

Shareholder Financial Services, Inc.

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FORM ADV PART 2A BROCHURE

August 7, 2012

This Form ADV Part 2A Brochure (“Brochure”) provides information about the qualifications and business practices of Shareholder Financial Services, Inc. If you have any questions about the contents of this Brochure, please contact us at 212-323-1200. Additional information about Shareholder Financial Services, Inc. also is available on the SEC’s website at www.adviserinfo.sec.gov.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Shareholder Financial Services, Inc. is registering with the SEC as an investment adviser. Registration as an investment adviser does not imply any level of skill or training.

Item 2 – Material Changes

This Brochure dated [], 2012 is a new document. In the future, pursuant to SEC rules, we will ensure that you receive an updated Brochure or a summary of any material changes to the Brochure within 120 days of the end of our fiscal year. We may further provide to you, without charge, disclosure information regarding material changes to our business during the fiscal year.

Table of Contents

Item 2 – Material Changes	ii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	2
Item 6 – Performance-Based Fees and Side-By-Side Management	2
Item 7 – Types of Clients	2
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	3
Item 9 – Disciplinary Information	7
Item 10 – Other Financial Industry Activities and Affiliations	10
Item 11 – Code of Ethics	12
Item 12 – Brokerage Practices	13
Item 13 – Review of Accounts	18
Item 14 – Client Referrals and Other Compensation	18
Item 15 – Custody	19
Item 16 – Investment Discretion	19
Item 17 – Voting Client Securities	20
Item 18 – Financial Information	22

Item 4 – Advisory Business

Shareholder Financial Services, Inc. (the “Adviser”) is a new investment adviser with its principal place of business in Centennial, Colorado. The Adviser was organized in 1989 to serve as, and registered with the SEC as, a transfer agent, but has ceased operations as a transfer agent and will commence operations as an investment adviser as a result of an agreement entered into by its direct parent company, OppenheimerFunds, Inc. (“OFI”) with SteelPath Capital Management LLC and SteelPath Fund Advisors LLC (together, “SteelPath”), pursuant to which OFI agreed to acquire substantially all of the assets of SteelPath (the “Transaction”). Upon the closing of the Transaction and the receipt of the necessary client consents and approvals, which the Adviser expects to occur during the fourth quarter of 2012, OFI will transfer certain of the SteelPath assets, including investment advisory agreements with certain funds and other clients, to the Adviser, and the Adviser will serve as the investment adviser, or in some cases, the investment sub-adviser to those clients. Prior to, or shortly following its registration with the SEC as an investment adviser becoming effective, the Adviser will de-register with the SEC as a transfer agent.

The Adviser is a wholly-owned subsidiary of OFI, which, in turn, is a wholly-owned subsidiary of Oppenheimer Acquisition Corp. (“OAC”). Massachusetts Mutual Life Insurance Company (“Mass Mutual”), through its subsidiary Mass Mutual Holding Company LLC, is the indirect primary shareholder of OAC. MassMutual is a mutual life insurance company that, together with its subsidiaries, is a global, growth-oriented, diversified financial services organization providing life insurance and other financial products and services.

The Adviser intends to provide investment advisory services on a discretionary basis to investment companies registered with the SEC under the Investment Company Act of 1940 (the “1940 Act”) as open-end management investment companies (“Mutual Funds”). The Adviser intends to act in a sub-advisory capacity to unaffiliated third-party advisers, providing continuous and regular management services with respect to entities sponsored by such third-party advisers (“Sub-Advised Funds”). In addition, the Adviser intends to provide discretionary investment management services to investment companies excepted from the definition of investment company by Sections 3(c)(1) and 3(c)(7) of the 1940 Act (“Private Funds”), where the Adviser or an affiliate is the general partner. The Adviser also expects to manage separate accounts for individuals, other investment advisers and institutions (“Separate Accounts”). All of the entities described in this paragraph to whom the Adviser expects to provide investment advisory services are referred to, collectively, as “Client” or “Clients.”

Generally, the Adviser will seek to manage accounts within the same investment strategy in a uniform manner. However, the Adviser may agree to tailor its advisory services in order to comply with certain Client requirements, such as compliance with special investment restrictions or the use of a specially designed securities universe.

The Adviser currently does not manage any Client assets.

Item 5 – Fees and Compensation

The Adviser's services and fees as investment adviser or sub-adviser will be set out in investment management agreements or sub-advisory agreements that will be negotiated with the applicable Client, or with a Client's board of directors, trustees, primary investment adviser or other representative. Generally, the Adviser anticipates charging a fee for its investment advisory services based on a percentage of a Client's assets under management. With respect to the Mutual Funds and Sub-Advised Funds, the Adviser's fees also will be set forth in the prospectus for each such fund and may vary according to the investment objective and the investment approach used in managing such funds. Separate Accounts generally will be subject to management fees equal, in the aggregate, to one percent (1%) per annum of each account's net asset value. Management fees will be generally calculated and payable at the end of each quarter. Private Funds will be subject to management fees equal, in the aggregate, to one and one-quarter percent (1.25%) per annum of a Private Fund's net asset value. Mutual Fund and Private Fund management fees will be calculated and paid monthly in arrears. Management fees paid by Clients will be negotiable, and will depend upon the type and size of the account and the specific investment strategy employed.

Client accounts will be expected to pay all expenses associated with transactions in the portfolio, including, but not limited to, brokerage commissions, transactions costs and custody fees. In addition, the Adviser may use "soft" or commission dollars to pay for various products or services, for the benefit of the Adviser, provided that such services are within the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended ("1934 Act"), which permits the use of commissions or "soft dollars" to obtain brokerage and research related products and services. Please refer to Item 12 below for a discussion of the Adviser's brokerage practices.

Lower fees for comparable services may be available from other sources.

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

The Adviser will not charge performance-based fees (i.e., fees based on a share of capital gains on, or capital appreciation of, the assets of a Client) to Clients. The management fees charged to Clients will be solely based on a percentage of assets under management.

Item 7 – Types of Clients

As mentioned in Item 4, the Adviser expects to provide portfolio management services to Mutual Funds, Sub-Advised Funds, Separate Accounts and Private Funds.

The Adviser does not anticipate having specific minimum account size requirements with respect to Separate Accounts. Acceptance of Separate Account management relationships will be determined on a case-by-case basis. Investors in the Private Funds generally will be subject to a minimum initial investment size of \$250,000, subject to the general partner's discretion to make exceptions.

