
Artemis Investment Management Limited

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This Brochure provides information about the qualifications and business practices of Artemis Investment Management Limited (“Artemis”). If you have any questions about the contents of this Brochure, please contact us at (416) 934-7455. 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.

Artemis is an investment adviser registered with the SEC. Registration with the SEC does not imply any level of skill or training.

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

ITEM 2 –MATERIAL CHANGES

This is Artemis' narrative Brochure prepared in accordance with Part 2A of Form ADV. There are no other material changes to report since Artemis' last annual Brochure dated March 29, 2012.

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ITEM 4 – ADVISORY BUSINESS

Artemis Investment Management Limited (“Artemis”) has been operating since April 2005, and has been registered with the SEC since April 15, 2010. Artemis is owned by Artemis Investment Management Corporation.

Artemis provides discretionary and non-discretionary investment management or sub-advisory services to its clients, including non-U.S. private and public investment funds (collectively, the “Funds”). Alpha Three Limited and Artemis Investment Management Inc., both related persons of Artemis, serve as the general partners of certain Funds that Artemis advises. Artemis does not manage any U.S. based pooled investment vehicles or Funds. In some cases, Artemis allocates, on a discretionary basis, assets of the Funds to unaffiliated, and in some cases affiliated, trading managers, advisors and/or private investment funds, pools or entities based on the investment objectives and strategies of each Fund and the trading strategies to be implemented by the managers and advisors, who have discretion to invest in a wide variety of instruments. Artemis also may share trading discretion with certain of the managers or advisors. The investment objectives and strategies of each Fund, as well as other relevant information such as investment strategies, fees, investor eligibility and risk disclosure, is contained in each Fund’s confidential offering documents (each, a “Memorandum”).

Artemis also provides discretionary investment management services directly to U.S. and non-U.S. high net worth individuals (collectively, “Separate Account Clients”).

Advisory services are provided consistent with client investment objectives and investment advisory agreements. Artemis’ advisory agreements are generally terminable upon 30 days’ prior written notice, without penalty.

As of March 15, 2013 Artemis managed approximately \$185 million of client assets on a discretionary basis and \$161 million of client assets on a non-discretionary basis.

ITEM 5 – FEES AND COMPENSATION

Artemis does not have a standardized fee schedule for its discretionary and non-discretionary investment management or sub-advisory services.

Generally, when it acts as the direct adviser to a Fund, Artemis will receive an annual management fee (based on assets under management) and performance-based compensation (based on the realized and unrealized profits earned by the Fund). Generally, Artemis receives a management fee of 1% per annum of assets under management, payable monthly in arrears and a performance fee equal to between 5% and 20% of Funds’ profits, payable annually in arrears. When it acts as a sub-advisor to other Funds, Artemis generally will receive a portion of the of the annual management fee paid monthly in arrears (calculated as a percentage of a Fund’s net asset value) and performance-based compensation paid annually in arrears (based on the realized and unrealized profits earned by the Fund) received by the general partner or other manager or advisor to the Fund. Where Artemis acts as an advisor to a Fund and engages a sub-advisor to advise the Fund, remuneration paid to such sub-advisor is deducted from the fee paid to Artemis.

The fees applicable to a Fund, including, as applicable, the total amount of annual management fees and performance-based compensation paid by a Fund, and other materials regarding an investment in a Fund are disclosed in the Memorandum for such Fund.

Underlying managers to whom Artemis may allocate client assets charge management fees and/or performance-based compensation in addition to compensation charged by Artemis.

Generally, fees may be negotiable in the discretion of Artemis depending upon a variety of factors including, among other things, type and extent of advisory service offered, amount of assets under management, the overall relationship with the client or investor and other services offered to the client or investor.

Advisory fees are prorated for partial periods. Each client has the right to terminate its advisory agreement with Artemis upon written notice as set forth in such client's advisory agreement. Upon termination of any client account, any prepaid, unearned fees will be promptly refunded and any earned, unpaid fees will be due and payable. Withdrawals or redemptions for an investor are governed by the applicable Fund's Memorandum.

