

Elementum Advisors, LLC
Form ADV Part 2A
225 West Wacker Drive, Suite 2160
Chicago, IL 60606
312-281-4688
www.elementumadvisors.com
March 28, 2013

This brochure provides information about the qualifications and business practices of Elementum Advisors, LLC and its Relying Advisers (collectively referred to as “Elementum”). If you have any questions about the contents of this brochure, please contact us at info@elementumadvisors.com. 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.

Additional information about Elementum also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 Material Changes

The material changes set forth here in Item 2 only discuss material changes that have been made to this Part 2A (the “Brochure”) since the last annual update of our Brochure. Those material changes include the following:

1. Addition of language in Item 8 describing certain risks involved with each our investment strategy or methods of analysis used by the Registrant to provide advice to and manage the assets of its clients.
2. Addition of language in Item 14 regarding an agreement with Polaris Investment Advisory AG.

Elementum Advisors, LLC
Form ADV Part 2A
March 28, 2013

Item 3 Table of Contents

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

Item 4 Advisory Business

Elementum is an independent alternative investment manager providing discretionary investment management services to a broad range of institutional clients, including US and non-US unregistered private investment companies (the “fund(s)”). We specialize in collateralized natural event reinsurance investments and manage client portfolios across a range of objectives within the Risk-Linked Investments (“RLI”) asset class with varying degrees of diversification, risk, liquidity, hedging and leverage.

Based in Chicago, Illinois, Elementum Advisors was launched in December 2009 by Founding Principals Anthony Rettino and John DeCaro, and Principal, Michael France. Its Relying Adviser, Elementum (Bermuda), was launched in November 2011 and is engaged by Elementum Advisors as a sub-adviser. Elementum Advisors and Elementum (Bermuda) are each wholly owned by Elementum Holdings, LLC.

We may agree to certain investment restrictions and guidelines as requested by a client and agreed upon in the client’s investment management agreement with us. We do not participate in class actions for clients.

Regulatory Assets under management as of December 31, 2012

Discretionary: \$683,302,022

Non-Discretionary: \$0

Item 5 Fees and Compensation

Fees

We are compensated for our advisory services with both asset-based and performance-based fees, depending upon the specific terms of the funds we manage and our investment management agreements. Fee arrangements are based upon the time and effort we must commit for a mandate, how much we charge other clients for similar services, and the size of the account. Similarly, the frequency and method of payment (i.e., whether we bill a client or deduct our fee from the client’s custodial account) are subject to the terms of each relationship.

Although we prefer not to enter into most-favored nation (“MFN”) agreements, we do have such agreements in place with certain clients and investors in our funds. When establishing fee arrangements, our Board of Managers, which manages our business affairs and oversees the firm’s dealing with clients, will determine whether the terms may conflict with any existing MFN agreement and proceed accordingly. We strive to be transparent and fair when negotiating new agreements so as to not violate the terms of an existing MFN.

At times we may invest in short-term liquid investments for our clients, such as money market mutual funds. In these instances, clients separately incur mutual fund expenses. Clients also separately incur custody fees, brokerage and transaction costs. Please see Item 12 for a discussion of our brokerage practices.

Asset Valuation Practices

We base our management fees and performance calculations on the value of client portfolios and therefore it is important that we maintain policies, procedures and controls around our asset valuation practices.

The majority of instruments we trade range from illiquid with limited third-party pricing sources to moderately liquid with opportunities for secondary trading and third-party pricing. In the event we are unable to obtain pricing, we will determine the value of an asset. In accordance with our policies, asset valuations we determine are supported by market data, third-party pricing sources, industry or internally tested third-party or proprietary pricing models, counterparty prices or such other methods as our Fair Value Committee deems appropriate.

We have identified certain potential conflicts of interest with respect to our asset valuation practices, such as the potential to place a high value on assets in client accounts to increase our fees and the performance of accounts.

To address and mitigate such conflicts, our pricing and valuation policies and procedures are designed to achieve fair, consistent and verifiable valuation methodologies for the various assets purchased for clients. All valuations are reviewed and approved by a Portfolio Manager and our Fund Controller or CFO, each of whom retains the obligation to challenge valuations that he believes are inaccurate and where appropriate make valuation recommendations to our Fair Value Committee and/or Advisory Board. The Advisory Board provides guidance regarding certain valuation matters and conflicts of interest that may arise in the course of fair valuing assets; however, we make all final determinations regarding pricing and valuation.