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

Investment Strategies

The Adviser intends to invest in concentrated portfolios of energy infrastructure master limited partnerships (“MLPs”), utilizing a fundamentally focused approach to investing, with emphasis on cost of capital and valuation. The Adviser will seek to provide its Clients with long term capital appreciation in the MLP asset class. The Adviser will seek to achieve these objectives by investing in the equity and debt securities of energy infrastructure MLPs.

MLPs are publicly traded partnerships engaged in the transportation, storage, processing, refining, marketing, exploration, production and mining of minerals and natural resources. By confining their operations to these specific activities, their interests, or units, are able to trade on public securities exchanges exactly like the shares of a corporation, without entity level taxation. With respect to the MLPs that the Adviser expects to follow, approximately two-thirds trade on the New York Stock Exchange (“NYSE”) and the rest trade on the NASDAQ Stock Market. The regulatory disclosures for these companies are regulated by the SEC, and MLPs must file 10-Ks, 10-Qs, and notices of material changes like any publicly traded corporation. MLPs must also comply with the recordkeeping and disclosure requirements of the Sarbanes-Oxley Act.

The Adviser expects to invest primarily in common equity units representing limited partner interests of energy infrastructure MLPs. In managing each Client’s investment portfolio, the Adviser plans to rely on its disciplined investment process in determining security selection and weightings. The Adviser’s investment process will incorporate a fundamental analysis of the underlying businesses owned and operated by potential portfolio companies. Through this process, the Adviser will seek to invest in energy infrastructure MLPs that provide the greatest potential for capital appreciation, but whose underlying business risks offer an attractive risk/reward balance for its Clients. The Adviser’s securities selection process will include a comparison of quantitative and qualitative value factors that are developed through its proprietary analysis and valuation models. To determine whether an investment meets its criteria, the Adviser generally will look for, among other characteristics, sound business fundamentals, a strong record of cash flow growth, a solid business strategy, and a respected management team. The Adviser will sell investments if it determines that any of the mentioned characteristics have changed materially from its initial analysis, or that quantitative or qualitative value factors indicate that an investment is no longer earning a return commensurate with its risk. Investing in securities involves the risk of loss, which Clients should be prepared to bear.

Material Risks

The material risks of the Adviser’s strategy are discussed below. The value of a Client’s portfolio investments may increase or decrease. As a result, a Client may lose money on its investments in the portfolio, and there can be no assurance that the Adviser will achieve its investment objective. The Adviser’s investment strategy described above is not a complete

investment program. The value of a Client's investment will fluctuate, sometimes dramatically, which means it could lose money.

General. The Adviser's investment strategy is speculative and entails substantial risks. There can be no assurance that the investment objective of the Adviser will be achieved, and results may vary substantially over time. The transactions in which a Client account will generally engage involve significant trading risks. No assurance can be given that a Client will realize a profit on its investment. Moreover, each Client may lose some or all of its investment. Investors should understand that the results of a particular period will not necessarily be indicative of results in future periods.

Market Risk. The market value of a security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. A security's market value may also decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

Issuer Risk. The value of a security may decline for a number of reasons which directly relate to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's products or services.

Limited Diversification; Concentration of Holdings. There will be few limits on the Adviser's investment discretion. It is expected that a majority of the Clients' assets will be invested in a concentrated equity portfolio of midstream energy MLPs. This limited diversification could expose a Client to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in these investments. The risk of loss is greater than if the portfolio were invested in a more diversified manner among various sectors, and as a consequence, a Client's returns as a whole may be adversely affected by the unfavorable performance of even a single investment.

Reliance on the Adviser. The success of the Adviser's investment strategy and the performance of each Client's portfolio is heavily dependent on the activities, judgment and availability of the members of the Adviser. Clients must rely upon the ability of the Adviser to make investment decisions consistent with a Client's investment objectives and policies. The Adviser's ability to achieve its investment objective is dependent on its ability to identify profitable investment opportunities. Clients will not have the opportunity to personally evaluate the relevant economic, financial and other information that the Adviser will use when selecting and monitoring investments.

Industry-Specific Risk. Energy infrastructure companies are also subject to risks specific to the industry they serve including, but not limited to, the following:

- fluctuations in commodity prices;
- reduced volumes of natural gas or other energy commodities available for transporting, processing, storing or distributing;

- new construction risks and acquisition risks which can limit growth potential;
- a sustained reduced demand for crude oil, natural gas and refined petroleum products resulting from a recession or an increase in market price or higher taxes;
- depletion of the natural gas reserves or other commodities, if not replaced;
- changes in the regulatory environment;
- extreme weather;
- rising interest rates which could result in a higher cost of capital and drive investors into other investment opportunities; and
- threats of attack by terrorists.

Material Risks of MLP Securities

MLP Risk. Investments in securities of MLPs involve risks that differ from investments in common stock including risks related to limited control and limited right to vote on matters affecting the MLP, risks related to potential conflicts of interest between the MLP and the MLP's general partner, cash flow risks, dilution risks and risks related to the general partner's limited call right, as described in more detail in a prospectus.

MLP Tax Risk. MLPs do not pay U.S. federal income tax at the partnership level. Rather, each partner is allocated a share of the partnership's income, gains, losses, deductions and expenses. A change in current tax law, or a change in the underlying business mix of a given MLP, could result in an MLP being treated as a corporation for U.S. federal income tax purposes, which would result in such MLP being required to pay U.S. federal income tax on its taxable income. The classification of an MLP as a corporation for U.S. federal income tax purposes would have the effect of reducing the amount of cash available for distribution by the MLP. Thus, if any of the MLPs owned by the Adviser were treated as corporations for U.S. federal income tax purposes, it could result in a reduction of the value of a Client's portfolio and lower income. Tax-exempt investors are subject to federal income tax on their allocable share of unrelated business taxable income ("UBTI") generated by an investment holding. UBTI includes income arising from investments in entities that are treated as "flow-through" entities for U.S. federal income tax purposes and that hold operating assets. Because the Adviser will invest in MLPs that will earn income from operating businesses, the Adviser's investments will generate UBTI. Foreign persons are generally taxable on income that is effectively connected with the conduct of a U.S. trade or business by the foreign person or, if the foreign person is a qualified resident of a country with which the United States has an income tax treaty, such income is also attributable to a permanent establishment maintained by such foreign person in the United

States (“ECI”). A foreign investor’s share of the income and gain from its investments in MLPs that are engaged in U.S. trade or businesses and have U.S. permanent establishments will constitute ECI. Each foreign investor will be required to file U.S. tax returns and pay U.S. federal income tax on its allocable share of the ECI. In addition, foreign investors will be viewed as being engaged in a trade or business in the United States and as maintaining a permanent establishment in the United States. As a result, certain other income of a foreign investor could be treated as ECI as a result of such foreign investor’s investment.

