

## **FORM ADV, PART 2A**

### **ALPHAONE™ INVESTMENT SERVICES, LLC**

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**April 25, 2013**

This Brochure provides information about the qualifications and business practices of AlphaOne™ Investment Services, LLC. If you have any questions about the contents of this Brochure, please contact us at 1 (267) 597-3888. 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.

We are a registered investment adviser. Registration of an investment adviser does not imply a certain level of skill or training.

Additional information about AlphaOne Investment Services, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

Alpha One Investment Services, LLC (“AOIS”) is updating its Brochure as of April 25, 2013 to make an another-than-annual amendment. The following are the material changes made since AOIS last annually updated its Brochure on April 1, 2013.

1. References to the AlphaOne U.S. Equity Long Short Fund have been removed. This fund liquidated as of April 15, 2013.
2. Additional disclosure was added regarding the Sub Advised Fund.

The following are the material changes AOIS made in its last annual update to its Brochure on April 1, 2013.

1. Disclosure has been added to reflect that, due to increased investments by ‘benefit plan investors’ (as defined in Section 3(42) of ERISA and any regulations promulgated thereunder), the AlphaOne Satori Fund, Ltd. and AlphaOne Satori Master Fund, Ltd. are now ERISA Funds, and AOIS is now a qualified professional asset manager (“QPAM”)
2. Donald O’Hara replaced Gerald Holland as the Firm’s Chief Compliance Officer.
3. Disclosures have been added with respect to the following newly created Private Funds:
  - AlphaOne Global Innovations Fund, L.P.
  - AlphaOne Global Innovations Master Fund, Ltd.

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## Item 4 - Advisory Business

AlphaOne Investment Services, LLC (hereinafter referred to as “**AOIS**”, the “**Firm**” or “**we**”) is a SEC-registered investment adviser and a wholly-owned subsidiary of Alpha One Capital Partners, LLC (“**AOCP**”). AOCP is a wholly-owned subsidiary of AlphaOne Holdings, LLC (“**AOH**”), which is a private company owned by Paul J. Hondros, the President and Chief Executive of AOH. AOIS was founded in December 2008.

AOIS provides investment supervisory services on a discretionary basis to primarily three types of clients: (1) registered investment company, (2) privately placed unregistered companies, and (3) individually managed accounts.

As of February 28, 2013, AOIS had approximately \$635, 284,002 of client assets under management. All of these assets are managed on a discretionary basis.

### (1) Registered Investment Company

AOIS serves as the investment adviser to a series of The Advisors’ Inner Circle Fund (the “**Trust**”), a registered investment company established as a Massachusetts business trust. AOIS serves as the investment adviser to the following series of the Trust (referred to as the “**Registered Fund**”):

- AlphaOne Micro Cap Equity Fund

The Registered Fund is classified as a “diversified” investment company under the Investment Company Act of 1940, as amended (the “**Investment Company Act**”). The Registered Fund is the successor to the AlphaOne Fundamental Micro Cap Core Fund, LP (the “**Predecessor Fund**”), which also was managed by AOIS prior to April 1, 2011. Substantially all of the assets of the Predecessor Fund were acquired by the AlphaOne Micro Cap Equity Fund. The Registered Fund is managed according to specific investment objectives and strategies, which are described in more detail in Item 8 of this Brochure.

### (2) Private Unregistered Companies

AOIS serves as the investment manager and provides discretionary advisory services to a series of private investment companies (each referred to as a “**Private Fund**” and collectively as “**Private Funds**”) that are organized as either Delaware limited partnerships or limited liability companies (for investments by U.S. persons) or Cayman Islands exempted companies (for investments by non-U.S. persons and tax-exempt U.S. persons). Each Private Fund operates under an exclusion from the definition of “investment company” in either Section 3(c)(1) or 3(c)(7) of the Investment Company Act. Each Private Fund is managed according to specific investment objectives and strategies, which are described in more detail in Item 8.

As of the date of this Brochure, AOIS serves as the investment manager to the following Private Funds that were formed as Delaware limited partnerships (referred to as “**Onshore Funds**”):

- AlphaOne Satori Fund I, L.P.
- AlphaOne Essentials Global Fund, L.P.

- AlphaOne Global Innovations Fund, L.P.

AOIS also serves as the investment manager to the following Private Funds that were formed as Cayman Island Exempted Companies (referred to as **“Offshore Funds”**):

- AlphaOne Satori Fund Ltd.
- AlphaOne Satori Master Fund Ltd.
- AlphaOne Global Innovations Master Fund Ltd.

AOIS also serves as the sub-adviser to a Fund (“Sub Advised Fund”). The Sub Advised Fund is managed according to specific investment objectives and strategies.

AlphaOne Satori Fund I L.P. and the AlphaOne Satori Fund Ltd. invest substantially all of their assets in the Alpha One Satori Master Fund Ltd. AlphaOne Global Innovations Fund invests substantially all of its assets in AlphaOne Global Innovations Master Fund Ltd. (As used herein, the term “Master Funds” refers to Alpha One Satori Master Fund Ltd, and AlphaOne Global Innovations Master Fund Ltd., unless otherwise specified or as indicated by the context) See Item 8, for a discussion of each Private Fund’s investment strategy. The Master Funds only issue shares to the other Private Funds and not to clients or prospective clients of the firm. When client assets are invested in master-feeder structures such as this, the funds that invest in the Master Funds will bear a pro-rata share of the expenses associated with that respective Master Fund including sales expenses, legal expenses; internal and external accounting, audit and tax preparation expenses; and organizational expenses. It should also be noted that AlphaOne Satori Fund, Ltd. and AlphaOne Satori Master Fund, Ltd. are ERISA Funds.

Further, AOIS has in the past and may in the future enter into letter agreements with certain investors in the Private Funds (“side letters”). Side letters provide such investors with additional and/or different rights or terms than those set forth in the Private Funds’ offering documents, such as greater portfolio transparency, reduced fees, additional rights to reports and other information and other more favorable investment terms, including withdrawal/redemption rights.

