub-advisory relationships.

Pooled Investment Vehicles

Galbraith Capital Investment Management Corp. is the sub-advisor to Galbraith Global Strategies Fund, LP., Galbraith Global Strategies Offshore Fund, Ltd., Galbraith Global Strategies Master Fund, LP (collectively "Strategies Funds"), Galbraith Systematic Arbitrage Fund, Ltd., Galbraith Systematic Arbitrage Fund, LP and Galbraith Systematic Arbitrage Master Fund, Ltd., (collectively "Arbitrage Funds")(Strategies Funds and Arbitrage Funds collectively "Funds") which are proprietary pooled investment vehicles. Galbraith Capital Investment Management Corp. acts as sub-advisor to the Funds pursuant to a sub-advisory agreement with Galbraith Global Investment Management, LP, a related entity, who serves as investment manager to the Funds.

The objective of the Strategies Funds is to achieve capital appreciation through investments in securities through a master feeder fund structure whereby Galbraith Global Strategies Fund, LP and Galbraith Global Strategies Offshore Fund, Ltd. generally make investments in parallel through placing substantially all of their assets in Galbraith Global Strategies Master Fund, L.P.

The objective of the Arbitrage Funds is to achieve capital appreciation through investments in securities through a master feeder fund structure whereby Galbraith Systematic Arbitrage Fund, Ltd. and Galbraith Systematic Arbitrage Fund, LP generally make investments in parallel through placing substantially all of their assets in Galbraith Systematic Arbitrage Master Fund, Ltd.

The Funds are offered only to investors meeting certain sophistication and financial requirements and only by private placement memorandum and other offering documents. Investors and prospective investors should refer to the offering documents for the Funds for a complete description of the risks, investment objectives and strategies, fees and other relevant information pertaining to investments in the Funds.

Types of Investments

We primarily provide advice on equity securities, warrants and derivatives including options and futures contracts.

Separately managed account clients may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

Assets Under Management

As of December 31, 2011, we manage \$117,000,000 in client assets on a discretionary basis.

Item 5 Fees and Compensation

Separately Managed Accounts

Our fee for providing investment management to separately managed accounts may be based on a percentage of your assets we manage ranging up to an annual fee of 2% of assets under management. In addition to and/or in lieu of an asset based fee, we also charge performance based fees as discussed in Item 6 below.

We may charge our asset based fee monthly in advance or arrears. Fees charged in advance are based on the value of your account on the last day of the previous month and fees charged in arrears are based on the value of your account on the last day of the month. We will send you an invoice for the payment of our advisory fee.

If the investment management agreement is executed at any time other than the first day of a calendar month, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the month for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

Our investment management agreement may be terminated pursuant to the provisions of the agreement. You will incur a pro rata charge for services rendered prior to the termination of the investment management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Pooled Investment Vehicles

With respect to the Strategies Funds, Galbraith Global Investment Management, LP is entitled to receive monthly management fees at an annual rate of (i) one and a half percent (1.5%) of the Net Asset Value of the Galbraith Global Strategies Master Fund, LP attributable to Class A Shares and (ii) two percent (2.0%) of the Net Asset Value of the Master Fund attributable to Class B Shares and (iii) zero percent (0%) of the Net Asset Value of the Master Fund attributable to Class G Shares. The monthly management fees shall be calculated and payable monthly in advance as of the commencement of the month. Galbraith Capital Investment Management Corp. is entitled to receive a portion of these fees pursuant to the sub-advisory agreement between the parties.

With respect to the Arbitrage Funds, Galbraith Global Investment Management, LP is entitled to receive management fees at an annual rate of 2.0% of the Galbraith Global Systematic Arbitrage Master Fund's net asset value indirectly attributable to the capital account balance of each investor. Management Fees are calculated and payable monthly in advance at the Master Fund level. Galbraith Capital Investment Management Corp. is entitled to receive a portion of these fees pursuant to the sub-advisory agreement between the parties.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the *Brokerage Practices* section of this brochure.

We may trade client accounts on margin. Each client must sign a separate margin agreement before margin is extended to that client account. Fees for advice and execution on these securities are based on the total asset value of the account, which includes the value of the securities purchased on margin. While a negative amount may show on a client's statement for the margined security as the result of a lower net market value, the amount of the fee is based on the absolute market value. This creates a conflict of interest where we have an incentive to encourage the use of margin to create a higher market value and therefore receive a higher fee. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved.