We believe the Advisory Board brings tremendous value to our process and, as such, our clients and investors benefit from their input. However, as the Advisory Board members may be active in the industry, certain potential and/or actual conflicts of interest may arise between the interests of Advisory Board members and that of our clients. We are aware of certain potential conflicts and maintain policies and procedures designed to mitigate and address such conflicts. Further, each Advisory Board member is aware of such potential conflicts, is required to sign a confidentiality agreement and is considered an access person under our Code of Ethics.

Please see Item 12 for a discussion of our policies regarding trade allocation practices.

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

We manage accounts in which we earn asset-based fees, and also accounts in which we earn both an asset-based fee and a performance-based fee. Elementum GP, LLC and Elementum Directus GP, LLC, affiliates of Elementum, earn incentive allocations when functioning as general partners to certain funds we manage. Such incentive allocations are paid directly by the funds.

Performance-based fees and incentive allocations are generally based on an increase in net asset value (adjusted for investments and/or withdrawals) as of each fiscal or calendar year-end and withdrawal date. Performance fees and incentive allocations may or may not be subject to a performance hurdle rate. Generally, if there is a net decrease in net assets during a year, the loss is carried forward to the next year for purposes of calculating performance-based fees and incentive allocations for such next year.

Elementum Advisors, LLC
Form ADV Part 2A
March 28, 2013

We have identified certain conflicts of interest regarding our performance-based fee and incentive allocation arrangements and differential fee arrangements:

- Performance-based fee and incentive allocation arrangements may present us with an incentive to favor accounts that pay these fees when allocating investment opportunities over accounts that pay asset-based fees only.
- We may also have an incentive to favor higher-fee paying clients when allocating investment opportunities.

To address these conflicts, our Risk Committee reviews performance dispersion on a regular basis, with additional periodic reviews performed by our Investment Committee. Our Investment Committee and Chief Compliance Officer (“CCO”) also regularly review trade allocations. Additionally, we have adopted policies and procedures to address performance fees and incentive allocations, pricing and valuation, and trade allocation and aggregation to provide reasonable assurance that over time certain clients are not favored over others. Further, at the onset of each client engagement, our Board of Managers reviews each client mandate to determine the level and appropriateness of the performance fee and incentive allocation when compared with existing client mandates and fees.

Please see Item 12 for further discussion regarding our trading policies and procedures.

Item 7 Types of Clients

Types of Clients

We currently provide, or may provide in the future, investment management services to a variety of clients, including private funds, other investment advisers, banks and thrift institutions, pension and profit sharing plans (including foreign plans), endowments, foundations, trusts, estates, charitable organizations, government entities, and corporations.

We do not manage separate accounts for family members or friends of Elementum. However, we allow our principals and qualified employees to invest in certain funds we manage, which may create an incentive for us to favor these funds over other clients. We mitigate such conflicts in several ways. First, our Code of Ethics requires all associates to put clients’ interests ahead of their own. Our personal trading policy prohibits our access persons from trading in RLI and requires the pre-clearance and reporting of certain personal securities transactions and holdings in funds we manage to the CCO or her designee as described in Item 11. Further, our Risk and Investment Committees oversee client portfolios including performance, holdings, allocations and objectives among other matters. Finally, we maintain trade allocation policies and procedures designed to address any incentive to favor one client over another.

Account Minimums

We generally impose a minimum investment of \$50 million for new separate account clients. The minimum amount to initially invest in a fund we manage is dependent upon the fund’s requirements as described in the respective fund’s offering memorandum, but will generally range from \$100,000 to \$1 million. These minimums may be subject to waiver by a fund’s board of directors, general partner and/or investment manager under certain circumstances.

Termination Provisions

Provisions relating to terminations of advisory agreements are outlined within each client agreement. Termination of an advisory agreement by a client will not affect transactions that we have initiated on that client's behalf prior to the effective date of such termination.

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

Investment Strategy and Types of Investments

All of our strategies involve investments in Risk-Linked Investments ("RLI"), which may include natural catastrophe-linked securities and derivatives and other instruments.