### **(3) Individually Managed Accounts**

AOIS also acts as the investment adviser and provides discretionary advisory services to corporations, pension plans, and charitable organizations in individually managed accounts (referred to as **“Managed Accounts”**). Some of the Managed Accounts are individually tailored following investment objectives, strategy and restrictions directed by the institution or investor, while other Managed Accounts take advantage of the model investment strategies we developed, as described in more detail in Item 8 of this Brochure. In addition, we may develop and use a combination of individually tailored and AOIS model objectives and strategies for the Managed Accounts. This may include the use of investment strategies that are substantially similar to those employed by the Private Funds.

If more than one client uses a particular AOIS model investment strategy, we will provide this strategy under the safe harbor provisions of Rule 3a-4 adopted under the Investment Company Act. This means that the client may vary the model strategy, if desired, by directing certain investments or imposing restrictions on certain investments. We will periodically communicate with each such client to determine

the client's ongoing financial condition and goals in order to make a determination that the model strategy selected remains appropriate in our opinion and in the opinion of our client. By complying with Rule 3a-4, we will not be required to register the model strategies as investment companies. We currently offer the following model investment strategies for Managed Accounts. Each of these strategies focuses on small capitalization equity securities.

- Small Cap Growth
- Small Cap Core
- Micro Cap Core
- Long/Short Investment Strategy

## **Item 5 - Fees and Compensation**

### **Registered Investment Company**

We receive a **Management Fee** from the Registered Fund. These fees are calculated daily and paid monthly, and are computed based on a percentage of the Fund's average daily net assets according to the following schedule:

<u>Fund</u>	<u>Management Fee</u>
AlphaOne Micro Cap Equity Fund	1.00%

### **Private Unregistered Companies**

We receive a quarterly **Management Fee** from each Private Fund based on a percentage of the net asset value of the capital accounts of Fund investors according to the following schedule:

	Annualized Management Fee				
	Investors who invested prior to January 1, 2010	Investors who invested on or after January 1, 2010	Investors who invested prior to April 1, 2010	Investors who invested on or after April 1, 2010	All Investors
AlphaOne Satori Fund I L.P.			1.50%	2%	
AlphaOne Satori Fund, Ltd.			1.50%	2%	
AlphaOne Essentials Global Fund, L.P.	1%	1.50%			
AlphaOne Global Innovations Fund, L.P.					2%

Management Fees for AlphaOne Satori Fund I L.P. and AlphaOne Satori Fund Ltd. are paid quarterly in advance based on the value of each investor's capital account on the first business day of each fiscal

quarter. Management fees for AlphaOne Essentials Global Fund, L.P., and AlphaOne Global Innovations Fund, L.P. are paid quarterly in arrears based on the value of each investor's capital account as of the last business day of each calendar quarter.

Fee arrangements with the Sub Advised Fund are individually negotiated.

### **Individually Managed Accounts**

We receive **Management Fees** for Managed Accounts, which are individually negotiated. The Management Fees are expected to range from 0.75% to 1.25% of the fair market value of the Managed Account assets on an annual basis depending on (a) the client's investment objective and investment strategy; (b) the size of the account; (c) the amount of the client's relationship assets under management; and (d) other factors. Management Fees will be calculated on the basis of the specified percentage of assets under management at the end of each calendar quarter and are payable quarterly in arrears. Any significant contribution or withdrawal will be prorated based on the date the money was received or withdrawn.

See Item 15 of this Brochure regarding the deduction of Management Fees from certain client accounts.

### **Payment of Management Fees to Certain Advisory Personnel**

Certain AOIS marketing personnel are eligible to receive a portion of the net Management Fees (as defined in their respective employment agreements) that are earned and received by AOIS with respect to prospective investors who invest in the Registered Fund, the Sub Advised Fund, the Private Funds or prospective clients who establish a Managed Account, when the investment is made as a direct result of the particular employee's efforts. As a result of this additional compensation, the employee may have a conflict of interest because they may have an incentive to recommend a particular investment product based on the compensation they could potentially receive, rather than on an investor or client's needs. We have adopted and implemented policies and procedures to ensure that prospective investors or clients are qualified to invest and that the investment product chosen is appropriate under the circumstances.

### **Waiver of Management Fees**

We may waive or reduce our Management Fees for certain investors without notice to or consent from any other investor, including those investors that are affiliated with AOIS. Some investors pay higher or lower fees than other investors due to certain factors, including but not limited to, the investment objective and investment strategy, size of the account, the historical or anticipated transaction activity, and the amount of investor's relationship assets under management with AOIS.

### **Other Fees and Expenses**

In addition to paying Management Fees and Performance-based Fees (as discussed Item 6 below), client accounts will also be subject to other investment expenses such as custodial charges, brokerage fees, commissions and related costs; interest expenses; taxes, duties and other governmental charges; transfer

and registration fees or similar expenses; and costs associated with foreign exchange transactions. Please refer to Item 12 of this Brochure for a discussion of AOIS' brokerage practices.

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

### **Private Unregistered Funds**

In addition to the Management Fees discussed in Item 5 of this Brochure, we receive annual performance incentive allocations (a **"Performance Fee"**) at the end of each year from the Private Funds. The Performance Fee is equal to 20% of the excess for the year, or portion thereof, of any net realized and unrealized capital appreciation allocated to the capital accounts of the limited partners of the Private Funds (the **"Net Profit"**) as determined in accordance with the offering documents for the Private Funds, before giving effect to the Performance Fee and reduced by the Management Fee debited to the account for the year (as adjusted for any redemption activity and accruals for the incentive allocation made during the year), subject to a "high water mark" (or loss carryforward) provision.

With respect to the AlphaOne Essentials Global Fund, L.P. the Performance Fee is equal to 10% of the excess for the year, or portion thereof, of any Net Profit allocated to the capital accounts of investors who became Limited Partners of the Fund prior to January 1, 2011 and 20% of the excess for the year, or portion thereof, of any Net Profit allocated to the capital accounts of investors who become Limited Partners of the Fund on or after January 1, 2011.

Once payable, Performance Fees will not be reduced by losses incurred in later periods, or repaid by the particular Private Fund, its General Partner, or AOIS under any circumstances.

Please refer to the offering documents for the applicable Private Fund for a complete description of the Performance Fee and the manner in which it is calculated.

Fee arrangements with the Sub Advised Fund are individually negotiated and include a Performance Fee.