Artemis' fees do not include brokerage and transaction fees, costs and charges, and other related costs and expenses that will be incurred by clients regarding the trading and maintenance of client accounts. Clients may incur certain charges imposed by custodians, brokers and other third parties such as commissions, custodial fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to Artemis' fee, and Artemis does not receive any portion of these commissions, fees, and costs. Item 12 describes the factors that Artemis considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

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

As set forth in Item 5, when it acts as the direct advisor to a Fund, Artemis will receive performance-based compensation (based on the realized and unrealized profits earned by the Fund). Generally, Artemis receives a performance fee equal to between 5% and 20% of profits, payable annually in arrears subject to a high-water mark. When it acts as a sub-advisor to other Funds, Artemis generally will receive a portion of the performance-based compensation (based on the realized and unrealized profits earned by the Fund) received by the general partner or other manager or advisor to the Fund. Where Artemis acts as an advisor to a Fund and engages a sub-advisor to advise the Fund, remuneration paid to such sub-advisor is deducted from the fee paid to Artemis.

All performance-based compensation received by Artemis will be charged in conformity with Rule 205-3 under the Investment Advisers Act of 1940, as applicable. Please see Item 5 for more information.

In measuring clients' assets for the calculation of performance-based fees, Artemis shall include realized and unrealized capital gains and losses.

Performance based fee arrangements may create an incentive for Artemis to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favour higher fee paying accounts over other accounts in the allocation of investment opportunities. Artemis has procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients. Managing accounts that are charged performance-based compensation and accounts that are not may give rise to a potential conflict of interest, as Artemis may have an incentive to favor the accounts of clients for which it receives performance based compensation over accounts for which it receives only asset-based fee or no fee.

ITEM 7 – TYPES OF CLIENTS

Artemis provides discretionary and non-discretionary investment management or sub-advisory services to its clients, including U.S. and non-U.S. private and public investment funds. Artemis also provides discretionary investment management services directly to U.S. and non-U.S. high net worth individuals.

Investors in Funds must meet certain eligibility requirements and each Fund has a minimum investment amount, waivable in the discretion of the Fund's general partner or investment manager. Separate Account Clients generally are required to have at least \$250,000 with Artemis; such minimum is negotiable at the discretion of Artemis based on a variety of factors, including, but not limited to, extent of relationship and assets under management.

ITEM 8 –METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis

Artemis' securities analysis methods include fundamental, technical and analytical methods. Additionally, Artemis' investment process involves the selection of independent or affiliated investment managers based on various factors, including, among others, strategy, competitive edge and risk. Managers are identified and monitored through relationships, commercially available databases, direct solicitations by the managers, due diligence, referrals from third parties and Artemis' own proprietary databases. Managers considered by Artemis generally complete a due diligence questionnaire provided by Artemis. Artemis also conducts on-site due diligence of managers.

Investment Strategies

Generally, Artemis makes long term purchases for its Separate Account Clients, however, as Artemis continually monitors the portfolios, it is possible that Artemis may engage in short term purchases. Short sales and margin transactions, along with option writing are tools that are always available, and may possibly be used by underlying managers.

The investment strategies of Fund clients are set forth in its Memorandum and are summarized

below:

1. Income strategy. This investment strategy focuses on a diversified portfolio of securities with a focus on income generation which may include:
 - a. equity securities, of principally larger capitalization companies traded on a recognized stock exchange;
 - b. debt securities with a focus on yield enhancement, with a minimum of 80% of debt securities invested in investment grade debt rated BBB or higher;
 - c. Income Funds, each of which has, at the date of investment by the Trust, a market capitalization, excluding control positions, of \$400 million, used to enhance yield in the portfolio. “**Income Fund**” means a trust, limited partnership or other entity structured to own debt and/or equity of an underlying operating company or other entity which carries on an active business, or structured to own real estate assets, or a royalty in revenues generated by the assets of an underlying company or other entity; and
 - d. income generating securities in energy companies including oil and gas companies and other resource companies.
2. Value-based investment opportunities strategy. This investment strategy focuses on value-based investment opportunities primarily involving securities of U.S. companies and, to a lesser extent, non-U.S. companies, with large to medium market capitalization in various sectors. The strategy is driven by macroeconomic analysis and fundamental research conducted by an investment adviser, employing a “top-down” approach to understanding and selecting markets and individual sectors and a “bottom-up” approach to creating a portfolio. The Fund’s investment objective is to achieve above average capital growth through investments in primarily U.S. securities and other instruments, including equities, equity related securities (including preferred stock, convertible securities, warrants and options), bonds and other fixed income securities (including credit default swaps, asset backed securities, collateralized debt obligations and fixed income ETFs), futures and forward contracts, other derivative instruments, currencies and commodities.
2. Identified multiple underlying funds strategy. With this investment strategy a Fund seeks to earn a positive absolute return on capital through investment in hedge funds, commodity pools or other private or public investment vehicles, investment companies, funds of funds or other investment entities that may invest or trade in securities of any kind (collectively, the “Underlying Funds” and, individually, an “Underlying Fund”), as well as direct investment in securities of any kind, including financial instruments or derivatives. To meet its objective, a Fund will invest in Underlying Funds that are typically managed by an investment manager or advisor, which may be the general partner or an affiliate, and may pursue a variety of investment strategies. The Fund or the Underlying Funds may invest in hedge funds, commodity pools or other private or public investment vehicles, investment companies, funds of funds and other investment entities, including private equity funds, venture capital or leveraged buy-out funds that hold equity or debt securities or other financial instruments, or illiquid or non-marketable securities. The Fund or the Underlying

Funds may employ leverage and short selling and use a wide variety of derivative instruments including swaps, futures and options. The Fund will allocate funds to Underlying Funds, which may invest in non-directional and/or directional strategies. There can be no assurances that a client will achieve its investment objective or that the strategies pursued and methods utilized by Artemis will be successful under all or any market conditions.

Certain Risk Factors

Investing in securities involves risk of loss that clients should be prepared to bear. A brief explanation of the material risks associated with Artemis' principal investment strategies and methods of analysis follows. Additional risk factors are set forth in the Memorandum of each Fund.

Investments in Equities. Equities such as common and preferred shares give the holder part ownership in the issuer of such securities. The value of an equity security changes with the fortunes of such issuer. General market conditions and the health of the economy as a whole can also affect equity prices. Securities that provide indirect exposure to the equity securities of an issuer, such as convertible debentures, can also be affected by equity risk. Present economic conditions may adversely affect global companies and the pricing of their securities. Further, continued volatility or illiquidity could impair materially the profitability of these issuers.

Fixed Income Securities. A client may invest in bonds or other fixed income securities, including, without limitation, commercial paper and "higher yielding" (and therefore higher risk) debt securities, including government-issued and non-government issued, when an investment adviser believes that such securities offer opportunities for capital growth. Such securities may be below "investment grade" and face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payments. The market values of certain of these lower rated debt securities tend to reflect individual corporate developments to a greater extent than do higher rated securities, which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions (and, if foreign-issued, to actual or perceived geo-political risk factors and developments) than higher rated securities. Companies that issue such securities often are highly leveraged and may not have available to them more traditional methods of financing. It is likely that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

Short Selling. Short selling involves selling securities which are not owned and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. The extent to which a client engages in short sales will depend upon an investment adviser's investment strategy and opportunities. A short sale creates the risk of a theoretically unlimited loss, in that

the price of the underlying security could theoretically increase without limit, thus increasing the cost to the client of buying those securities to cover the short position.

There can be no assurance that the client will be able to maintain the ability to borrow securities sold short. In such case, the client can be “bought in” (*i.e.*, forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Futures Trading is Leveraged. A client may engage in transactions involving any type of futures and forward contracts (and options thereon). Futures contracts are purchased or sold on “margin;” that is, the purchaser or seller deposits with the broker executing the sale only a percentage of the total price of a futures contract. The margin deposits required for futures trading are relatively low (typically ranging from 2% to 15% of the contract value). As a result, a relatively small price movement in a futures contract purchased or sold may result in a substantial loss to the trader. Since margin for a futures position represents only a portion of the total price of the futures contract, the client’s futures positions will represent obligations in excess of the margin deposited.