The investment performance of RLI is contingent on the non-occurrence of specific natural catastrophe events ("trigger events") such as earthquakes, hurricanes, windstorms, floods or other physical or weather-related phenomenon. The performance of such instruments may be based on the level of insured industry losses, physical event parameters (e.g., storm category and location), the loss experience of reference portfolios of insurance and reinsurance companies, and other natural catastrophe related triggers.

On behalf of our clients, we may also invest in short-term liquid investments, including money market mutual funds and other managed short-term liquidity investment vehicles. We may invest in RLI or hold collateral denominated in currencies other than U.S. dollars, and may also take positions in RLI in which the thresholds for loss may be denominated in a foreign currency. Depending on the mandate, we may utilize various interest-rate or currency derivatives to hedge client exposures when warranted.

We may also use leverage in our client portfolios to enhance returns or purchase protection against natural catastrophe events to capture relative value across investment types, for arbitrage purposes or for protecting the portfolio against large events. Please see below for further discussion about the types of risk inherent in our specialized investment strategy.

Methods of Analysis

We perform top-down analyses to determine macro-level capital allocations across geographies and perils and bottom-up analyses to determine specific investments decisions. We utilize catastrophe modeling software and/or catastrophe modeling results along with other techniques to measure the event risks of each investment. We also perform analyses on other risks inherent within each investment portfolio as appropriate, including model risk, basis risk, credit risk, liquidity risk, market risk, interest rate risk and currency risk. Ultimately our goal is to identify, quantify and adequately price for all risks to be assumed and to account for any uncertainties or potential unmeasurable risks uncovered in the process.

Standard actuarial techniques typically rely on past losses to predict future losses. However, the scarcity of historical data resulting from the relative infrequency of severe hurricanes, earthquakes and windstorms makes exclusive reliance on standard actuarial techniques for loss estimation disfavored for the estimation of potential catastrophe losses. Furthermore, the usefulness of the loss data that does exist is limited because of the constantly changing landscape of insured properties. Property values change, along with the costs of repair and replacement. Building materials and designs change, and new structures may be more or less vulnerable to catastrophic events than were the old ones. New properties continue to be built in areas of high hazard. Therefore, the limited loss information that is available is not suitable for directly estimating future losses.

Elementum Advisors, LLC
Form ADV Part 2A
March 28, 2013

Because of these limitations, professional catastrophe risk modeling firms have developed alternative loss-estimation methodologies based on statistical simulation techniques. This approach involves the construction of computer programs that incorporate fundamental physical characteristics of hurricanes, earthquakes and other natural catastrophe events. Each entity is staffed with seismologists, meteorologists and other scientific and actuarial professionals that conduct research and review published technical papers, historical catalogues of past events, scientific theory published in research journals and other data and analysis for use in their models. The programs give mathematical representation to the physical phenomena of catastrophe events in order to evaluate the potential damage and insured losses that can occur. Catastrophe modeling is performed on a “probabilistic” basis, meaning that the results of the modeling are expressed in terms of probabilities. A set of results is expressed in terms of a probability distribution, also known as a “loss distribution,” which, given specified insurance exposures, provides a distribution of estimated losses and their corresponding likelihood of occurrence. The loss distribution is not a prediction of future losses. It is solely intended to be illustrative of the range of possible losses and the likelihood of occurrence of such losses. A loss of any particular magnitude could occur in any year. These models are commonly utilized by professional insurers and reinsurers for pricing, underwriting and risk management, as well as by regulatory bodies and rating agencies.

Our use of catastrophe modeling software and results is integral in the management of client portfolios, including portfolio allocation, investment analysis, pricing, underwriting and risk management activities. We license and use third-party catastrophe modeling software internally. We also obtain catastrophe modeling results from external sources such as third-party modeling firms, catastrophe modeling experts at reinsurance broker firms and at times directly from underlying counterparties. Our personnel have extensive knowledge of, and significant experience with, the catastrophe models from the industry leading catastrophe risk modeling firms and regardless of whether catastrophe modeling results are produced internally or externally, we generally perform extensive due diligence on the underlying data and assumptions.

Risks of Loss

Investing in RLI and other securities involves risk of loss of a client’s investment that clients should be prepared to bear. We do not offer any products or services that guarantee rates of return on investments for any time period to any client. All clients assume the risk that investment returns may be negative or below the rates of return of other investment advisers, market indices or investment products.