Equity Securities Risk. MLP common units and other equity securities can be affected by macroeconomic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards MLPs or the energy sector, changes in a particular issuer’s financial condition, or unfavorable or unanticipated poor performance of a particular issuer (in the case of MLPs, generally measured in terms of distributable cash flow). Prices of common units of individual MLPs and other equity securities also can be affected by fundamentals unique to the partnership or company, including earnings power and coverage ratios.

Risk of Investments in the Energy Industry and of MLPs. The Adviser will invest in companies involved in, or supporting, the production and distribution of energy and fuels and related infrastructure. These companies are affected by fluctuations in supply and demand, interest rates, special risk of constructing and operating facilities or installations, lack of control over pricing, merger and acquisition activity, and regulation. Such fluctuations may, among other things, increase the costs of doing business and limit the potential for growth. For instance, stagnation in energy demand would substantially injure a pipeline’s ability to increase its cash flows over time. Although the Adviser believes energy demand will continue to grow steadily, there are risks that energy demand may not continue to grow as anticipated, including from conservation efforts, rising prices, emission, and other environmental concerns, and the potential introduction and commercialization of other energy sources. Since the profitability of midstream MLPs is primarily a function of the volume of oil, natural gas or other fuel delivered through its pipelines or other installations, supply side risks also exist which may impact the profitability and growth of MLPs. U.S. oil supplies, the bulk of which are imported from foreign countries, could be interrupted or reduced due to geopolitical events or environmental accidents.

Small Capitalization Issuers. The Adviser may invest a significant portion of Client assets in the securities of issuers, primarily MLPs, with micro- or small-sized market capitalizations. While the Adviser believes these securities often provide significant potential for appreciation, these stocks may involve higher risks in some respects than investments in securities of larger issuers. For example, prices of smaller-capitalization companies may be more volatile and the risk of bankruptcy or insolvency of smaller issuers is higher than for larger companies. In addition, due to thin trading in the securities of some smaller-capitalization issuers, and investment in those issuers may be relatively illiquid. Although common units of MLPs trade on the NYSE, the NASDAQ National Market and American Stock Exchange, certain MLP securities may trade less frequently than those of larger companies due to their smaller capitalizations. In the event

certain MLP securities experience limited trading volumes, the prices of such MLPs may display abrupt or erratic movements at times. Additionally, it may be more difficult for the Adviser to buy and sell significant amounts of such securities without an unfavorable impact on prevailing market prices. As a result, these securities may be difficult to dispose of at a fair price at the times when the Adviser believes it is desirable to do so. The investments in securities that are less actively traded or experience decreased trading volume over time may restrict the Adviser's ability to take advantage of other market opportunities or to dispose of securities.

Regulatory Risk. MLPs currently receive relatively favorable regulatory treatment. However, they could be adversely affected by changes in the regulatory environment. Most MLPs' assets are regulated by federal and state governments in facets such as pricing and expansion. Such regulation may change over time. Also, many state and federal environmental laws provide for civil as well as regulatory remediation, for operational accidents such as product spills, thus adding to the potential exposure an MLP faces.

Terrorism Risk. The U.S. securities markets are subject to disruptions as a result of potential terrorist activities similar to the attacks that occurred against the World Trade Center on September 11, 2001; war, and its aftermath, and other geopolitical events. Such events may lead to short-term market volatility and may have long-term effects on the U.S. economy and markets. MLP energy transportation assets may find themselves the targets of a terrorist agenda, and despite significant insurance provisions and asset diversity, a terrorist event could have a tremendous influence on the valuation of the asset class.

Item 9 – Disciplinary Information

A number of lawsuits have been filed in various state and federal courts against certain affiliates of the Adviser relating to the provision of investment advisory services by such advisory affiliates. A summary of those lawsuits and other matters is set forth below.

On September 8, 2005, OFI and OppenheimerFunds Distributor, Inc. ("OFDI") reached a settlement with the SEC regarding their past directed brokerage practices in connection with certain revenue sharing arrangements made between OFI and OFDI and certain broker/dealers. OFI and OFDI had voluntarily reported those practices to the SEC. Prior to its discussions with the SEC, OFI had voluntarily paid approximately \$15.8 million to certain funds and other accounts it managed, representing the amount of all brokerage commissions used by the OFI and OFDI to offset revenue sharing payments to the broker-dealer firms that had executed the brokerage transactions during the period between January 2000 and July 2003. In their Consent Order with the SEC, the OFI and OFDI also agreed to certain undertakings regarding revenue sharing procedures and fund portfolio trading practices. The Consent Order completed a series of actions voluntarily taken by the OFI and OFDI to resolve issues related to these practices. Without admitting or denying the findings in the Consent Order, the OFI and OFDI were censured and ordered to cease and desist from violations of applicable laws and regulations. The Consent Order imposed no additional fines or penalties, disgorgement or prejudgment interest payments on the OFI or OFDI.

OAC is the parent company of OFI and Tremont Group Holdings, Inc. (together with its subsidiaries, "Tremont"). Since 2008, investors in certain investment funds managed by Tremont have commenced class action and individual lawsuits against Tremont and its affiliates under state and federal laws seeking to recover investments they allegedly lost as a result of the "Ponzi" scheme run by Bernard L. Madoff ("Madoff") and his firm, Bernard L. Madoff Investment Securities, LLC ("BLMIS"). Plaintiffs in these suits allege that investors suffered losses as a result of their investments in several funds managed by Tremont and assert a variety of claims, including breach of fiduciary duty, fraud, negligent misrepresentation, unjust enrichment, and violation of federal and state securities laws and regulations, among others. The lawsuits seek unspecified damages, equitable relief and awards of attorneys' fees and litigation expenses. In certain of these lawsuits, OAC, OFI and certain former officers and directors of OFI are named as defendants. Neither OFDI nor any of the Oppenheimer Mutual Funds or any of their independent trustees or directors is named as a defendant in these lawsuits. On February 28, 2011, a stipulation of partial settlement of three groups of consolidated putative class action lawsuits relating to these matters was filed in the U.S. District Court for the Southern District of New York. On August 19, 2011, the court entered an order and final judgment approving the settlement as fair, reasonable and adequate. In September 2011, certain parties filed notices of appeal from the court's order approving the settlement. The settlement does not resolve other outstanding individual lawsuits arising from the Tremont funds' investments with BLMIS.