### **Individually Managed Accounts**

In addition to the Management Fees discussed in Item 5 of this Brochure, we may receive a Performance Fee from certain Qualified Clients, which may be similar to the Performance Fee we receive from the Private Funds (as described above) or the Sub Advised Fund and may equal as much as 20% of the net realized and unrealized appreciation of the Managed Account annually (after payment of the Management Fees) or may be similar to a fulcrum fee applicable to a registered investment company in that the annual rate of the Performance Fee may increase or decrease relative to the Managed Account's return performance in comparison to the investment record of a given securities, bond or other index, used as the benchmark for performance. The Performance Fee, however, is negotiable and may be approved in the sole and absolute discretion of AOIS. "Qualified Clients" include, but are not limited to "Qualified Purchasers" as referenced in Item 7 of this Brochure.



### **Waiver of Performance Fees**

We may waive or reduce the Performance Fee for certain investors without notice to or consent from any other investor, including investors that are affiliated with AOIS. Some investors pay higher or lower Fees than others investors due to certain factors, including but not limited to, the investment objective and investment strategy, size of the account, the historical or anticipated transaction activity, and the amount of investor's relationship assets under management with AOIS.

### **Potential Conflicts**

The fact that we receive Performance Fees from some Managed Accounts, the Sub Advised Fund, and the Private Funds, but not from other Managed Accounts, may raise potential conflicts of interest. Performance-based fee arrangements may create an incentive for AOIS to recommend riskier, or more speculative investments, than would otherwise be recommended. Additionally, performance-based fee arrangements create an incentive to favor higher fee paying accounts over other accounts when allocating investment opportunities. To mitigate these potential conflicts, we have adopted trade allocation policies and procedures designed to ensure that all clients are treated fairly and that no client receives an unfair trade allocation.

### **Item 7 - Types of Clients**

As noted herein, AOIS' clients consist of a registered investment company, private unregistered companies and individually managed accounts.

#### **Registered Investment Company**

We offer and sell the Registered Fund on a continuing basis through three distinct classes of shares: A Class, I Class and P Class. To purchase A Class, I Class or P Class Shares of a Registered Fund for the first time, you must invest at least \$2,500, \$250,000, or \$2,500, respectively. There is no minimum for subsequent investments. I Class Shares are offered to individual and institutional investors. A Class and P Class Shares are offered to individual and retail investors.

#### **Private Unregistered Companies**

The limited partners' or members' interest in, or shares issued by, the Private Funds (other than the Master Funds) are offered and sold on a continuing basis to certain qualified investors. The number of investors in each Private Fund is limited to "qualified purchasers" as defined in Section 2(a)(51)(A) of the Investment Company Act ("**Qualified Purchasers**") and to "knowledgeable employees" as defined in Rule 3c-5 under the Investment Company Act ("**Knowledgeable Employees**"). In addition to being Qualified Purchasers, investors must also be "accredited investors" within the meaning of Regulation D under the Securities Act of 1933, as amended (the "**Securities Act**") with whom the Private Fund or any person acting on its behalf has a substantial pre-existing relationship. More detailed information regarding the qualifications for investing in the Private Funds is found in each Fund's subscription materials.

The minimum initial investment for each Private Fund is as follows:

<b>Private Fund</b>	<b>Minimum Initial Investment</b>
AlphaOne Satori Fund I L.P.	\$500,000
AlphaOne Satori Fund, Ltd.	\$500,000
AlphaOne Essentials Global Fund, L.P.	\$250,000
AlphaOne Global Innovations Fund, L.P.	\$250,000

The Board of Directors of each Private Fund may accept subscriptions of lesser amounts, but not less than \$100,000. Subsequent subscriptions of \$100,000 or greater are permitted for each Private Fund.

With respect to AlphaOne Global Innovations Fund, L.P. the minimum investment for additional interests is \$100,000, but in no case will initial capital contributions be accepted for less than \$50,000.

It should be noted the Sub Advised Fund relationship is individually negotiated and subject to a significant account minimum.

### **Individually Managed Accounts**

We reserve the right to impose a minimum account size requirement for each Managed Account. While we intend to be flexible as to minimum account sizes, the relative higher costs and loss of economies of scale for smaller account sizes typically requires us to charge higher management and/or administration fees for smaller Managed Accounts. We may enter into agreements with new clients that have different minimum account sizes and fees from those in effect for existing clients. (See Item 5 for a discussion of fees). Clients may make cash additions to their Managed Account at any time and withdraw account assets with written notice to AOIS.

We will not establish a Managed Account for a prospective client whose investment objectives, strategies and/or restrictions are inconsistent with our philosophy and disciplines.

## **Item 8 - Methods of Analysis, Investment Strategies and Risk Loss**

### **Methods of Analysis**

We utilize a variety of analytical methods to make investment decisions and recommendations. These methods include fundamental research (analyzing financial statements, management and competitive advantages), technical analysis (*e.g.* examining past price movements), and the use of quantitative tools and investment approaches. The sources of information that we use include, but are not limited to, newspapers and magazines; inspection of corporate activities; extensive management contacts; competitor and supplier interviews; research materials prepared by third-parties; corporate rating services; timing services; annual reports; prospectuses; filings with the relevant securities commissions; and company press releases.

### **Investment Strategies**

The investment strategies that we generally employ include the following:

- Long term purchases – securities held at least a year;

- Short term purchases – securities sold within a year;
- Trading – securities sold within 30 days;
- Short sales - selling assets that have been borrowed from a third party;
- Options writing – including covered options, uncovered options and spreading strategies; and
- Derivative transactions – *e.g* using credit default swaps in an effort to help manage the credit risk in an account which arises from holding debt securities.
- Sector driven – securities (both long and short, including derivative and equity) of companies in the technology, media, telecommunications, technology related and alternative energy industries.

### **Registered Investment Company**

Our investment strategy for the *AlphaOne Micro Cap Equity Fund* is to build a portfolio with a risk profile less than that of the Russell 2000 Index that is comprised of both “value” and “growth” stocks through investing in equity securities of micro capitalization companies.