Our clients should be aware of the following material risks applicable to our investment strategy:

- *Limited liquidity.* We may, on behalf of our clients, invest in illiquid or non-publicly traded securities and in other illiquid assets. We may not be able to readily dispose of such illiquid or non-publicly traded securities or assets and, in some cases, may be contractually prohibited from disposing of such securities for a specified period of time. The simultaneous redemption by investors of a significant amount of their ownership interest in a fund or the withdrawal of a significant amount of capital by a separate account client could adversely affect the value of the fund or account. Moreover, the efforts in liquidating large positions could depress the market in which the securities are traded, further exposing the fund or account to losses.
- *Unpredictability of Catastrophes and Losses; Reliance on Third-Party Catastrophe Risk Modeling.* Investments are subject to relatively infrequent but severe losses resulting from the occurrence of one or more catastrophic events. The occurrence or non-occurrence of catastrophic events can be expected to result in volatility. A major catastrophic loss or series of catastrophic losses may occur from time to time and, if affecting one or more of a client’s

Elementum Advisors, LLC
Form ADV Part 2A
March 28, 2013

investments, could result in material losses. The occurrence of catastrophic events is inherently unpredictable.

- *Necessity for Counterparty Trading Relationships; Counterparty Risk.* We have established relationships to obtain financing and prime brokerage services; however, there can be no assurance that we will be able to maintain such relationships. An inability to obtain or maintain such relationships would limit our trading activities, could create losses, preclude us from engaging in certain transactions, financing and prime brokerage services and prevent us from investing on optimal terms.
- *Maturity.* Risk-Linked Investments often provide for an extension of maturity following the occurrence of an event to enable the insurer or reinsurer to process and audit loss claims where a trigger event has, or possibly has, occurred. Alternatively, the maturity could in certain circumstances be accelerated upon the occurrence of certain legal, regulatory, credit or structural events. An extension or acceleration of maturity may increase volatility which could create losses.
- *Tax Risks.* Issuers of RLI ("Issuers"), including Segregated Account Companies, are typically special purpose companies (in some cases special purpose reinsurance companies) formed in Bermuda, Ireland or the Cayman Islands. Issuers are formed and intend to operate in such a manner that would not cause them to be treated as engaged in the conduct of a trade or business within the United States. On this basis, an Issuer generally determines that it does not expect to be subject to U.S. income tax with respect to its net income. There can be no assurance, however, that the U.S. Internal Revenue Service will not contend, and that a court would not ultimately hold, that such an Issuer, or a fund or client, is engaged in the conduct of a trade or business within the United States. If the Issuer, or a fund or client, were deemed to be so engaged, it would, among other things, be subject to U.S. federal income tax, as well as the branch profits tax, on its income which is treated as effectively connected with the conduct of that trade or business.
- *Non-U.S. Investments.* We actively invest in securities and assets of non-United States entities. Such securities and assets may be denominated in non-U.S. dollar currencies. Non-United States investments present risks not present in United States markets. Some of these risks include imposition of withholding or other taxes on interest, dividends, capital gains or other income, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalization of their industries, confiscatory or protectionist taxation, economic or political instability or events in non-U.S. nations, the possibility of government intervention, lack of, sudden changes to or differences in regulatory structure, currency exchange rate fluctuations and the increased volatility of certain markets.
- *Subordination.* RLI often are subordinated to other obligations of the Issuer, such as those obligations to a ceding insurer. Further, we may make investments in RLI that are subordinate to other securities or other obligations of such Issuer. Consequently, if such an entity incurs unexpected expenses or liabilities in connection with its activities, the entity may be unable to pay the required interest and/or principal on its issued securities.
- *Lower or No Ratings.* RLI may receive or have low ratings or may be unrated by rating agencies. Consequently, such securities may be relatively illiquid and subject to adverse publicity and investor perceptions, any of which may act to depress the price of such securities.

Elementum Advisors, LLC
Form ADV Part 2A
March 28, 2013

- *Concentration of Holdings.* We typically are subject to certain fixed guidelines limiting the amount of assets that may be subject to loss from a single natural catastrophic event and limiting the size of any single investment position to a certain percentage of net assets. However, such guidelines would nevertheless allow us to hold, from time to time, a few relatively large (in relation to total assets) investments exposed to a single peril, with the result that a loss in any such investments could have a material adverse impact on net asset value.
- *Legal and Regulatory Environment.* The legal, tax and regulatory environment worldwide for us and our clients is evolving, and changes in the regulation and our trading and investing activities may have a material adverse effect on us. There has been an increase in scrutiny of the alternative investment industry by governmental agencies and self-regulatory organizations. New laws and regulations or actions taken by regulators that restrict our ability to pursue its investment program or employ brokers and other counterparties could have a material adverse effect on us and our clients.