In December 2010, the Trustee appointed under the Securities Investor Protection Act to liquidate BLMIS filed an adversary proceeding in the U.S. Bankruptcy Court for the Southern District of New York against Tremont, a number of the investment funds managed by Tremont, OAC and certain of their affiliates. The Trustee asserted preference, fraudulent transfer and unjust enrichment claims against the defendants and sought to recover payments allegedly received from BLMIS by certain of the Tremont funds. On July 29, 2011, a stipulation of settlement of the Trustee's lawsuit was filed with the court. On September 22, 2011, the court entered an order approving the settlement as fair, reasonable and adequate. In October 2011, certain parties filed notices of appeal from the court's order approving the settlement.

Since 2009, a number of class action, derivative and individual lawsuits have been filed in federal courts against OFI, OFDI, and certain Oppenheimer mutual funds advised by OFI and distributed by OFDI (the "Defendant Funds"). Several of those lawsuits also name as defendants certain officers and current and former trustees of the respective Defendant Fund. The lawsuits raise claims under federal securities laws and various states' securities, consumer protection and common law and allege, among other things, that the disclosure documents of the respective Defendant Funds contained misrepresentations and omissions and that the respective Defendant Funds' investment policies were not followed. The plaintiffs in these actions seek unspecified damages, equitable relief and awards of attorneys' fees and litigation expenses. On September 30, 2011, the U.S. District Court for the District of Colorado entered orders and final judgments approving stipulations and agreements of settlement of the putative class action lawsuits involving two Defendant Funds, Oppenheimer Champion Income Fund ("Champion Income Fund") and Oppenheimer Core Bond Fund ("Core Bond Fund"). Those

orders are not subject to further appeal. These settlements do not resolve other putative class action lawsuits pending in federal court against OFI, OFDI, and other Defendant Funds and their independent trustees.

On June 6, 2012, the SEC entered a settled order instituting administrative cease and desist proceedings against OFI and OFDI, which resolved an investigation into the 2008 performance of Champion Income Fund and Core Bond Fund. OFI and OFDI neither admitted nor denied the allegations set forth in the SEC Order. As set forth in the Order, the SEC found that the January 2008 prospectus for Champion Income Fund did not adequately disclose its practice of assuming substantial economic leverage through the use of total return swaps tied to AAA-rated commercial mortgage-backed securities, and that in November 2008 OFI made misleading statements about the ability of Champion Income Fund and Core Bond Fund to recoup losses incurred as a result of unprecedented volatility in the credit markets. OFI and OFDI were censured and ordered to cease and desist from violations of applicable laws and regulations. The SEC also ordered OFI to pay disgorgement of certain management fees charged to Champion Income Fund and Core Bond Fund, prejudgment interest and a civil money penalty in an aggregate amount of approximately \$35.4 million. In entering into the settlement, the SEC considered the cooperation it received from OFI and OFDI and remedial acts promptly undertaken by them.

In 2009, the State of Oregon filed a lawsuit against OFI, OFI Private Investments, Inc. ("OFIPI") and OFDI in connection with OFIPI's management of the state's Section 529 college savings plan ("Section 529 Plan") alleging violations of Oregon securities laws, breach of contract, breach of fiduciary duty, negligence and negligent misrepresentation. Subsequently, the State of Oregon filed a notice of dismissal with prejudice of the lawsuit as part of a voluntary settlement of all claims by the parties, and a general judgment of dismissal of the lawsuit was entered by the Circuit Court for the State of Oregon, Marion County on March 12, 2010.

OFI, OFIPI and OFDI also reached settlement agreements with Illinois, Texas, Nebraska, Maine and New Mexico to resolve investigations into the management of those states' Section 529 Plan in light of the effects of the 2008 financial crisis on those Section 529 Plans.

In 2009, two lawsuits were filed in the Circuit Court for Santa Fe County, New Mexico that challenged the settlement discussed above regarding the New Mexico Section 529 Plan. Those suits were purportedly brought derivatively on behalf of the New Mexico Education Plan Trust (the "Trust"). The lawsuits named various parties as defendants, including OFI and OFIPI, and alleged breach of contract, breach of fiduciary duty and violations of state securities laws. The suits sought compensatory damages, equitable relief and awards of attorneys' fees and litigation expenses. Plaintiffs also sought to enjoin the implementation of the settlement agreement between the Education Trust Board of New Mexico (the "ETB") and OFI and OFIPI. On December 1, 2009, the court denied certain of the plaintiffs' claims and ruled that the ETB, and OFI and OFPI could enter into the settlement agreement. On September 9, 2011, the court denied plaintiffs' request for a hearing to determine the fairness of the settlement, finding that plaintiffs lacked standing to pursue derivative claims on behalf of the Trust. On October 27,

2011, the parties to these actions filed a joint motion to dismiss the lawsuits with prejudice, which the court granted on October 28, 2011.

Two derivative actions on behalf of two Oppenheimer Mutual Funds were filed in the U.S. District Court for the District of Colorado on March 19, 2010 and were subsequently transferred to the U.S. District Court for the Southern District of New York. The lawsuits named OFDI, the two Oppenheimer mutual funds and certain current and former officers and trustees of the two Oppenheimer mutual funds as defendants and alleged that as a matter of law, asset-based payments made under each of the two Oppenheimer Mutual Fund's Rule 12b-1 Distribution and Service Plan or by OFDI to broker-dealers that are not registered as investment advisers violated federal laws. On June 6, 2011, the court granted the defendants' motions to dismiss the suits. Plaintiffs did not appeal the dismissals.