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

We charge performance-based fees to "qualified clients" having a net worth greater than \$2,000,000 or for whom we manage at least \$1,000,000, immediately after entering an agreement for our services. Performance-based fees are fees based on a share of capital gains or capital appreciation of a client's account. Our performance fees for separately managed accounts ranges up to 50% per annum which may be subject to high water mark. Performance based fee and fee paying arrangements are negotiable and vary on a case by case basis.

With respect to Strategies Funds, subject to a "high water mark" as described in the offering memorandum, as of the close of each fiscal quarter, a performance allocation equal to 20% (Class A and B) or 50% (Class G) of each investors' allocable share of net profits for the fiscal quarter is debited against the capital account of each investor and simultaneously credited to the capital account of one or more Allocation LP's (as such term is defined in the offering memorandum) in such proportions as the Allocation LP's may determine for the relevant fiscal quarter, but in no event shall the Allocation LP's be allocated in the aggregate an amount more than 50% of each investors allocable share of net profits for the fiscal quarter.

With respect to the Arbitrage Funds, subject to a "high water mark" as described in the offering memorandum, as of the close of each fiscal quarter, a performance allocation is debited against the capital account of each investor and simultaneously credited to the capital account of the Allocation LP (as such term is defined in the offering memorandum). The performance allocation, calculated and charged at the Master Fund level, is equal to 20% of each investors' allocable share of net profits for the fiscal quarter. The performance allocation is calculated at the Master Fund level through the use of separate capital sub-accounts within the Arbitrage Funds' capital account in the Master Fund that correspond to the interest of each investor in the Arbitrage Funds. To the extent that the underlying Fund assets are invested in the Master Fund, no separate performance allocation will be assessed at the underlying Fund level.

The Allocation LPs which are entitled to receive the performance allocation are entities which may be under common control/ownership and/or affiliated with Galbraith Capital Investment Management Corp.

Performance-based fees create an incentive for our firm to make investments that are riskier or more speculative than would be the case absent a performance fee arrangement. In order to address this potential conflict of interest, a senior officer of our firm periodically reviews client accounts to ensure that investments are suitable and that the account is being managed according to the client's investment objectives and risk tolerance.

Performance-based fees may also create an incentive for our firm to overvalue investments which lack a market quotation. In order to address such conflict, we have adopted policies and procedures that require our firm to "fairly value" any investments, which do not have a readily ascertainable value.

Item 7 Types of Clients

We offer investment advisory services to individuals, pension and profit sharing plans and pooled investment vehicles.

In general, we require a minimum of \$1,000,000 to open and maintain a separately managed account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management.

Investments in the Funds are subject to a minimum investment of \$1,000,000, which minimum may be waived, and are offered only to sophisticated investors who are "accredited investors" as defined by the Securities Act of 1933 and "qualified clients" as defined by the investment advisers act of 1940.

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

Our Methods of Analysis and Investment Strategies

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

Charting Analysis - involves the gathering and processing of price and volume pattern information for a particular security, sector, broad index or commodity. This price and volume pattern information is analyzed. The resulting pattern and correlation data is used to detect departures from expected performance and diversification and predict future price movements and trends.

Risk: Our charting analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Technical Analysis - involves studying past price patterns, trends, and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

Risk: The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Risk: The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Cyclical Analysis - a type of technical analysis that involves evaluating recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions.

Risk: The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Trading

We may use investment strategies that involve buying and selling securities frequently in an effort to capture significant market gains and avoid significant losses during a volatile market. However, frequent trading can negatively affect investment performance, particularly through increased brokerage and other transactional costs and taxes.

Short Sales - securities transaction in which an investor sells securities that were borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future.

Risk: A short seller will profit if the stock goes down in price, but if the price of the shares increase, the potential losses are unlimited.

Options Trading/Writing - a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option.

Risk: The trading of options may be highly speculative and may entail more risk than those present when investing in other types of securities. Prices of options are generally more volatile than prices of other types of securities. When trading in options, you may run the risk of losing the entire investment in a relatively short period of time. In more risky options strategies, an investor could theoretically have an unlimited risk of loss.