For further information on the material risks associated with investments in the private funds, potential investors should read the respective fund's offering memorandum carefully.

Item 9 Disciplinary Information

Neither Elementum nor its employees have any disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Elementum GP, LLC and Elementum Directus GP, LLC serve as general partners to certain private funds we manage. Elementum, Elementum GP, LLC and Elementum Directus GP, LLC are under common control. By written agreement, each of Elementum GP, LLC and Elementum Directus GP, LLC has designated Elementum Advisors, LLC as the adviser for certain private funds. Please see the respective fund's offering memorandum for related disclosures.

Elementum (Bermuda) is an investment adviser residing in Bermuda and serves as a sub-adviser to Elementum Advisors. Elementum (Bermuda) and Elementum Advisors are wholly owned by Elementum Holdings, LLC and are therefore considered related persons by the SEC.

Pursuant to, and in order to facilitate, a client engagement, certain principals serve as officers and directors of a Bermuda-based reinsurance company ("Client Company") which is owned by related persons of an Elementum client. While these principals may be considered control persons of the Client Company, they are not owners of it, nor do they hold voting rights. Even so, because these principals also provide portfolio management and client servicing functions to all of our clients, this arrangement may result in a conflict. We believe that any such conflict is addressed through our trading policies, which are in place to provide reasonable assurance no clients are favored over others in the course of managing assets. Furthermore, as a fiduciary, we must act in the best interests of all of our clients.

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

We maintain a Code of Ethics and Personal Trading Policy (the “Code”) which outlines the standards of conduct and personal trading procedures expected of all of our access persons. As a fiduciary, we have a duty of utmost good faith to act solely in the best interests of each of our clients. This fiduciary duty compels all of our access persons to act with the utmost integrity in all dealings. We strive to foster a healthy culture of compliance within all aspects of our business, and expect our access persons to avoid potential conflicts of interest or even the appearance of such conflicts. These principles represent the basis of all dealings with clients.

Standards of Conduct

Giving or accepting gifts creates a conflict of interest as it calls into question the independent judgment of access persons and third parties with whom gifts are exchanged. As such, our Code includes limitations on giving and receiving gifts to and from clients and third parties that do business with us or those that seek to do business with us. Likewise, access persons are prohibited from making charitable contributions and gifts to union officials for the purpose of obtaining or retaining business. Finally, political contributions create conflicts of interest where we are seeking to establish a business relationship with the government entity. Therefore, we prohibit access persons from using contributions or gifts to retain or obtain business or otherwise influence a government official to secure business.

To further mitigate conflicts between an Elementum access person and client, we also monitor employees who engage in outside business activities, such as serving as a director for an external organization or serving as a trustee or executor for anyone apart from a family member.

Personal Trading

All Elementum access persons’ personal transactions are monitored by our CCO, or her designee, using the following procedures. We require all access persons, with the exception of the unaffiliated members of our Advisory Board, to pre-clear personal securities transactions, except for certain exempt transactions, with our CCO, or her designee. In addition, the Code requires all access persons to report certain security holdings initially upon becoming an access person and on an annual basis thereafter. Finally, all access persons are required to report personal transactions to our CCO, or her designee, on a quarterly basis.

Our Code prohibits access persons from transacting in RLI or any security we are transacting or proposing to transact for a client. As our access persons are prohibited from trading in any security we are transacting for a client, no material conflicts exist with regard to personal trading. The policy further prohibits access persons from trading any security while in possession of material non-public information. We maintain a Restricted Trading List, which is maintained by our CCO, or her designee, and provided to access persons as necessary.

A copy of our Code is available upon request.

Item 12 Brokerage Practices

Broker Selection, Best Execution and Soft Dollars

Elementum Advisors, LLC
Form ADV Part 2A
March 28, 2013

We determine in most cases which securities are bought or sold and the broker-dealer through which the securities are to be traded for all client portfolios. The price at which these securities are traded may include mark ups and/or commissions.