On April 16, 2010, a lawsuit was filed in New York state court against OFI, HarbourView Asset Management Corporation ("HarbourView") and AAardvark IV Funding Limited ("AAardvark IV"), an entity advised by HarbourView, in connection with investments made by TSL (USA) Inc. ("TSL") and other investors in AAardvark IV. The complaint, as amended, alleges breach of contract against the defendants and seeks compensatory damages and an award of attorneys' fees and litigation expenses. On July 15, 2011, a lawsuit was filed in New York state court against OFI, HarbourView and AAardvark Funding Limited ("AAardvark I"), an entity advised by HarbourView, in connection with investments made by TSL and other investors in AAardvark I. The complaint alleges breach of contract against the defendants and seeks compensatory damages and an award of attorneys' fees and litigation expenses. On November 9, 2011, a lawsuit was filed in New York state court against OFI, HarbourView and AAardvark XS Funding Limited ("AAardvark XS"), an entity advised by HarbourView, in connection with investments made by Scaldis Capital Limited in AAardvark XS. The complaint alleges breach of contract against the defendants and seeks compensatory damages and an award of attorneys' fees and litigation expenses.

While it is premature to render any opinion as to the outcome in the lawsuits described above, the Adviser believes that these lawsuits should not impair the ability of the Adviser to perform its duties, and that the outcome of all of the suits together should not have any material effect on the future operations of the Adviser or its affiliates.

Item 10 – Other Financial Industry Activities and Affiliations

The Adviser and/or its management persons have relationships or arrangements with the related persons listed below that will be material to the Adviser's advisory business or to its Clients. Item 11 and Item 12 of this Brochure discuss the potential conflicts of interest that may arise as a result of such arrangements or relationships. Clients should carefully consider such potential conflicts of interest in determining whether to engage the Adviser.

OFI is registered as an investment adviser with the SEC (Reg. No. 801-8253), and is a "commodity trading adviser" registered with the Commodities Futures Trading Commission and the National Futures Association (NFA Reg. No. 0274688). OFI manages the investments and

business affairs of a variety of registered investment companies and acts as the investment sub-adviser to certain registered investment companies that are sponsored by unaffiliated third-parties and provides sub-advisory services with respect to certain separate accounts and investment options within certain qualified tuition plans under Section 529 Plans.

The Adviser is ultimately controlled by MassMutual, a mutual life insurance company that, together with its subsidiaries, is a global, growth-oriented, diversified financial services organization providing life insurance and other financial products and services, including advisory services to pension plans and investment companies.

MM Asset Management Holding LLC, a wholly-owned subsidiary of MassMutual, has acquired substantially all of the voting stock of OAC and through it has acquired voting control of OFI and its wholly-owned subsidiaries (including the Adviser). The common stock of OAC is owned by (i) certain officers and/or directors of OFI and (ii) MassMutual. No institution or person holds 5% or more of OAC's outstanding stock except MassMutual.

The Adviser or an affiliate of the Adviser will serve as the general partner and/or managing member of, and provide advisory services to, certain Private Funds that generally will be organized as limited partnerships and limited liability companies. Clients will not be publicly solicited to invest in such Private Funds.

OFDI, an affiliate of the Adviser and a wholly-owned subsidiary of OFI, acts as the general distributor of shares of the registered investment companies advised by OFI and its affiliates (the "Oppenheimer Mutual Funds") (as well as certain other registered investment companies for which OFI serves as sub-adviser). OFDI is also the distributor of Section 529 Plans managed by OFIPI. The Adviser anticipates that OFDI will act as the general distributor of shares of the Mutual Funds.

Oppenheimer Real Asset Management, Inc. ("ORAMI"), an affiliate of the Adviser, is registered as an investment adviser with the SEC (Reg. No. 801-34455), and is a "commodity trading adviser" registered with the Commodities Futures Trading Commission and the National Futures Association (NFA Reg. No. 0274661). ORAMI acts as the investment sub-adviser to certain private funds, trust company funds, Oppenheimer Mutual Funds and non-U.S. investment companies in futures- and commodities-related strategies managed by OFI.

OFIPI, a registered investment adviser with the SEC (Reg. No. 801-57520), is a wholly-owned subsidiary of OFI that provides investment advisory services to certain qualified tuition programs under Section 529 Plans and to separate accounts (including wrap-fee programs).

OppenheimerFunds Services, a division of OFI, is the registered transfer agent for the Oppenheimer Mutual Funds.

HarbourView, is registered as an investment adviser with the SEC (Reg. No. 801-27136) and is a wholly-owned subsidiary of OFI Institutional Asset Management, Inc. ("OFII") that provides investment supervisory services on a discretionary basis to corporations that are primarily structured finance vehicles.

OFI Global Asset Management (“OFI Global”), is an independent investment management team that operates and holds itself out to the public as a separate division of OFI. Formed in 2011, OFI Global provides investment advisory services to certain Oppenheimer Mutual Funds and sub-advisory services to certain registered investment companies sponsored by unaffiliated third-parties.

Item 11 – Code of Ethics

The Adviser has adopted a Code of Ethics (the “Code”), in compliance with Rule 17j-1 under the Investment Company Act of 1940 and Rule 204A-1 under the Investment Advisers Act of 1940, that all employees will adhere to as a condition of employment. The Code establishes standards of conduct expected of all employees of the Adviser including compliance with federal securities laws (as that term is defined in Rule 204A-1), addresses conflicts that arise from employees’ personal trading and establishes procedures for the detection and prevention of activities by which employees having knowledge of the holdings, recommended investments and investment intentions of advisory clients may abuse their fiduciary duties, and otherwise addresses the types of conflict of interest situations addressed by Rule 17j-1 and Rule 204A-1. A copy of the Code will be provided to any client or prospective client upon request. The Code includes information on the Adviser’s fiduciary duty to its advisory Clients, prohibited acts, privacy of information, disclosure to advisory Clients of actual and potential conflicts of interest, the use of disclaimers, suitability of investment advice, prohibition of insider trading, and limitations on trading in personal accounts.

Each employee will have access to the Code and will sign an acknowledgement of receipt of the Code. Annually each employee must acknowledge their understanding and adherence to the Code, as well as provide to the Chief Compliance Officer a list of all brokerage accounts and holdings for which the employee has beneficial interest or control. The Chief Compliance Officer will receive and review original, duplicate brokerage confirmations and statements from employee covered accounts.

Violations of the Code could result in sanctions or possibly termination of employment.

The Adviser will provide a copy of the Code to any Client or prospective Client upon request.

Potential Conflicts of Interest.

As described in Item 10, the Adviser has related persons that manage substantially similar investment strategies as the Adviser’s Clients. As a result, such related persons may and do invest in the same securities in which the Client accounts will invest in. This is likely to create conflicts of interest with respect to matters including, but not limited to, allocation of Client transactions, trading best execution, and front-running of Client transactions. To address these conflicts of interest, the Adviser will rely on the Code to monitor Client and employee trading activity to ensure that Clients are treated fairly.