Short Selling: Short selling is very risky. Unlike a straightforward investment in stocks where you buy shares with the expectation that their price will increase so you can sell at a profit, in a "short sale" you borrow stocks from your brokerage firm and sell them immediately, hoping to buy them later at a lower price. Thus, a short seller hopes that the price of a stock will go down in the near future. A short seller thus uses declines in the market to his advantage. He makes money when the stock prices fall and loses when prices go up. The SEC has strict regulations in place regarding short selling. There is no ceiling on how much a short seller can lose in a trade. The share price may keep going up and the short seller will have to pay whatever the prevailing stock price is to buy back the shares. However, his gains have a ceiling level because the stock price cannot fall below zero. A short seller has to undertake to pay the earnings on the borrowed securities as long as he chooses to keep his short position open. If the company declares huge dividends or issues bonus shares, the short seller will have to pay that amount to the lender. Any such occurrence can skew the entire short investment and make it unprofitable. The broker can use the funds in the short seller's margin account to buy back his loaned shares or issue a "call away" to get the short seller to return the borrowed securities. If the broker makes this call when the stock price is much higher than the price at the time of the short sale, then the investor can end up taking huge losses.

Margin: Buying on margin means borrowing money from a broker to purchase stock. Margin trading allows you to buy more stock than you'd be able to normally. An initial investment of at least \$2,000 is required for a margin account, though some brokerages require more. This deposit is known as the minimum margin. Once the account is opened and operational, you can borrow up to 50% of the purchase price of a stock. This portion of the purchase price that you deposit is known as the initial margin. Some brokerages require you to deposit more than 50% of the purchase price. Not all stocks qualify to be bought on margin. When you sell the stock in a margin account, the proceeds go to your broker against the repayment of the loan until it is fully paid. There is also a restriction called the maintenance margin, which is the minimum account balance you must maintain before your broker will force you to deposit more funds or sell stock to pay down your loan. When this happens, it's known as a margin call. If for any reason you do not meet a margin call, the brokerage has the right to sell your securities to increase your account equity until you are above the maintenance margin. Additionally, your broker may not be required to consult you before selling. Under most margin agreements, a firm can sell your securities without waiting for you to meet the margin call and you can't control which stock is sold to cover the margin call. You also have to pay the interest on your loan. The interest charges are applied to your account unless you decide to make payments. Over time, your debt level increases as interest charges accrue against you. As debt increases, the interest charges increase, and so on. Therefore, buying on margin is mainly used for short-term investments. The longer you hold an investment, the greater the return that is needed to break even. In volatile markets, prices can fall very quickly and you can lose more money than you have invested.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional prior to and throughout the investing of your assets.

Moreover, as a result of revised IRS regulations, custodians and broker-dealers will begin reporting the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, please provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Please note that decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Investment of Particular Types of Securities

As disclosed under the *Advisory Business* section in this brochure, we primarily invest in securities, warrants and derivatives including options and futures contracts.

Stocks: There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to: the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, more well established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Derivatives: Derivatives are types of investments where the investor does not own the underlying asset, but he makes a bet on the direction of the price movement of the underlying asset via an agreement with another party. There are many different types of derivative instruments, including options, swaps, futures and forward contracts. Derivatives have numerous uses as well as various risks associated with them, but are generally considered an alternative way to participate in the market. Investors typically use derivatives for three reasons: to hedge a position, to increase leverage, or to speculate on an asset's movement. The key to making a sound investment is to fully understand the risks associated with the derivative, including, but not limited to: counterparty, underlying asset, price and expiration risks. The use of a derivative only makes sense if the investor is fully aware of the risks and understands the impact of the investment within a portfolio strategy. Due to the variety of available derivatives and the range of potential risks, a detailed explanation of derivatives is beyond the scope of this disclosure.

Options and Warrants: Options are complex securities that involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. It is generally recommended that you only invest in options with risk capital. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). A warrant is a derivative security that gives the holder the right to purchase securities (usually equity) from the issuer at a specific price within a

certain time frame. Price movements in all directions can be magnified with warrants, which may result in large price movements in relatively short periods of time. The main difference between warrants and call options is that warrants are issued and guaranteed by the issuing company, whereas options are traded on an exchange and are not issued by the company. Also, the lifetime of a warrant is often measured in years, while the lifetime of a typical option is measured in months.

Futures: Futures are financial contracts obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price. The primary difference between options and futures is that options give the holder the *right* to buy or sell the underlying asset at expiration, while the holder of a futures contract is *obligated* to fulfill the terms of his/her contract. Buyers and sellers in the futures market primarily enter into futures contracts to hedge risk or speculate rather than to exchange physical goods. Futures traders are advised to only use funds that have been earmarked as pure "risk capital" since the risks are that high.