Although we do not anticipate entering into directed brokerage arrangements with clients, a client may direct all or a portion of its brokerage transactions to a specific broker-dealer.

Consistent with our fiduciary obligations, we seek best execution in all transactions. We have adopted guidelines for evaluating brokerage services and determining whether it has obtained best execution for transactions. Such guidelines are designed to enable fair evaluations of the overall quality and costs of a broker-dealer or reinsurance broker's execution services, including factors other than prices, commissions and other expenses paid in connection with account transactions. The factors considered in selecting and approving brokers may include, but are not limited to, quality of execution; reputation, financial strength and stability; block trading capabilities; information about and access to private deals; competitiveness of overall costs of a trade; specialized expertise in execution of specific security types or transactions; arranged meetings with company management; access to analysts; access to transaction and strategy models that assist in the investment analysis process; and the receipt of other brokerage or research services.

Due to the nature of the securities in which we invest, we do not generate soft dollars in our transactions with brokers. We do receive research, information about particular investments and invitations to broker-sponsored conferences, dinners and other events from brokers with which we effect transactions, or with which we may effect transactions in the future. However, we do not direct transactions to a particular broker in exchange for any of these services, and any gifts or entertainment received are subject to our Code. We pay hard dollars for all travel expenses and conference registration fees, as applicable, when attending broker-sponsored conferences.

Trade Aggregation and Allocation

We are committed to allocating investment opportunities on an equitable basis over time in a manner that is consistent with the investment objectives of each of our clients.

Trade allocations are determined or confirmed by a member of the Portfolio Management Department generally on trade date. As a general matter, our trade allocations can be grouped into three categories: (i) new positions and adding to existing positions, (ii) hedging, and (iii) unwinding.

When adding new or adding to existing positions, allocation percentages are based upon various factors including, but not limited to, capital availability, risk tolerance, investment guidelines/constraints, liquidity preferences/requirements and net assets of each client.

Hedging transactions are generally allocated pro-rata based upon each client's current or anticipated exposures to the risks covered by such hedge. Additional factors we consider in determining hedging trade allocations include, but are not limited to, capital availability, risk tolerance, investment guidelines/constraints, liquidity preferences/requirements and net assets of each client.

Unwinding transactions are generally allocated pro-rata based upon the positions or theoretical exposure of the applicable position at the time of the unwind, as held by each client. Additional factors we consider in determining unwinding trade allocations include, but are not limited to, capital availability, risk tolerance, investment guidelines/constraints, liquidity preferences/requirements and net assets of each client.

Elementum Advisors, LLC
Form ADV Part 2A
March 28, 2013

At times, we may deviate from our standard allocation policy for various reasons including, but not limited to, legal and regulatory restrictions, including restrictions on minimum denominations; a client's need for liquidity; when transaction costs would be unacceptable relative to the size of the position; when investment opportunities other than the prospective investment opportunity may be available to certain clients under their stated investment objectives; portfolio composition may alter the size of an allocation; the anticipated volatility of the purchased security/instrument; client-imposed investment restrictions; restrictions in organizational documents or financing agreements; tax considerations; when an investment opportunity may be warranted only if properly hedged, but the availability of a hedging option is limited or too costly; where a client's allocation of an investment opportunity would be insufficient to make up a meaningful portion of such client's portfolio; unique allocations to a client based on rebalancing of a portfolio following a capital infusion; if we are liquidating a client's portfolio (in such an instance, the client may receive a greater allocation when unwinding certain positions than would otherwise be the case); if an unwinding opportunity exists following a purchase transaction, the allocation of the sale transaction may be primarily based on the size of the previous purchase transaction rather than total holdings or exposure; and other common sense deviations as approved by the CCO.

If the order is partially filled, it generally will be allocated pro-rata in proportion to the size of the orders placed for each client to the extent practicable based upon the originally determined trade allocation percentage. Adjustments to this pro-rata allocation may be permitted to take into consideration factors such as, but not limited to, undesirable position size, minimum denominations, portfolio weightings, client tax status, and client cash positions.

We generally execute client transactions on an aggregated basis when we believe that to do so will allow it to obtain best execution and to negotiate more favorable commission rates or other transaction costs than might have otherwise been paid had such orders been placed independently. When aggregating orders, all clients will be treated in an equitable manner over time.