Other than as mentioned above, the Adviser does not plan to (i) as principal, buy or sell securities from or to the Adviser's Client accounts, (ii) act as general partner in a partnership in which the Adviser solicits Client investments, or (iii) act as an investment adviser to an investment company that the Adviser recommends to its Clients.

As detailed in the Code, Adviser's employees are not permitted to purchase MLP securities; however, they are permitted to purchase shares in the MLP funds. It is likely that prior to joining the Adviser, some employees may hold MLP securities. These employees may sell their holdings in MLP securities with prior approval by the Chief Compliance Officer, but may not purchase or add to their positions. As such, the Adviser will have related persons (partners/employees) who may have some financial interest in and may sell for themselves securities that the Adviser recommends to Clients. This generally creates a conflict of interest with respect to matters including, but not limited to, allocation of Client transactions, trading best execution, and front-running of Client transactions. To address these conflicts of interest, the Adviser will rely on the Code to monitor Client and employee trading activity to ensure that Clients are treated fairly.

Item 12 – Brokerage Practices

Investment, Brokerage and Trading Allocation Policy.

Below is a description of the factors that the Adviser will consider in selecting or recommending broker-dealers for Client transactions and determining the reasonableness of their compensation (e.g. commissions).

General. The Adviser will manage Client accounts on a discretionary basis, subject to Client imposed limitations and goals. When managing an account on a discretionary basis, the Adviser generally will determine which securities are to be purchased or sold, the amount of the securities to be purchased or sold, the amount of commission to be paid, and the broker-dealer to be used. The Adviser's primary consideration in selecting a broker-dealer will be the broker-dealer's ability to provide the most favorable price and execution under the circumstances.

Broker-Dealer Selection and Commissions. Generally, under an investment advisory agreement, the Adviser will have broad authority to select broker-dealers and to negotiate commissions with those broker-dealers and will have a fiduciary duty to seek best execution when it places trades with broker-dealers.

The Adviser will seek best execution for a given advisory Client trade so that the advisory Client's total costs or proceeds in the transaction are the most favorable under the circumstances.

In selecting a broker-dealer for a particular transaction, the Adviser will consider the commission rate to be charged by the broker-dealer and other factors. Where multiple competing markets exist for listed stocks, the Adviser will ensure that the transaction is executed through the best market (or best market maker).

Broker-Dealer List. Using the factors below, the Adviser will create a list of broker-dealers approved to execute advisory Client trades.

The Adviser will consider the following factors when placing a trade for an advisory Client with a particular broker-dealer:

- The executing broker's expertise in providing timely execution services for the products traded by the Adviser;
- The ability of the executing broker to execute transactions of size in both liquid and illiquid markets at competitive prices without disrupting the market for the security traded;
- The ability of the executing broker to maintain the confidentiality of all proprietary position information provided;
- The executing broker's execution fees;
- The range of services offered by the executing broker, including the range of markets and products covered, quality of research services provided and recommendations made by the executing broker;
- The quality and timeliness of market information provided by the executing broker;
- The executing broker's ability and willingness to allocate shares of desirable initial public offerings;
- The executing broker's financial responsibility; and
- The executing broker's creditworthiness.

For counterparties to derivative transactions, the following factors will also be taken into consideration:

- The range of derivative products offered by the counterparty;
- The operational expertise of the counterparty in providing confirmation, documentation, timely settlement and ongoing operational support for derivative products;
- The terms and appropriate documentation of the derivative transaction products offered by the counterparty;
- The counterparty's financial responsibility;

- The availability of the particular derivative product; and
- The counterparty's creditworthiness.

The Adviser will continually monitor and evaluate broker-dealer execution performance by, among other things, reviewing commission summaries and transaction reports. From time-to-time, quantitative performance data about broker-dealers may be acquired from third-party evaluation services to assist the review process.

Reviewing Prices. Periodically, the Adviser shall review records on the trade reporting system and compare the prices obtained in the trades with historical prices in the relevant markets.

Conflicts of Interest. When selecting broker-dealers to execute advisory Client trades, the Adviser will be sensitive to conflicts of interest and, where necessary, shall address these conflicts by disclosure, advisory Client consent, or other appropriate action.

Trade Allocation. The Adviser will allocate a securities order for more than one advisory Client fairly and equitably over time. The Adviser may make exceptions to its trade allocation procedures under the following circumstances:

- Specialized accounts may receive priority in certain circumstances; and
- An advisory Client account will not receive its pro rata allocation of shares if the total number of shares is below a *de minimis* amount (e.g., 10 shares). These shares would be reallocated to larger advisory Client accounts.

Allocations will be made on the same day. Under no circumstances will the Adviser delay an allocation so it can allocate the more favorable prices received during the day to one advisory Client account and the less favorable prices to another advisory Client account. Partial or incomplete orders will be allocated the same day, with a carryover order the next day until the total order is completed.

With respect to certain Clients, the Adviser is likely to have multiple broker-dealer platforms on which it trades Client assets (e.g., Schwab, Fidelity, etc.). As such, the Adviser will not be able to simultaneously submit trading orders through all platforms. To address this, the Adviser's trading desk will utilize a round-robin rotational basis for entering these platform orders. Although the trading desk will attempt to place all orders on a contemporaneous basis, placing orders on most of these broker-dealer platforms will be a manual process, and the Adviser cannot ensure that all orders will receive the same level of pricing and execution services.

Prices. If an aggregated order is executed in a series of transactions over the course of the day, each participating advisory Client account will receive the average execution price. Any transaction costs incurred in the transaction will be shared pro rata based on each Client's level of participation in the transaction.

Trade Errors. The Adviser has an obligation to correctly place orders for its advisory Clients. When a trading or administrative error occurs, the Adviser in all cases will treat its Clients fairly and equally. Once an error is discovered, the Chief Compliance Officer will conduct a full review of the facts and recommend an appropriate action. Corrective actions are based on the facts

and circumstances of each error on a case-by-case basis. In the event of an error, the Adviser must determine that a Client has not been disadvantaged. Soft dollars cannot be used to correct a trading error.

Research and Other Soft Dollar Benefits

The Adviser anticipates receiving research and other products or services other than execution from broker-dealers and third-parties in connection with Client securities transactions (“soft dollar benefits”). Soft dollar benefits received include, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by third parties. All such soft dollar arrangements are in accordance with applicable law, and currently, all soft dollar products and services are eligible under the safe harbor of Section 28(e) of the 1934 Act.