### **Private Unregistered Companies**

We pursue a long/short investment strategy on behalf of the *AlphaOne Satori Master Fund Ltd.* by investing in securities (including debt, derivatives and equity) of companies across a broad range of industries listed in the United States, as well as those which trade on internationally recognized exchanges or over-the-counter markets overseas. The subsectors that are likely to have a greater focus within the funds include, consumer, emerging/green technology, energy, financial, industrial, media, REIT, retailing, services, technology, telecom and transportation. AlphaOne Satori Fund, Ltd. and AlphaOne Satori Master Fund, Ltd will only engage in such borrowings to the extent permitted by ERISA and other applicable law.

We pursue a long/short investment strategy for the *AlphaOne Essentials Global Fund, L.P.* by investing long and short, in liquid public equities and listed equity options, using a bottom-up fundamental research process and a highly hedged portfolio discipline. The fund focuses on global themes, primarily in the technology, energy, materials (including metals & mining, fertilizers & agriculture and chemicals), industrial (including capital goods, construction, transportation infrastructure and environmental services), telecommunications, utilities (including water, gas electric and independent power producers) and consumer (including services, food and media) sectors of the economy. The fund's beta-neutral portfolio construction attempts to isolate opportunities in specific undervalued or overvalued securities from the systematic risk of global equity markets. The fund's goal is to generate positive absolute returns with low volatility.

We pursue a long/short investment strategy for the AlphaOne Global Innovations Fund, LP by primarily investing in the securities (including derivatives and equity) of companies in the technology, technology-related, media, alternative energy, and telecommunication industries. This includes companies listed in

the United States as well as those which trade on internationally recognized exchanges or over-the-counter markets overseas.

The Sub Advised Fund follows investment objectives, strategies and restrictions that are individually negotiated. It generally invests in long and short, in liquid public equities and listed equity options.

### **Individually Managed Accounts**

AOIS acts as the investment adviser and provides discretionary advisory services to corporations, institutions, pension plans, and charitable organizations through Managed Accounts. Some of the Managed Accounts are individually tailored following investment objectives, strategies and restrictions directed by the institution or investor, while other Managed Accounts take advantage of the model investment strategies developed by AOIS. In addition, a combination of individually tailored and AOIS model objectives and strategies may be developed and used. This may include the use of investment strategies that are substantially similar to those employed by the Private Funds.

We currently offer Small Cap Growth, Small Cap Core, Micro Cap Core, and Long/Short model investment strategies for Managed Accounts, each focusing on small capitalization equity stocks. We invest and manage clients' Managed Account portfolios in accordance with the investment strategy selected by a client, which is individually tailored and/or based on a model type portfolio of securities that we believe best represents the selected strategy, and also in accordance with, the clients' overall investment objectives and restrictions.

All investments in securities involve a potential risk of loss of principal (invested amount) and any profits that have not been realized (the securities were not sold to "lock in" the profit). Stock markets and bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We strive to do our best in the management of assets that are entrusted to us; however, we cannot guarantee any level of performance or that our clients will not experience a loss of account assets.

### **Material Risks**

The material risks associated with the investment strategies discussed above are set forth in the following chart and explained in more detail in the chart below:

	AlphaOne Micro Cap Equity Fund	AlphaOne Essentials Global Fund, LP	AlphaOne Satori Master Fund Ltd.	AlphaOne Global Innovations Fund, L.P.
Equity Risk	X	X	X	X
Micro Cap Risk	X			X
Small Cap Risk				X
Mid-Cap Risk				X
Growth Style Risk	X	X		X
Value Style Risk	X	X		X
Short Sales		X	X	X
Derivatives Risk		X	X	X
Futures Risk		X		X
Leverage Risk		X		X
Securities Lending Risk		X		X
Non-US Securities Risk		X	X	X
Fixed Income and Debt Securities Risk			X	
Restricted & Illiquid Securities Risk	X			

**Equity Risk** – Since each fund purchases equity securities, they are each subject to the risk that stock prices will fall over short or extended periods of time. Historically, the equity markets have moved in cycles, and the value of equity securities may fluctuate drastically from day to day. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response.

**Micro-Capitalization Company Risk** – Micro-capitalization companies may be newly formed or in the early stages of development with limited product lines, markets or financial resources. Therefore, micro-capitalization companies may be less financially secure than large-, mid- and small-capitalization companies and may be more vulnerable to key personnel losses due to reliance on a smaller number of management personnel. In addition, there may be less public information available about these companies. Micro-cap stock prices may be more volatile than large-, mid- and small-capitalization companies and such stocks may be more thinly traded and thus difficult for a Fund to buy and sell in the market.

**Small-Capitalization Company Risk** – Small-capitalization companies may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, these small-sized companies may pose additional risks, including liquidity risk, because these companies tend to have limited product lines, markets and financial resources, and may depend upon a relatively small management group. Therefore, small-capitalization stocks may be more volatile than those of larger companies. These securities may be traded over the counter or listed on an exchange.

**Mid-Capitalization Company Risk** – Mid-capitalization companies may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, these mid-sized companies may pose additional risks, including liquidity risk, because these companies tend to have limited product lines, markets and financial resources, and may depend upon a relatively small management group. Therefore, mid-capitalization stocks may be more volatile than those of larger companies. These securities may be traded over the counter or listed on an exchange.

**Growth Style Risk** – The price of equity securities rises and falls in response to many factors, including the historical and prospective earnings of the issuer of the stock, the value of its assets, general economic conditions, interest rates, investor perceptions, and market liquidity. Certain funds may invest in securities of companies that AOIS believes have superior prospects for robust and sustainable growth of revenues and earnings. These may be companies with new, limited or cyclical product lines, markets or financial resources, and the management of such companies may be dependent upon one or a few key people. The stocks of such companies can therefore be subject to more abrupt or erratic market movements than stocks of larger, more established companies or the stock market in general.

**Value Style Risk** – Value investing focuses on companies with stocks that appear undervalued in light of factors such as the company's earnings, book value, revenues or cash flow. If our assessment of a company's value or prospects for exceeding earnings expectations or market conditions is wrong, a Fund could suffer losses or produce poor performance relative to other funds. In addition, "value stocks" can continue to be undervalued by the market for long periods of time.