Forward Currency Contracts. A client may invest a significant portion of its total assets in forward currency contracts. Forward currency contracts may not be liquid in all circumstances so that in volatile markets, to the extent a client wishes to do so, it may not be able to close out a position by taking another position equal and opposite to such position on a timely basis or without incurring a sizable loss. The closing out of a forward currency contract has the effect of wholly or partially neutralizing the sensitivity of a forward currency position with respect to exchange rate fluctuations from the time of closing out until the maturity date of the initial forward currency position. Net settlement of the forward currency contracts takes place on the respective maturity dates. Further, closing transactions with respect to forward currency contracts usually are effected with the currency trader who is a party to the original forward contract and generally require the consent of such trader. There can be no assurance, however, that the client will be able to close out its obligations. If it cannot do so, the client will take delivery and may suffer a loss. Moreover, the potentially unlimited fluctuation in value of a forward currency contract creates an ongoing greater potential financial risk than does purchasing options contracts, where the exposure is limited to the cost of the initial premium.

In connection with its possible trading in foreign currency forward contracts, the client may contract with a foreign or domestic bank to make or take future delivery of a specified lot of a particular currency for the client’s account. There are no limitations on daily price moves in such forward contracts. Banks and futures commission merchants with whom the client may maintain accounts may require the client to deposit margin with respect to such trading. Banks are not required to continue to make markets in such contracts. There have been periods during which certain banks have refused to quote prices for such forward contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. Arrangements to trade forward contracts may be made with only one or a few banks, and liquidity problems therefore might be greater than if such arrangements were

made with numerous banks. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which an investment adviser would otherwise recommend, to the possible detriment of the client. Neither the CFTC nor banking authorities currently regulate forward contract trading through banks, and foreign banks are not regulated by any U.S. governmental agency. With respect to its trading of forward contracts with banks, if any, the client will be subject to the risk of bank failure and the inability of, or refusal by, a bank to perform with respect to such contracts. Any such default would deprive the client of any profit potential or force the client to cover its commitments for resale, if any, at the current market price, and could result in a loss to the client.

Risk of Derivatives. A client may engage in the trading of derivatives. Although the terms for many derivatives transactions have been standardized and the markets for the resale of derivative instruments are more fully developed, they remain customized contracts traded in the over the counter markets. As a result, the valuation of derivative contracts is difficult and inexact and may not represent the price which could be obtained if the instrument were sold. In addition, the settlement of a derivatives transaction is subject to counter party risk. A client may be subject to significant loss if a counter party failed to perform as required under the applicable contract.

Exchange-Traded Funds Risk. A client may invest in ETFs. ETFs seek to provide returns similar to the performance of a particular market index or industry sector index. ETFs may not achieve the same return as their benchmark market or industry sector indices due to differences in the actual weightings of securities held in the ETF versus the weightings in the relevant index and due to the operating and administrative expenses of the ETF.

Debt Securities. Debt securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations and are subject to price volatility due to factors such as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity. In addition, a client may invest in instruments that have a credit quality below investment grade by internationally recognized credit rating organizations or may be unrated, which typically involve greater risk than higher grade issuers.

Hedging. Hedging strategies in general are usually intended to limit or reduce investment risk, but can also be expected to limit or reduce the potential for profit. Any of such strategies that a client employs should be expected to increase the client's transaction costs, interest expense and other costs and expenses. No assurance can be given that short sales, hedging, leverage and other techniques and strategies will not result in material losses for the client.

Investment in Energy Securities. The operational results and financial condition of the Oil and Gas Corporations included in the Portfolio will be dependent in many cases upon the prices received for oil and gas production. Oil and gas prices have fluctuated widely during recent years and are affected by supply and demand factors, political events, weather and general economic conditions, among other things. Any decline in oil and gas prices could have an adverse effect on the distributions received from the Oil and Gas Corporations included in the Portfolio and the value of such Oil and Gas Corporations.

The reserve and recovery estimates for the Oil and Gas Corporations included in the Portfolio are only estimates and the actual production and ultimate reserves may be greater or

less than the estimates provided. Any decline in the oil and natural gas estimates could have an adverse effect on the value of Oil and Gas Corporations.