There is an inherent conflict of interest in seeking best execution when the Adviser directs brokerage business to certain brokers who assist in the payment of research-related products and services. To mitigate this conflict, the Adviser will review its brokers for best execution on a regular basis by analyzing the actual execution price versus the interval volume weighted average price (“IVWAP”).

In connection with entering into soft dollar arrangements, the Adviser may have an incentive to select or recommend a broker-dealer based on the Adviser’s interest in receiving the broker dealer research or other products or services, rather than on its Clients’ interest in receiving most favorable execution pricing.

In connection with entering into soft dollar arrangements, the Adviser may cause Clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up).

Research and brokerage related products and services received by the Adviser from soft dollar arrangements may be useful in servicing some or all of the Adviser’s clients, and not all or any of such products or services may be useful for the account for which the particular transaction is effected. The Adviser will not seek to allocate soft dollar benefits to Client accounts proportionately to the soft dollar credits that the accounts generate.

Brokerage for Client Referrals

The Adviser will not compensate brokers for Client referrals through order flow or any other means. As discussed above, the Adviser plans to have a number of arrangements where its services are available on certain brokerage platforms and all trading in those accounts generally will be through the sponsoring broker-dealer.

Directed Brokerage

The Adviser will not routinely recommend, request or require that Clients direct the Adviser to execute transactions through a specified broker-dealer.

The Adviser will permit Clients to direct the Adviser to execute transactions through a specified broker-dealer. Many Clients, when undertaking an advisory relationship, already have their

own broker-dealers and they may instruct the Adviser to execute some or all transactions through one or more broker-dealers. When a Client for whom the Adviser provides discretionary investment management services requests or instructs the Adviser to direct some or all of the securities transactions for its account to a specified broker-dealer, the Adviser will treat the Client direction as a decision by the Client to retain, to the extent of the direction, the discretion that the Adviser would otherwise have in selecting broker-dealers to effect transactions and in negotiating commission rates and other transaction costs for the Client's account.

Although the Adviser will attempt to effect such transactions in a manner consistent with its policy of seeking best execution and price on each transaction, there may be occasions when it is unable to do so. In some cases, the Client will instruct the Adviser to utilize the directed brokerage arrangement only where the Adviser is seeking best execution. In other cases, the Client will instruct the Adviser to utilize the directed brokerage arrangement regardless of best execution, in which case the Adviser will continue to comply with the Client direction. In addition, non-directed securities transactions may be executed by the Adviser in advance of directed transactions. A client making a directed brokerage designation should understand that it may pay higher brokerage commissions and forego the possible benefits that non-designating Clients may derive through, for example, the negotiation of volume discounts and the aggregation of orders to reduce transaction costs or the execution of block trades for several clients in a single transaction.

Thus, a Client directing that transactions be effected with a particular broker-dealer should consider whether, under its direction, commissions and other transaction costs, execution, clearance and settlement capabilities, and fees for custodial or other services provided the client by that broker-dealer (if applicable), will be comparable to those otherwise obtainable. Under these types of directed brokerage arrangements, the Adviser may be unable to achieve most favorable execution for a Client's transactions and directing brokerage may cost the Client more money.

It will be the Adviser's policy to aggregate (or bunch) orders of two or more advisory Clients to achieve better trade execution, provided the aggregation of the orders is fair and equitable to all advisory Clients participating in the bunched trade. These bunched or block trades can result in lower transaction costs than if the Adviser placed multiple single orders.

The Adviser will place securities orders for two or more advisory Clients for the same security in accordance with its securities orders aggregation procedures. The Adviser, in advance of placing an aggregated order, will either (i) designate the number of shares of the aggregated order to be allocated to each specific advisory Client account; or (ii) make a pro rata allocation of the shares to each advisory Client account based upon account size.

On occasion, the situation may arise when there is a large incoming contribution and trades may not be aggregated or bunched in order to invest the cash contribution in a timely fashion.

The Adviser may aggregate or “bunch” trade orders for the same securities if it believes that aggregation is consistent with its duty of best execution and the terms of the applicable Client’s investment advisory agreement.

Item 13 – Review of Accounts

Portfolio managers and other investment professionals will review each investment portfolio on a regular basis to ensure that investments are made in conformity with stated objectives and guidelines. Trades for Client accounts will be reviewed after execution by portfolio managers for accuracy and appropriateness. Portfolios will be reviewed on a daily basis by the Adviser’s traders and formally reviewed monthly by the investment committee.

Additionally, investment research team meetings are expected to be scheduled daily, when practicable, to discuss the valuation and fundamentals of investable securities in the MLP eligible investment universe. The members of the investment team anticipate being in a continuous research mode, and should any circumstance change with regards to a particular holding, will report on this to the broader team, regardless of where the Adviser is relative to the formal monthly review cycle.

Generally, a portfolio manager intends to meet or communicate with Clients quarterly or as frequently as the Client requests, to review objectives, holdings, and portfolio performance, the economics of the period and the Adviser’s outlook, among others matters.

Item 14 – Client Referrals and Other Compensation

The Adviser anticipates that no persons other than advisory Clients will provide an economic benefit to the Adviser for providing investment advice or other advisory services to its Clients.

The Adviser may from time to time enter into written agreements with individuals or firms to solicit prospective Clients who may need or find value in the investment services provided by the Adviser. These agreements may be with both affiliated and unaffiliated individuals or firms (each, a “Referral Partner”).

The written agreements entered into between the Adviser and each Referral Partner shall:

- Describe the referral activities to be performed by the Referral Partner on behalf of the Adviser;
- Contain appropriate representations and warranties that the Referral Partner is appropriately licensed and that the arrangement does and will comply with all applicable laws and regulations; and
- Contain an undertaking by the Referral Partner to provide each potential or current Client with all required documents and disclosure, including a copy of this Brochure and any applicable Brochure Supplements.

When appropriate, a potential Client will be provided with an acknowledgement letter that the Client signs explaining that the Referring Partner/Solicitor has an economic incentive to see the Client engage the investment advisory services of the Adviser rather than other competitive funds or products that may also be appropriate investments for the Client.

The Adviser expects to have a solicitation arrangement with an unaffiliated broker-dealer for the placement of interests in one of its managed Private Funds.

Item 15 – Custody

Upon commencing operations as an investment adviser, the Adviser and/or its related persons may be deemed to have custody over certain Client assets, as defined under Rule 206(4)-2 under the Investment Advisers Act of 1940 (the “Advisers Act”).