**Short Sales Risk** – Short sales are transactions in which a fund sells a security it does not own. A Fund must borrow the security to make delivery to the buyer. A fund is then obligated to replace the security borrowed by purchasing the security at the market price at the time of replacement. The price at such time may be higher or lower than the price at which the security was sold by the fund. If the underlying security goes down in price between the time a fund sells the security and buys it back, the fund will realize a gain on the transaction. Conversely, if the underlying security goes up in price during the period, the fund will realize a loss on the transaction. Because the market price of the security sold short

could increase without limit, the fund could be subject to a theoretically unlimited loss. The risk of such price increases is the principal risk of engaging in short sales.

Moreover, a fund may be subject to expenses related to short sales that are not typically associated with investing in securities directly, such as costs of borrowing and margin account maintenance costs associated with a fund's open short positions. These expenses negatively impact the performance of the fund. Furthermore, a fund may be required to pay a premium or interest to the lender of the security. The foregoing types of short sale expenses are sometimes referred to as the "negative cost of carry," and will tend to cause a fund to lose money on a short sale even in instances where the price of the underlying security sold short does not change over the duration of the short sale. The fund is also required to segregate other assets on its books to cover its obligation to return the security to the lender which means that those other assets may not be available to meet a fund's needs for immediate cash or other liquidity.

**Derivatives Risk** - Swaps and certain options and other custom derivative or synthetic instruments are subject to the risk of nonperformance by the counterparty to such instrument, including risks related to the financial soundness and creditworthiness of the counterparty. There also can be uncertainties as to how derivative positions will perform during periods of unusual price volatility or instability, market illiquidity or credit distress. Substantial risks are also involved in borrowing and lending against derivatives. Derivatives prices may be volatile, market movements are difficult to predict and financing sources and related interest rates may be subject to rapid change. One or more markets may move against the derivatives positions held by a fund, thereby causing substantial losses. Most of these instruments are not traded on exchanges but rather through a network of banks and dealers who have no obligation to make markets in them and can apply essentially discretionary margin and credit requirements (and thus in effect force a fund to close out positions). Many unforeseeable events, such as changes in government policies, may also have profound effects on interest and exchange rates, which in turn may have large and sudden effects on prices of derivative instruments.

**Futures Risk** - Commodity futures prices can be highly volatile. Because of the low margin deposits normally required in futures trading, an extremely high degree of leverage is possible in a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the trader. Like other leveraged investments, a futures transaction may result in losses in excess of the amount invested.

**Leverage Risk** - Leverage can increase gains or increase losses incurred, as well as transaction expenses. Leverage results in a fund controlling substantially more assets than the fund has equity. Leverage increases a fund's returns if the fund earns a greater return on investments purchased with borrowed funds than the fund's cost of borrowing such funds. However, the use of leverage exposes a fund to additional levels of risk including (i) greater losses from investments than would otherwise have been the case had a fund not borrowed to make the investments, (ii) margin calls or changes in margin requirements may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the fund's cost of leverage related to such investments. In the event of a sudden, precipitous drop in value of a fund's assets, the fund might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying the losses incurred by a fund.

**Securities Lending Risk** - For the purpose of achieving income, a fund may lend its portfolio securities to brokers, dealers and other financial institutions. When a fund lends portfolio securities, its investment performance will continue to reflect changes in the value of the securities loaned, and a fund also will receive a fee or interest on the collateral. Securities lending involves the risk of loss of rights in the collateral or delay in recovery of the securities if the borrower fails to return the securities loaned or becomes insolvent, as well as investment risks from investing the collateral.

**Non-U.S. Securities Risk** – Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risk relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes, trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments.

**Fixed-Income and Debt Securities Risk** – Investment in fixed-income and debt securities such as bonds, notes and asset-backed securities, involve risk that the value of these securities overall will decline because of rising interest rates. Similarly, a fund that holds these securities is subject to the risk that the portfolio's income will decline because of falling interest rates. Investments in these types of securities will also be subject to the credit risk created when a debt issuer fails to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that debt to decline.

**Restricted and Illiquid Securities Risk** - These investments may include securities that are not publicly traded. A fund may not readily be able to dispose of such investments and, in some cases, may be contractually prohibited from disposing of such securities for a specified period of time. Such securities also can be difficult to value. These limitations on the liquidity of a fund's investments could prevent or delay a successful sale of such securities, or reduce the amount of proceeds that might otherwise be realized from such securities.

**The Registered Fund's Prospectus and Statement of Additional Information ("SAI") and each Private Fund's Confidential Private Placement Memorandum ("PPM") contains additional information about such Fund, including a more detailed discussion of certain significant risks of investing in the Fund. Investors should read the Prospectus, SAI or PPM, as applicable, carefully before investing.**

## **Item 9 - Disciplinary Information**

This Item is not applicable.



## **Item 10 - Other Financial Industry Activities and Affiliations**

We are not registered, nor do we have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

As noted in Item 4, AOIS is a wholly-owned subsidiary of AOCP. AOCP is the managing member of the following five entities, which are therefore affiliated with AOIS and which serve as the general partners of the Private Funds.

1. AlphaOne Satori Management, LLC, a Delaware limited liability company formed in December 2008, the managing member of which is AOCP, serves as the general partner of the AlphaOne Satori Fund I L.P.
2. AlphaOne Essentials Management, LLC, a Delaware limited liability company formed in April 2009, the managing member of which is AOCP, serves as the general partner of the AlphaOne Essentials Global Fund, L.P.
3. AlphaOne Fundamental MCC Portfolio Management, LLC, a Delaware limited liability company formed in November 2009, the managing member of which is AOCP, serves as the general partner of AlphaOne Fundamental Micro Cap Fund, L.P.
4. AlphaOne Global Innovations Management, LLC, a Delaware limited liability company formed in September 2012, the managing member of which is AOCP, serves as the general partner of the AlphaOne Global Innovation Fund, L.P.

AOIS serves as the investment manager and provides discretionary advisory services material to its advisory business for the Offshore Funds and the following person who is an officer and/or director of AOIS or its affiliates serves as a member of the Board of Directors of the Offshore Funds: Paul J. Hondros, the President and Chief Executive Officer of AOIS. We do not believe that Mr. Hondros' service as a board member creates material conflicts of interest between AOIS and the Offshore Funds.

As indicated in Item 4 of this Brochure, AOCP is a wholly-owned subsidiary of AlphaOne Holdings, LLC, which is wholly-owned and managed by Paul J. Hondros, AOIS's President and Chief Executive Officer.