Commodity Price Fluctuations. The operations and financial condition of the issuers in the portfolio securities and the amount of distributions paid on such securities may be dependent on commodity prices applicable to such issuers. Prices for commodities may vary and are determined by supply and demand factors including weather and general economic and political conditions. A decline in commodity prices could have an adverse effect on the operations and financial condition of the issuers of such securities and the amount of distributions paid on such securities. In addition, certain commodity prices are based on a U.S. dollar market price.

The foregoing does not purport to be a complete explanation of the risks involved in trading securities or with respect to any investment strategy.

ITEM 9 – DISCIPLINARY INFORMATION

Artemis does not have any disciplinary or legal events to report.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Artemis is registered with the Ontario Securities Commission (OSC) and is registered as an investment fund manager, portfolio manager, exempt market dealer and commodity trading manager and operates in such capacity for certain clients.

Alpha Three Limited and Artemis Investment Management Inc., both related persons of Artemis, serve as the general partners to certain of Artemis' fund clients.

Artemis is a related person of Modern Asset Management LLC, and Somerset Capital Advisers LLC, both SEC registered investment advisors.

Vestcap Investment Management Inc., an OSC registered portfolio manager, is also a related person of Artemis.

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

Artemis has adopted a Code of Ethics (the "Code") which sets forth the ethical and fiduciary principles and related compliance requirements under which Artemis operates and the procedures for implementing those principles. The Code includes provisions which govern fiduciary duty, client opportunities, insider trading, personal trading, gifts and entertainment, political contributions, outside business activities and confidentiality.

With respect to personal trading by its principals, employees and related accounts (collectively, "Employees"), Employees are permitted to maintain personal securities accounts provided that

such accounts are disclosed to Artemis and that any personal trading is consistent with applicable law and with the Code. Subject to compliance with the Code, Employees may buy, sell or hold, for their own personal accounts, securities that Artemis also may buy, sell or hold for the Funds and other clients. The Code contains policies and procedures that, among other things:

- prohibit Employees from taking personal advantage of opportunities belonging to clients,
- prohibit trading on the basis of material nonpublic information,
- place limitations on personal trading by Employees and impose preclearance (in certain cases) and reporting obligations with respect to trading, and
- require initial and annual reports of securities holdings and quarterly transaction reports by Employees.

Artemis' Code is available to clients or prospective clients upon request by contacting Sean Lawless, Chief Compliance Officer, at (212) 323-1100.

Separate Account Clients may be solicited to invest in certain Funds for which Artemis is the investment manager and may also be solicited to invest in a Fund in which a related person of Artemis acts as the general partner or investment manager.

All Separate Account Clients are made aware of the Funds managed/advised by Artemis and that Artemis may allocate a portion of their portfolio to the Funds to accomplish certain strategies.

Artemis, consistent with clients' investment objectives and in accordance with applicable law, may cause accounts it manages to effect, and will recommend to clients or prospective clients, the purchase or sale of securities in which Artemis, directly or indirectly, has a position or interest. Artemis may recommend to clients an investment in a private investment fund for which Artemis or a related person serves as the general partner. The potential conflict of interest regarding such relationship is disclosed to investors and prospective investors in a Fund prior to their making an investment in a Fund. See also Items 4 and 10.

From time to time, it may be appropriate for more than one of the accounts managed by Artemis to trade in the same securities at the same time. As a general rule, such orders are combined (or bunched) and allocations among Artemis' clients acquiring the same securities on the same day are effected on a pro rata basis, based on the relative value of the accounts, or otherwise based on an allocation amount determined at the time of the order. If the orders are combined (or bunched), each of the accounts will have its same day orders filled on an average price basis (such that each receives the same price). While Artemis' goal is to be fundamentally fair on an overall basis with respect to all clients, there can be no assurance that on an overall or trade-by-trade basis that any particular client will not be treated more favorably than another.

Artemis does not engage in principal transactions with client accounts and if it did so, it would secure applicable client consent. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated private investment fund and another client account.

ITEM 12 – BROKERAGE PRACTICES

For its discretionary clients (including the Funds), Artemis has the authority to determine, without obtaining specific client consent, the securities to be bought or sold and the amount of securities to be bought or sold, as well as the authority to determine the custodian to be used.