Item 9 Disciplinary Information

Neither our firm nor any of our management persons has any reportable disciplinary information.

Item 10 Other Financial Industry Activities and Affiliations

Galbraith Capital Investment Management Corp. is the sub-advisor to Galbraith Global Strategies Fund, LP., Galbraith Global Strategies Offshore Fund, Ltd., Galbraith Global Strategies Master Fund, LP, Galbraith Systematic Arbitrage Fund, Ltd., Galbraith Systematic Arbitrage Fund, LP and Galbraith Systematic Arbitrage Master Fund, Ltd., which are proprietary pooled investment vehicles. Please refer to the section on Pooled Investment Vehicles above for further information on the Funds.

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

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

We serve as the sub-advisor to various private pooled Funds as discussed above. Individual clients may be solicited to invest in the Funds. Persons associated with our firm may have significant investments in the Funds and therefore we may have incentive to recommend the Funds over other investments. If you are an investor in the Funds, please refer to the Fund's offering documents for detailed disclosures regarding the Fund.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we invest in for clients. A conflict of interest exists in such cases because we have the ability to trade ahead of clients and potentially receive more favorable prices than clients will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over client accounts in the purchase or sale of securities.

Item 12 Brokerage Practices

We maintain relationships with several broker-dealers. While you are free to choose any broker-dealer or other service provider, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including but not limited to market information and administrative services that help our firm manage your account(s).

We may recommend broker-dealers capable of acting as a "prime broker." Under "prime broker" arrangements, the firm may, on a transaction-by-transaction basis, either use the "prime broker"/custodian or select other broker-dealers, who will execute transactions for settlement into the client's "prime brokerage" account.

We believe that recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers, including the value of the firm's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services recommended broker-dealers provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Research and Other Soft Dollar Benefits

In selecting or recommending a broker-dealer, we will consider the value of research and additional brokerage products and services a broker-dealer has provided or will provide to our clients and our firm. Receipt of these additional brokerage products and services are considered to have been paid for with "soft dollars." Because such services could be considered to provide a benefit to our firm, we have a conflict of interest in directing your brokerage business. We could receive benefits by selecting a particular broker-dealer to execute your transactions, and the transaction compensation charged by that broker-dealer might not be the lowest compensation we might otherwise be able to negotiate.

Products and services that we may receive from broker-dealers may consist of research data and analyses, financial publications, recommendations, or other information about particular companies and industries (through research reports and otherwise), and other products or services (e.g., software and data bases) that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Consistent with applicable rules, brokerage products and services consist primarily of computer services and software that permit our firm to effect securities transactions and perform functions incidental to transaction execution. We use such products and services in our general investment decision making, not just for those accounts for which commissions may be considered to have been used to pay for the products or services.

The test for determining whether a service, product or benefit obtained from or at the expense of a broker constitutes "research" under this definition is whether the service, product or benefit assists our firm in investment decision-making for discretionary client accounts. Services, products or benefits that do not assist in investment decision-making for discretionary client accounts do not qualify as "research." Also, services, products or benefits that are used in part for investment decision-making for discretionary client accounts and in part for other purposes (such as accounting, corporate administration, recordkeeping, performance attribution analysis, client

reporting, or investment decision-making for the firm's own investment accounts) constitute "research" only to the extent that they are used in investment decision-making for discretionary client accounts.

Before placing orders with a particular broker-dealer, we determine that the commissions to be paid are reasonable in relation to the value of all the brokerage and research products and services provided by that broker-dealer. In some cases, the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts charged by another broker-dealer that did not provide research services or products.

We do not exclude a broker-dealer from receiving business simply because the broker-dealer does not provide our firm with soft dollar research products and services. However, we may not be willing to pay the same commission to such broker-dealer as we would have paid had the broker-dealer provided such products and services.

The products and services we receive from broker-dealers will generally be used in servicing all of our clients' accounts. Our use of these products and services will not be limited to the accounts that paid commissions to the broker-dealer for such products and services. In addition, we may not allocate soft dollar benefits to your accounts proportionately to the soft dollar credits the accounts generate. As part of our fiduciary duties to you, we endeavor at all times to put your interests first. You should be aware that the receipt of economic benefits by our firm is considered to create a conflict of interest.