Each client that participates in an aggregated order will receive the average price for all of our transactions effected to fill the aggregated order on a given business day, with transaction costs shared pro rata based on each client's participation in the transaction.

When appropriate, rotations are used to ensure equitable treatment of clients over time.

Although we strive to act in a manner which we consider fair, reasonable and equitable in allocating investment opportunities among our clients, on occasion investments made on behalf of one client may differ from those made for another client and there can be no assurance that a particular investment opportunity which comes to our attention will be allocated to all clients, even though their investment objectives may be the same or similar.

Cross Transactions

Consistent with our fiduciary duties to each client, we may effect cross transactions between various clients but will not receive additional compensation specific to the transaction. To the extent we effect (1) an agency cross transaction subject to Section 206(3) under the Investment Advisers Act of 1940 ("Advisers Act"), or (2) a transaction that may be viewed as a principal transaction due to our ownership interest in a participating fund, we will further comply with the requirements set forth in Rule 206(3)-2 of the Advisers Act.

Furthermore, in accordance with certain of our funds' current offering materials and our internal policies and procedures, we may utilize side-pocket accounting for certain investments held by such funds. Upon making a determination to utilize side-pocket accounting for a particular investment, we will segregate

Elementum Advisors, LLC
Form ADV Part 2A
March 28, 2013

the investment and hold it in a separate class of such fund for the benefit of those fund investors participating in the particular side-pocket investment. Based on the specific characteristics of each investment, a particular side-pocket investment may subsequently be transferred into the general account of the applicable fund. The execution price for any transfer of an investment into or out of a side-pocket will be in accordance with the applicable fund's offering documents.

Any cross trade will comply with our trading policies and procedures.

Trade Error Correction

It is our policy for clients to be made whole following a trade error. When we cause a trade error in a client account that results in a gain, it will be retained by the applicable client or will be placed in the appropriate trade error account held in the name of, or for the benefit of, the client.

Gains may be used to offset losses from trade errors that occur after the error that generated the gain. Other clients may not utilize any offset available to a specific client. Losses will always be reimbursed to clients if there is no gain with which to offset the loss. Losses in client accounts will never result in a negative balance. We will settle offsets in client accounts on an annual basis and distribute any gains to the client.

We correct all trade errors within a reasonable period of time following discovery of the error. We will not use commissions from other client accounts to correct trade errors.

Item 13 Review of Accounts

Nature and Frequency of Reviews

We perform various daily, weekly, monthly, quarterly and periodic reviews of all client portfolios. The reviews are conducted by our Portfolio Managers, members of the Investment and Risk Committees, and operations personnel. Reviews generally cover positions, trading activity, investment objectives, mandate compliance, portfolio risks and liquidity.

Client Reports

We provide written reports to clients at least monthly. The reports include information on risk and performance as well as market and trading commentary.

Item 14 Client Referrals and Other Compensation

Except as disclosed under Item 10, we do not receive compensation from third parties. We have an agreement with Polaris Investment Advisory AG which complies with Rule 206(4)-3 of the Advisers Act and our Solicitors Policy. Pursuant to the agreement with Polaris, Elementum provides cash compensation to Polaris for certain referrals. The client is not charged an additional amount as a result of the agreement.

Item 15 Custody

Client assets are held with a qualified custodian when required by Rule 206(4)-2 of the Advisers Act. It is our expectation that these qualified custodians send statements directly to clients on at least a quarterly basis, which clients should carefully review. If a client does not receive a statement from its custodian on at least a quarterly basis, the client should alert us. We recommend clients compare the information included within our client reports to the information reflected in the statements received directly from the custodian. While we regularly reconcile the balances from our internal accounting system to the balances per the custodian records, certain differences routinely occur due to the timing of entries made within each system, differences in pricing sources or calculations of income accruals among other reasons. Clients are encouraged to contact us with any questions regarding their account statements.

Item 16 Investment Discretion

We provide portfolio management services on a discretionary basis. At times, we may permit a client to limit our discretionary authority. Any and all such limitations are described in the respective client's written investment advisory agreement.

Item 17 Voting Client Securities

We do not vote proxies for clients.

Item 18 Financial Information

We have no financial conditions which would impair our ability to meet our contractual commitments to our clients.