With respect to any Private Funds that the Adviser will manage, the Adviser will rely on the “audit exemption” under Rule 206(4)-2(b)(4) under the Advisers Act, which exempts an adviser to a limited partnership, limited liability company or other pooled investment vehicle from the requirement to deliver account statements to its clients if the adviser requires the vehicle to be audited annually by an independent public accountant that is registered with the Public Company Accounting Oversight Board and distributes the audited financial statements annually to the investors in the vehicle.

Non-Private Fund Clients should receive statements at least quarterly from the broker-dealer, bank or other qualified custodian that holds and maintains the Clients’ assets. The Adviser urges its Clients to carefully review such statements and compare such official custodial records to the account statements provided by the Adviser. The Adviser’s statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

The Adviser expects that it will be granted broad authority, subject to terms of the applicable investment advisory agreement, to determine the type and amount of securities to be bought and sold, as well as the timing of such purchases and sales for an advisory Client account. Any Mutual Fund investment advisory agreement will meet the requirements of Section 15(c) of the 1940 Act.

Every advisory agreement generally will contain:

- A description of the services to be provided, whether the services are discretionary or nondiscretionary, and, for discretionary accounts, a limited power of attorney authorizing the Adviser to trade the account;
- Acknowledgement of receipt of Form ADV Part 2 prior to or at the time of signature;

- A set of investment guidelines, showing the investment approach to be taken and any required restrictions, and which states clearly whether such restrictions apply "at the time of purchase" only;
- The fees to be charged, and when they are due (debiting of fees directly);
- The advisory agreement may not be "assigned" (as that term is defined by the Advisers Act or the 1940 Act) by either party without consent of the other;
- Some form of indemnification of Adviser by the Client, which is clear and unambiguous;
- A statement as to whether the Adviser will vote proxies;
- A representation from the Client that its relevant governing documents authorize the retention of the Adviser, along with a certificate of the Client's secretary (or equivalent individual) attesting to the incumbency of the officer of the Client who executed the advisory agreement, which will also list persons authorized to give instructions for the Client portfolio, along with sample signatures;
- Any specific procedures for dealing with Client complaints absent such procedures, the Adviser's standard Client complaint process should be adhered to; and
- A disclaimer that aids a Client in understanding the investment advisory agreement and the Adviser's responsibilities by making it clear that the Adviser does not guarantee performance.

Item 17 – Voting Client Securities

Proxies are an asset of a Client account that will be treated by the Adviser with the same care, diligence and loyalty as any asset belonging to the Client. As such, the Adviser views seriously its responsibility to exercise voting authority over securities that are owned by its Clients' portfolios. To the extent that the Adviser will have discretion to vote proxies for an advisory Client, the Adviser will seek to vote any such proxies in the best interests of the advisory Client and in accordance with the procedures outlined below (as applicable). Advisory Clients may retain discretionary authority to vote proxies at any time by notifying the Adviser in writing.

All proxies sent to advisory Clients that are actually received by the Adviser (to vote on behalf of the advisory Client) will be provided to the Adviser through a third-party voting administrator.

The Adviser will generally adhere to the following procedures (subject to limited exceptions):

- A written record of each proxy voted on by the Adviser will be recorded and maintained for the requisite period as outlined by the SEC;

- The Chief Compliance Officer or designee will call a meeting of appropriate officers and/or employees (collectively referred to as the “Proxy Voting Committee”) on an as-needed basis;
- Prior to voting any proxies, if a conflict is identified the Proxy Voting Committee will then make a determination (which may be in consultation with outside legal counsel) as to whether the conflict is material or not; and
- If no material conflict is identified pursuant to these procedures, the Proxy Voting Committee will make a decision on how to vote the proxy in question in accordance with the guidelines set forth. The internal proxy administrator will deliver the proxy in accordance with instructions related to such proxy in a timely and appropriate manner.

The third-party proxy administrator shall maintain the voting records.

Handling of Conflicts of Interest. When evaluating how to vote a proxy, the Proxy Voting Committee will first determine whether there is a conflict of interest related to the proxy in question between the Adviser and advisory Clients. This examination will include (but will not be limited to) an evaluation of whether the Adviser (or any affiliate of the Adviser) has any relationship with the company (or an affiliate of the company) to which the proxy relates outside an investment in such company by an advisory Client.

If a conflict is identified and deemed “material” by the Proxy Voting Committee, the Adviser will determine whether voting in accordance with the proxy voting guidelines outlined below is in the best interests of affected advisory Clients. If material conflicts arise, the Adviser will:

- Engage outside counsel to determine how to vote such proxies; or
- Determine if it is appropriate to disclose the conflict to affected advisory Clients and give advisory Clients the opportunity to vote the proxies in question themselves.

Voting Guidelines. In the absence of specific voting guidelines mandated by a particular Client account, the Adviser will endeavor to vote proxies in the best interests of each advisory Client.

Although voting certain proxies may be subject to the discretion of the Adviser, the Adviser is of the view that voting proxies in accordance with the following general guidelines is in the best interests of the advisory Clients:

The Adviser will generally vote in favor of routine corporate housekeeping proposals including, but not limited to, the following:

- Election of directors (where there are no related corporate governance issues);
- Selection or reappointment of auditors; or
- Increasing or reclassification of common stock.

The Adviser will generally vote against proposals that:

- Make it more difficult to replace members of the issuer's board of directors or board of managers; and
- Introduce unequal voting rights (although there may be regulatory reasons that would make such a proposal favorable to certain advisory Clients).

The Adviser will generally vote against proposals that make it more difficult for an issuer to be taken over by outsiders and in favor of proposals to do the opposite.

The Adviser will generally vote in favor of proposals by management or shareholders concerning various compensation and stock option plans that will act to make management and employee compensation more dependent on long-term stock price performance.

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

Disclosure of Procedures. A Client may obtain a copy of the Adviser's proxy voting policies and procedures upon request. In addition, Clients will be able obtain information from the Adviser about how it voted their securities by contacting the Adviser at 214-740-6040.

Item 18 – Financial Information

The Adviser generally will bill in arrears. Because the Adviser is a newly formed adviser with no history of operations, it has no balance sheet. At this time, the Adviser has no material financial or disciplinary information that requires disclosure. The Adviser has not been the subject of a bankruptcy petition at any time during the past 10 years.