We have instituted certain procedures governing soft dollar relationships including preparation of a brokerage allocation budget, mandated reporting of soft dollar irregularities, annual evaluation of soft dollar relationships, and an annual review of our brochure to ensure adequate disclosures of conflicts of interest regarding our soft dollar relationships.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

In some circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

Block Trades

We combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

Item 13 Review of Accounts

William Shannon, Chief Financial Officer , monitors accounts on an ongoing basis and will conduct account reviews at least monthly to ensure the advisory services provided and/or that the portfolio mix is consistent with clients investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in risk/return objectives.

We may provide certain separately managed account clients with periodic reports which will be determined on a client by client basis. Clients will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Investors in the Funds will receive audited financial statements on an annual basis and may receive other periodic unaudited reports.

Item 14 Client Referrals and Other Compensation

Please refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from broker-dealers.

We directly compensate non-employee (outside) consultants, individuals, and/or entities (Solicitors) for client/investor referrals. In order to receive a cash referral fee from our firm, Solicitors must comply with the requirements of the jurisdictions in which they operate. If you are a prospective client that was referred by a Solicitor, you should have received a copy of this brochure along with the Solicitor's disclosure statement at the time of the referral. If you become a client or Fund investor, the Solicitor that referred you to our firm will receive a percentage of the advisory fee you pay our firm, or percentage of the fees associated with investing in the Funds for as long as you are a client with our firm or investor in the Funds, or until such time as our agreement with the Solicitor expires. Clients/Investors will not pay additional fees because of this referral arrangement. Referral fees paid to a Solicitor are contingent upon you entering into an advisory agreement with our firm or investing in our Funds. Solicitors have a financial incentive to recommend our Funds and/or our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services or invest in our Funds. Comparable services and/or lower fees may be available through other firms.

Item 15 Custody

Associated persons of our firm serve as directors of the Galbraith Systematic Arbitrage Fund, Ltd, the Galbraith Global Strategies Offshore Fund, Ltd., and the Galbraith Systematic Arbitrage Master Fund, Ltd. In addition, Galbraith Capital, LLC, an affiliated firm, serves as General Partner of the Galbraith Global Strategies Fund, L.P. and Galbraith Systematic Arbitrage Fund, LP. As a result, these related individuals/entities will have access to these pooled investment vehicles funds and securities and therefore have custody over such assets. Investors in the Funds are provided with audited financial statements on an annual basis. If you are a Fund investor and have questions regarding the financial statements or if you did not receive a copy, please contact us directly at the telephone number on the cover page of this brochure.

Item 16 Investment Discretion

For separately managed accounts, before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, and the appropriate trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s), the broker-dealer to be used and/or the commission rates to be paid without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

Item 17 Voting Client Securities

Proxy Voting

We will determine how to vote proxies based on our reasonable judgment of the vote most likely to produce favorable financial results for clients. Proxy votes generally will be cast in favor of proposals that maintain or strengthen the shared interests of shareholders and management, increase shareholder value, maintain or increase shareholder influence over the issuer's board of directors and management, and maintain or increase the rights of shareholders. Generally, proxy votes will be cast against proposals having the opposite effect. However, we will consider both sides of each proxy issue. Unless we receive specific instructions from you, we will not base votes on social considerations. Except as stated below, we do not accept direction from you on voting a particular proxy.

Conflicts of interest between you and our firm, or a principal of our firm, regarding certain proxy issues could arise. If we determine that a material conflict of interest exists, we will take the necessary steps to resolve the conflict before voting the proxies. For example, we may disclose the existence and nature of the conflict to you, and seek direction from you as to how to vote on a particular issue; we may abstain from voting, particularly if there are conflicting interests for you (for example, where your account(s) hold different securities in a competitive merger situation); or, we will take other necessary steps designed to ensure that a decision to vote is in your best interest and was not the product of the conflict.

We keep certain records required by applicable law in connection with our proxy voting activities. You may obtain information on how we voted proxies and/or obtain a full copy of our proxy voting policies and procedures by making a written or oral request to our firm.

Item 18 Financial Information

We do not have any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

Item 19 Requirements for State Registered Investment Advisers

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

Item 20 Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

Separately managed account clients will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

Class Action Lawsuits

We do not determine if securities held by separately managed account clients are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.