Although Artemis may be deemed to retain the discretion (under its general discretionary powers) to determine the broker to be used and negotiates the amount of such broker's commission, when Artemis allocates client assets to managers or advisors (whether for a Fund or a Separate Account Client), the manager or adviser has the authority to determine and does determine the broker to be used and the commission paid, including negotiating the amount of such broker's commission.

Limitations on Artemis' authority (and generally the authority of a securities manager and securities advisor) are guided by (i) its responsibility to act as a fiduciary when handling clients' accounts, (ii) a Fund's Memorandum and (iii) the obligation (subject to conditions herein specified) to seek best execution for client trades.

With respect to Fund clients, information about brokerage is contained in a Fund's respective offering documents. Generally, in selecting brokers to execute transactions, Artemis or a manager need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Artemis and the applicable managers and advisors will, based on their knowledge of the industry, attempt to have a client's brokerage arrangements competitive with similar situated funds. In making its selection of brokers, Artemis and the applicable managers and advisors generally will take into account the broker's reliability, accuracy of recommendations on particular securities, reputation, financial responsibility, stability, reporting software, ability to execute trades, nature and frequency of sales coverage, commission rate and responsiveness.

For certain Fund clients, brokers or third parties may provide research goods and services and/or order execution goods and services at no cost to Artemis in exchange for brokerage business from Artemis's clients. Artemis will follow the CFA Institute's Soft Dollar Standards, as well as National Instrument 23-103 *Use of Client Brokerage Commissions* when it is deciding whether or not to place portfolio transactions through a particular dealer where such dealer, or a third party, will provide it with goods and services at no or reduced cost. Artemis may obtain data or research services that are a direct benefit to its investment decision-making process, such as market and technical data services or special research reports. Although the brokers involved in these soft dollar arrangements do not necessarily charge the lowest brokerage commissions, Artemis will nonetheless enter into such arrangements when it is of the view that such brokers provide best execution and/or the value of the research and other services exceeds any incremental commission costs. Artemis may have a potential conflict of interest between its duty to obtain best execution for a client and its interest in receiving economic benefits in the future.

With respect to Fund clients, additional information about brokerage is contained in a Fund's Memorandum.

From time to time, it may be appropriate for more than one of the accounts managed by Artemis to trade in the same securities at the same time. As a general rule, such orders are combined (or bunched) and allocations among Artemis' clients acquiring the same securities on the same day are effected on a pro rata basis, based on the relative value of the accounts, or otherwise based on an allocation amount determined at the time of the order. If the orders are combined (or bunched), each of the accounts will have its same day orders filled on an average price basis (such that each receives the same price). While Artemis' goal is to be fundamentally fair on an overall basis with respect to all clients, there can be no assurance that on an overall or trade-by-trade basis that any particular client will not be treated more favorably than another.

ITEM 13 – REVIEW OF ACCOUNTS

Fund accounts are monitored by the portfolio manager bi-weekly (often on a more frequent basis) for strategy and asset allocation, Fund or manager performance, and business operational developments, if any. Separate Client Accounts are monitored by the portfolio manager at least bi-weekly (often on a more frequent basis) for asset allocation and funds or securities held. Each Separate Client Account is rebalanced quarterly. Certain circumstances will trigger immediate account review, including, but not limited to, rapid change in economic conditions, and certain unforeseen market triggers. On a quarterly basis, formal performance reviews, data analyses and monitoring are conducted on all managers. Managers selected by Artemis are also contacted quarterly to discuss portfolios. Fund investors receive monthly account statements showing positions and transactions from the Funds' administrator and a performance summary from Artemis. Each Separate Account Client receives a monthly statement containing positions and transactions directly from the custodian and a quarterly performance presentation from Artemis. In addition, annual financial statements are prepared for the Funds and a copy of such is provided to Fund investors.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

In limited circumstances, Artemis may compensate third parties (including broker-dealers) for referring advisory clients or investors in a Fund to it. Such referral fees generally may be a percentage of the annual management fees earned by Artemis or another amount. Such referral arrangements will conform to Rule 206(4)-3 under the Investment Advisers Act of 1940, as applicable.