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

### Code of Ethics

We have adopted a Code of Ethics (the “**Code**”) that obligates us to put the interests of our clients before the interests of the firm and to act honestly, fairly and ethically in all respects when dealing with clients.

Our Code primarily focuses on the prohibition of any “short swing” or market timing activities as it relates to the Registered Fund that we advise and to personal securities trading practices. Individuals who are associated with AOIS (“**Covered Persons**”) are required to pre-clear all non-exempt purchase and sale transactions that occur in accounts in which they are regarded as a beneficial owner through the use of an electronic pre-clearance system. Covered Persons may buy or sell securities for their personal accounts that are identical to or different than the securities that we buy or sell for clients, but certain Covered Persons are subject to blackout periods with respect to transactions involving such securities. It is our policy that no Covered Person shall prefer his or her own interest to that of a client or make personal investment decisions based on the trading activities of our clients.

Our Code further includes a policy prohibiting the use of material non-public information and all Covered Persons are reminded periodically that such information may not be used in a personal or professional capacity. Further all Covered Persons must report the advertent or inadvertent receipt of material non-public information to the firm’s Chief Compliance Officer (“**CCO**”).

In order to supervise compliance with our Code, we require that all Covered Persons provide the CCO with initial and annual securities holdings reports and quarterly transaction reports through the use of an electronic reporting system.

We also require that all Covered Persons act in accordance with all applicable federal and state regulations governing registered investment advisory practices. Any Covered Person who does not follow this requirement may be subject to disciplinary action, which may include termination of employment.

If you are a client of AOIS and would like a complete copy of our current Code of Ethics, please send a written request to:

AOIS Investment Services, LLC  
Attention: Compliance Department  
One Tower Bridge  
100 Front Street, Suite 1250  
West Conshohocken, PA 19428

Email requests may be sent to: [clientservice@alphaonecapital.com](mailto:clientservice@alphaonecapital.com)

## **Participation or Interest in Client Transactions**

AOIS recommends to clients or prospective investors the purchase or sale of interests in the Private Funds for which we act as investment manager. We earn both a management fee and a performance-based fee from managing the assets in the Private Funds. AOIS also recommends to clients or prospective investors the purchase or sale of the Registered Fund for which we act as investment adviser and we earn management fees from managing the assets in the Registered Fund. Therefore, potential conflicts of interest exist. In order to avoid the duplication of fees, we do not charge a separate advisory fee to clients with respect to assets that are invested in the Private Funds or the Registered Fund.

A portion of AOCP's corporate investment portfolio may be invested in the Private Funds, Sub Advised Fund or the Registered Fund and in individual securities that we also recommend to clients. In addition, some of the firm's Covered Persons also may own interests (or shares) in the Private Fund, Sub Advised Fund or Registered Fund.

Related persons of AOIS serve as general partner, managing member or executive officer and/or director of the Private Funds and also may serve as executive officer and/or director of the Registered Fund or the Sub Advised Fund.

Potential conflicts of interest may exist as a result of the participation in these client transactions. Purchase and sale transactions in these securities may be aggregated and blocked with client transactions or executed separately from clients' transactions at "market-on-close" or "limit-on-close" transactions. We have adopted policies and procedures to address the conflicts that might arise as a result of investing in the same securities that we also recommend to clients and related trade aggregations. We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek best execution for our clients' transactions as disclosed in offering documents for the Private Funds, the Registered Fund, the Sub Advised Fund, and the Managed Account investment advisory agreements. Each party that participates in an aggregated order will participate at the average share price for all transactions in the aggregated order for the particular security on a given business day, with transaction costs shared pro rata based on each account's participation in the order. Refer to Item 12 of this Brochure for additional information regarding our brokerage practices.

## **Agency Cross Transactions**

We may enter into agency cross trade transactions<sup>1</sup> between or among the Private Funds, Sub Advised Fund, Registered Fund, and the Managed Accounts. When we do so, the following guidelines for compliance with Rule 206(3) -2 under the Investment Advisers Act of 1940 (the "**Advisers Act**") will be followed:

- Our client must grant us prior written authority to engage in agency these transactions;
- We will disclose to our clients in writing its role in the transaction and any conflicts of interest before engaging in the transaction;
- The transaction will be confirmed in writing at or before completion of the transaction;
- Neither AOIS nor its affiliates will be compensated for the transaction;

- We will determine that the transaction is in the best interest of the client and that it fulfills our duty to obtain best execution; and
- Disclosure statements will be provided annually and with each written statement or summary of the account in accordance with Rule 206(3)-2.

<sup>1</sup> The term “agency cross trade transaction” means a transaction in which AOIS, or any person controlling, controlled by, or under common control with AOIS, acts as broker for both an client and for another person (client or own account) on the other side of the transaction.

## **Item 12 - Brokerage Practices**

### **Broker Selection**

We have sole discretion in deciding what brokers and dealers will be used to purchase or sell securities for the Private Funds, the Sub Advised Fund, the Registered Fund, and most Managed Accounts and we negotiate the rate of compensation the Private Funds, Sub Advised Fund, Registered Fund, and Managed Accounts pay to these brokers and dealers. In addition to using brokers as “agents” and paying commissions, the Private Funds, Sub Advised Fund, Registered Fund and Managed Accounts may buy or sell securities directly from or to dealers acting as principals at prices that include markups or markdowns, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers. The use of a broker can provide anonymity in connection with a transaction. In addition, a broker may, in certain cases, have greater expertise or greater capability in connection with both accessing the market and executing a transaction.

We will seek to obtain best execution for equity securities transactions at favorable securities prices and at competitive commission rates through brokers and dealers who in our opinion are financially responsible and meet other requirements that we think are important for best execution. If a Managed Account client directs us to use a particular broker, the client will normally be responsible for negotiating commission rates with that broker. In these cases, the client may pay higher commissions than would have been paid if we had full discretion to select the broker of our choosing. Transactions for these clients will generally be executed after the execution of portfolio transactions in other client accounts where we are selecting brokers, which may work to the disadvantage of the directed brokerage client accounts as they may lose the ability to negotiate volume commission discounts on batched transactions that may otherwise be available to our other clients.