Other than described in Item 12 above, Artemis does not receive any economic benefit for providing advice to its clients from anyone other than its clients.

ITEM 15 – CUSTODY

Fund Clients

Artemis does not have actual custody of any client assets. Artemis is deemed to have custody of client assets for certain of its Fund clients for which Artemis or a related person of Artemis serves as general partner or trustee. In accordance with Rule 206(4)-2, audited financial statements are furnished to certain Fund clients if required by Rule 206(4)-2. Audited financial statements are provided to all Fund investors except for one Fund in which the investors have elected to forego an audit of the Fund due to the small size of the Fund.

Clients are urged to carefully review all statements and contact Artemis if they have any questions.

Separately Managed Account Clients

Artemis does not have custody of client assets. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets.

ITEM 16 – INVESTMENT DISCRETION

For its discretionary clients (including the Funds), consistent with a client's investment objective and in accordance with the applicable investment management agreement, Artemis has the authority to determine, without obtaining specific client consent, the securities to be bought or sold and the amount of securities to be bought or sold, as well as the authority to determine the broker-dealers to be used. Managers or advisors selected by Artemis and to whom Artemis allocates clients' assets have the authority to determine the securities to be bought or sold and the amount of securities to be bought or sold.

Although Artemis may be deemed to retain the discretion (under its general discretionary powers) to determine the broker to be used and negotiates the amount of such broker's commission, when Artemis allocates client assets to managers or advisors (whether for a Fund or a Separate Account Client), the manager or adviser has the authority to determine and does determine the broker to be used and the commission paid, including negotiating the amount of such broker's commission.

Limitations on Artemis' authority (and generally the authority of a securities manager and securities advisor) are guided by (i) its responsibility to act as a fiduciary when handling clients' accounts, (ii) a Fund's Memorandum and (iii) the obligation (subject to conditions herein specified) to seek best execution for client trades.

ITEM 17 – VOTING CLIENT SECURITIES

Artemis may own securities on record dates for corporate votes and is therefore eligible to vote such shares in a manner deemed appropriate by the portfolio managers. Although Artemis generally does not exercise voting authority over client securities, Artemis has implemented a written policy regarding the voting of client securities in the limited circumstances when Artemis may do so. Artemis exercises its voting authority when it believes that a client's vote can be material to the result. When voting client securities, Artemis' policy is to vote in the client's best interest as determined on a case by case basis. When exercising voting authority, Artemis' objective is to consider the relevant material factors of its vote that could affect the value of the beneficial owners' investments in order to vote, in its judgment, in a manner that is most likely to maximize the value of its clients' investments. Such written policy also addresses material conflicts of interest that may arise between Artemis and its clients with respect to voting of client securities.

Artemis must act as a fiduciary when voting proxies on behalf of its clients. In that regard, Artemis will seek to avoid possible conflicts of interest in connection with proxy voting.

Any Employee who has a direct or indirect pecuniary interest in any issue presented for voting, or any relationship with the issuer, must so inform the Chief Compliance Officer and recuse him or herself from decisions on how proxies with respect to that issuer are voted.

The Chief Compliance Officer will review all potential conflicts of interests and determine whether such potential conflict is material. Where the Chief Compliance Officer determines there is a potential for a material conflict of interest regarding a proxy, the Chief Compliance Officer will consult with the portfolio manager and a determination will be made as to whether one or more of the following steps will be taken: (i) discuss the proxy vote with clients; (ii) fully disclose the material facts regarding the conflict and seek the clients' consent to vote the proxy as intended; and/or (iv) seek the recommendations of an independent third party. The Chief Compliance Officer will document the steps taken to evidence that the proxy vote or abstention was in the best interest of clients and not the product of any material conflict. Such documentation will be maintained in accordance with required recordkeeping procedures.

Artemis' principals oversee and manage the process by which it votes client securities. Artemis' voting policy and procedures are available upon request. An advisory client may obtain Artemis' voting policy and procedures or a record of Artemis' voting for such client by contacting Sean Lawless, Chief Compliance Officer, at (212) 323 1100.

ITEM 18 – FINANCIAL INFORMATION

Artemis has no financial condition that impairs its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy proceeding.