We have adopted a Best Execution Policy which requires that we review trades periodically to ensure that the policy is followed. When determining whether our best execution standard has been met, we consider the full range and quality of the executing broker’s services when selecting a broker/dealer for a transaction. This assessment will include, but not be limited to the following regarding each broker:

- Overall execution quality
- Promptness of execution
- Accuracy of execution
- Trading expertise

- Business reputation
- Ability and willingness to correct trade errors
- Order handling capacity
- Commission rates
- Creditworthiness
- Reliability
- Access to markets
- Execution facilities
- Ability to use ECNs
- Research services provided
- Soft dollar policies

We use our best efforts to obtain information as to the general level of commission rates being charged by the brokerage community and to evaluate the overall reasonableness of commissions we are paying on client portfolio transactions by reference to such data.

### **Research and Other Soft Dollar Benefits**

The receipt of research services and other products from brokers or a third party may sometimes be a factor when we select a broker that we believe will provide quality execution of transactions at competitive commission rates. This is known as a “soft dollar relationship.” Such research services often will include not only a wide variety of reports, charts, publications and proprietary data on such matters as economic and political strategy, credit analysis, stock and bond market conditions and projections, but also attendance at conferences sponsored by brokers and meetings with management representatives from companies we are covering and with other analysts and specialists. Research may be used for all of our clients and our affiliates. No client is charged separately for the research, but clients may pay higher commissions than those obtainable from other brokers in return for these research products and services.

We will limit the use of “soft dollars” to obtain research and other products to services that constitute research and brokerage within the meaning of the “safe harbor” provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended (“**1934 Act**”), and related SEC interpretive positions. The research services noted above fall within the Section 28(e) safe harbor provisions. The following brokerage services also fall within the Section 28(e) safe harbor:

- Services related to the execution, clearing and settlement of securities transactions;
- Trading software operated by a broker-dealer to route orders;
- Software that provides trade analytics and trading strategies;
- Software used to transmit orders;
- Clearance and settlement in connection with a trade;
- Electronic communication of allocation instructions;
- Routing settlement instructions;
- Post trade matching of trade information; and
- Services required by the SEC or a self-regulatory agency such as comparison services, electronic confirms or trade confirmations.

The use of client commissions to obtain research and brokerage products and services raises conflicts of interest. For example, AOIS will not have to pay for the products and services itself. This creates an incentive for us to select or recommend a broker-dealer based on our interest in receiving those products and services. In addition to limiting our use of soft dollar arrangements to only those services that are within the Rule 28(e) safe harbor, any research services that we receive will be in addition to, and not in lieu of, services required to be performed by AOIS under its investment management agreements.

In some instances, however, we obtain a product or service that is used, in part, by AOIS for Section 28(e) eligible purposes and, in part, for other purposes. These are referred to as “mixed use” products. In these instances, we may have a conflict of interest in allocating the costs of such services between those that primarily benefit AOIS and those that primarily benefit our clients, which portion may be paid for with soft dollars. We will make a good faith effort to determine the relative proportion of the product or service used to assist AOIS in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside of Section 28(e). We will make this determination based on our actual use of the product or service. The proportion of the product or service attributable to assisting AOIS in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by AOIS from its own resources.

We will not enter into any agreement or understanding with any broker-dealer which would obligate us to direct a specific amount of brokerage transactions or commissions in return for such services. However, it should be noted that several of the Managed Accounts have directed AOIS to use its best efforts to direct a certain amount of trades through a particular broker-dealer (the “Clearing Broker”). Under such arrangement, AOIS may not be able to achieve the most favorable execution for such Managed Account’s transactions, and this practice may cost such Managed Account more money than it would cost if AOIS was able to seek out more favorable prices and terms from other counterparties for their transactions. In addition, the Managed Account may pay higher brokerage commissions because AOIS may not be able to aggregate orders with other Advisory Client transactions to reduce transaction costs, and as such, the Managed Accounts may receive less favorable prices. Certain broker-dealers may also state in advance the amount of commissions they require for certain services and the applicable cash equivalent for such services.

### **Trade Aggregation**

We attempt to bunch orders for the purchase or sale of the same security for client accounts where we believe it is appropriate, in the best interests of the client accounts, and consistent with applicable regulatory requirements and the terms of the investment advisory agreement for each client. The pro-rata costs are shared subject to the discretion of the relevant portfolio manager, depending on the factual or market conditions and our duty of best execution. When a bunched order is filled in its entirety, each participating client account will participate at the average share prices for the bunched order on the same business day, and the transaction costs are shared pro-rata based on the amount of each client’s

participation in the bunched order. When a bunched order is only partially filled, the securities purchased are allocated on a pro-rata basis to each account participating in the bunched order based upon the initial amount requested for the account, subject to certain exceptions, such as *de minimis* orders, and each participating account will participate at the average share prices for the bunched order on the same business day.

## **Item 13 - Review of Accounts**

### **Frequency and Nature of Account Review**

AOIS reviews the holdings of the Registered Fund, Private Funds and the Managed Accounts. The Funds and Accounts are reviewed on a continuing basis rather than on an arbitrary schedule, but no less frequently than weekly.

Each of the Firm's Portfolio Managers serves as the reviewer of the holdings of particular Private Funds, the Sub Advised Fund, the Registered Fund, and/or Managed Accounts. These Portfolio Managers review the holdings in each of the portfolios for which they are responsible on a daily basis. While securities are reviewed daily, the weightings in each client account are reviewed by a member of the portfolio management team no less frequently than weekly.

### **Factors Prompting a Non-Periodic Account Review**

Any development affecting the portfolio structure or an existing holding will trigger a non-periodic review. A continuous day-to-day review will be made of securities held in the portfolios of the Registered Fund, Private Funds, Sub Advised Fund, and Managed Accounts as well as a broad group of other securities in order to determine what changes, if any, should be made in all or some of the portfolios.

### **Content and Frequency of Client Reports**

AOIS issues periodic reports at least quarterly to the Registered Fund and Private Fund investors and Managed Account investment advisory clients. These reports provide performance and statistics, portfolio characteristics and composition, and portfolio manager performance commentary for a specified period. Clients with the majority of assets invested in the Registered Fund or the Private Funds will receive reports from the custodian. Each Managed Account client receives monthly or quarterly reports from their custodial clearing firm should there be activity in the client's Managed Account during any given period. Each of the Private Funds will furnish its investors with unaudited performance reports quarterly, as well as annual audited financial statements prepared by an independent public auditor within 120 days of the Fund's year-end. The Registered Fund will furnish its investors with semi-annual unaudited financial statements and annual audited financial statements prepared by an independent public auditor within 60 days of the Fund's year-end.

## **Item 14 - Client Referrals and Other Compensation**

We receive certain research or other products or services from broker-dealers through “soft-dollar” arrangements. These “soft-dollar” arrangements create an incentive for AOIS to select or recommend broker-dealers based on our interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates, resulting in higher transaction costs than we could otherwise obtain for our clients. Please see Item 12 for further information on our “soft-dollar” practices, including our procedures for addressing conflicts of interest that arise from such practices.

We may, from time to time, make cash payments to third-party solicitors for client referrals, provided that each such solicitor has entered into a written agreement with AOIS and all required disclosures will be made. Cash payments for client solicitations will be structured to comply fully with the requirements of the “cash solicitation rule” (Rule 206(4)-3 under the Advisers Act) and related SEC staff interpretations.

Prime Brokers or other brokerage firms also may solicit investors for the Private Funds. Such solicitations will comply with applicable law. The prime broker and other broker-dealers also may provide capital introduction services to AOIS relating to the Private Funds on a no reimbursement basis. Such firms generally do this in order to establish a relationship with us which may assist them in obtaining future business from AOIS. However, we do not make promises to these firms regarding future brokerage direction or other business arrangements in exchange for the capital introduction services that they provide.

## **Item 15 - Custody**

We do not provide custodial services to our clients. Client assets are held with banks or registered broker-dealers that are “qualified custodians.” Clients will receive statements directly from the qualified custodians at least quarterly. We urge clients to carefully review those statements and compare the custodial records to the reports that we provide them. The information in our reports may vary from custodial statements due to accounting procedures, reporting dates or valuation methodologies of certain securities.

### **Deduction of Fees from Client Accounts**

With specific client authorization, we may automatically deduct Management and/or Performance Fees from some client accounts by billing the clients’ custodian directly. AOIS or the client’s custodian will provide copies of the invoices for such fees to the clients. The invoice will show the amount of the fees, the value of the assets on which the fees were based, and the specific manner in which the fees were calculated. Affiliates of AOIS serve as general partner, managing member or manager of the Private Funds and such affiliates, may directly access the capital accounts of the Private Funds. AOIS and its affiliates will comply with the requirements of Rule 206(4)-2 (“**Custody Rule**”) under the Advisers Act with regard to automatic fee deduction and custody of the Private Funds and the Managed Accounts. In the event AOIS or any of its affiliates inadvertently receives client funds or securities, it will forward such



funds or securities to the client or the client's custodian or return them to the sender, as appropriate in accordance with the Custody Rule and the interpretive guidance thereunder.

## **Item 16 - Investment Decision**

AOIS provides investment advisory services on a discretionary basis to clients. Please see Item 4 of this Brochure for a description of any limitations clients may place on our discretionary authority.

Prior to assuming discretion in managing a client's assets, we enter into an investment management agreement or other agreement that sets forth the scope of our discretion. Unless otherwise instructed or directed by a discretionary client, we have the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on these activities set forth in the applicable investment management agreement and any written investment guidelines); and (ii) the amount of securities to be purchased or sold for the client account. Because of the differences in client investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among clients in invested positions and securities held.

## **Item 17 - Voting Client Securities**

We will allow Managed Account clients to reserve the right, in writing, to vote the proxies in their accounts; however AOIS typically accepts authority to vote proxies for our Managed Account clients. AOIS has been delegated authority to vote proxies for the Registered Fund and Private Fund portfolio securities. We will vote all proxies received in sufficient time prior to their deadline.

We have adopted proxy voting policies and procedures (the **"Proxy Voting Policies"**) to make every effort to ensure that we vote proxies in the best interest of clients and the value of the investment. The Proxy Voting Policies address how we will vote proxies with regard to specific matters, such as voting rights, mergers or acquisitions, the election of board members and other issues. The Proxy Voting Policies also direct AOIS to consider certain factors with regard to specific proxy proposals to assist the firm in voting securities properly. Under the Proxy Voting Policies, we are also permitted to delegate the responsibility to a non-affiliated third party vendor to review proxy proposals and make voting recommendations on our behalf. We may also vote a proxy contrary to the Proxy Voting Policies if we determine that such action would be in our clients' best interest.

We may choose not to vote proxies in certain situations or for certain accounts, such as:

- As noted above, when a Managed Account client has informed us that it wishes to retain the right to vote the proxy, AOIS will instruct the custodian to send the proxy material directly to the client;
- When we believe that the cost of voting would exceed any anticipated benefit to the client;
- When a proxy is received for a security that we do not hold in the portfolio (i.e. we have since sold the entire position); or

- Where the exercise of voting rights could restrict the ability of a portfolio manager of Managed Account or Fund to freely trade the security in question

Conflicts of interest relating to proxy proposals will be handled in various ways depending on the type and materiality. Generally, where the Proxy Voting Policies outline our voting position, either “for” or “against” such proxy proposal, we will vote in accordance with the Proxy Voting Policies. Where the Proxy Voting Policies outline our position to be determined on a “case by case” basis for the particular proxy proposal, or the proposal is not listed in the Proxy Voting Policies, then we will choose either to vote the proxy in accordance with the voting recommendations of a non-affiliated third party vendor, or, for Managed Accounts, we will vote the proxy as directed by our client(s). The method that we select will depend on the facts and circumstances of each situation and the requirements of applicable law.

If you are a client of AOIS and would like to find out how your proxies have been voted or would like a complete copy of our current Proxy Voting Policies, please send a written request to:

AOIS Investment Services, LLC  
Attention: Compliance Department  
One Tower Bridge  
100 Front Street, Suite 1250  
West Conshohocken, PA 19428

Email requests may be sent to: [clientservice@alphaonecapital.com](mailto:clientservice@alphaonecapital.com)

## **Item 18 - Financial Information**

This Item is not applicable.