

Item 1 – Cover Page

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This Brochure provides information about the qualifications and business practices of PING CAPITAL MANAGEMENT, LTD (the “Adviser”). If you have any questions about the contents of this Brochure, please contact us at 646 237-5123 or apaxson@pinggroup.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

PING CAPITAL MANAGEMENT, LTD is a registered investment adviser. Registration of an Investment Adviser does not imply certain levels of skill or training. This Brochure does not constitute an offer to sell or the solicitation of any offer to purchase any securities of any entities described herein.

Additional information about PING CAPITAL MANAGEMENT, LTD also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

The Adviser has made certain changes to the last version of this Brochure dated March 19, 2012. Some changes are minor editing changes or update of prior text. The material changes that were made are as follows:

1. Item 4E (Advisory Business) – update to reflect the Adviser’s amount of regulatory assets under management as of December 31, 2012.
2. Item 5C (Fees and Compensation) – the Adviser’s policy regarding trade errors is added.
3. Item 12B (Brokerage Practices) – clarification to note that the Adviser currently does not aggregate trades. In addition, the Adviser’s allocation policy is stated.
4. Items 6, 8 and 13 – references to meetings of the Pricing and Allocation Committee updated to show that meetings are now held semi-annually and not quarterly.

In the future, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting the Adviser’s Chief Compliance Officer at 646 237-5123 or by email at apaxson@pinggroup.com.

Additional information about Ping Capital Management, Ltd is also available via the SEC’s web site www.adviserinfo.sec.gov.

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Item 4 – Advisory Business

A. General Description of Advisory Firm – Ping Capital Management, Ltd (the “Adviser”) is a Cayman Islands exempt company. The Adviser was founded in 2008. Ping Jiang is the principal owner of the Adviser.

B. Description of Advisory Services – The Adviser provides advisory services on a discretionary basis to its clients, specifically, pooled investment vehicles intended for sophisticated investors and institutional investors. The Adviser has particular expertise in investing and trading in a wide variety of securities and financial instruments, long and short, domestic and foreign, primarily focusing on publicly traded equity and equity type securities, local and external debt instruments, and interest rate products that trade in Latin America, China, Asia and the United States. As of the date hereof, the Adviser provides investment advice to six private investment funds (detailed below). Each of the private investment funds are herein referred to as a “Fund” and collectively the “Funds”. In addition, from time to time herein, the Funds may be referred to as “clients” of the Adviser.

C. Availability of Tailored Services for Individual Clients – The Adviser does not generally tailor its advisory services to the individual needs of clients. Accordingly, the Adviser does not manage portfolios for clients that seek to impose restrictions on investing in certain securities which the Adviser believes may form part of its investable universe. However, where a client is subject to specific restrictions (e.g., portfolio diversification requirements), the Adviser may tailor its services in accordance with such restrictions on a case by case basis if such restrictions will not materially alter its investment strategy and approach.

Each of the Funds has individual investment guidelines and objectives, as detailed in their respective offering memorandum (each, an “Offering Memorandum”, and collectively, the “Offering Memoranda”) and/or investment advisory agreement, as the case may be. Once subscribed to a particular Fund, an investor has no ability to restrict the types of investments that the Adviser may make. Investors in the Funds are herein referred to as “Investors”.

The Funds which the Adviser currently manages are set up in master-feeder structures as follows:

- *Ping Exceptional Value Master Fund, LP* (the “Exceptional Value Master Fund”) – a Cayman Islands master fund
- *Ping Exceptional Value Fund, LP* (the “Exceptional Value Domestic Fund”) – a Delaware feeder fund

- *Ping Exceptional Value Fund Offshore, Ltd* (the “Exceptional Value Offshore Fund”) – a Cayman Islands feeder fund
- *Ping Emerging Markets Macro Master Fund LP* (the “Emerging Markets Master Fund”) – Cayman Islands feeder fund
- *Ping Emerging Markets Macro Fund* (the “Emerging Markets Offshore Fund”) – Cayman Islands feeder fund
- *Ping Emerging Markets Macro Fund, LP* (the “Emerging Markets Domestic Fund”) – a Delaware feeder fund

The Exceptional Value Domestic Fund, the Exceptional Value Offshore Fund, the Emerging Markets Offshore Fund and Emerging Markets Domestic Fund are from time to time herein referred to as the “Feeder Funds”. Ping Exceptional Value Master Fund, LP and Ping Emerging Markets Macro Master Fund LP are from time to time herein referred to the “Master Funds”.

The Exceptional Value Master Fund, the Exceptional Value Domestic Fund and the Exceptional Value Offshore Fund are herein collectively referred to as the “Exceptional Value Funds”. The Emerging Markets Master Fund, the Emerging Markets Offshore Fund and the Emerging Markets Domestic Fund are herein collectively referred to as the “Emerging Markets Funds”.

D. Wrap Fee Programs – The Adviser does not participate in wrap fee programs.

E. Client Assets Under Management - As of December 31, 2012 the amount of regulatory assets under management that the Adviser managed on a discretionary basis was approximately \$231,402,717. All the Funds are managed by the Adviser on a discretionary basis.

Item 5 – Fees and Compensation

A. Advisory Fees and Compensation – Each Fund pays a quarterly “management fee” to the Adviser, equal to 0.5% (approximately 2.0% annually) of each Investor’s share of their relevant Fund’s net asset value. In addition, as noted in more detail in Item 6, an “incentive allocation” (also from time to time referred to herein as a “performance allocation” or “performance fee”) of 20% of the net profit above the “loss carryforward” (or “highwater mark”) is charged to the account of each Investor on an annual basis. The Offering Memoranda contain additional information on the calculation of the incentive allocation and management fee.

Waiver of, or reduction in the rate of, the management fee or incentive allocation may be permitted by the Adviser or its affiliate, as the case may be.

B. Payment of Fees - Fees charged are deducted from the Funds' assets. Management fees are paid to the Adviser quarterly in advance, as of the first day of each quarter. A pro rata management fee will be charged to Investors on any amounts invested in the midst of any quarter.

Performance fees are calculated on the basis of the Feeder Fund's interest in its Master Fund and payable annually (see Item 6). The performance fee is payable to the general partner of the relevant Master Fund, an affiliate of the Adviser.

An Investor's monthly account statement shows an Investor's holdings in the Fund net of all fees and expenses.

C. Other Fees and Expenses - The Funds pay (or reimburse) the Adviser or its affiliates for (i) all expenses incurred in connection with the ongoing offer and sale of interests in the Funds, including, but not limited to, printing of the Offering Memoranda and exhibits, and documentation of performance and the admission of Investors, (ii) all operating expenses of the Funds such as tax preparation fees, governmental fees and taxes, administrator fees, costs of communications with Investors, and ongoing legal, accounting, auditing, bookkeeping, consulting and other professional fees and expenses, (iii) all Fund research and trading costs and expenses (e.g., brokerage commissions, margin interest, expenses related to short sales, custodial fees and clearing and settlement charges), and (iv) all fees and other expenses incurred in connection with the investigation, prosecution or defense of any claims, assertion of rights or pursuit of remedies, by or against the Funds, including, without limitation, professional and other advisory and consulting expenses and travel expenses, and whether or not pursuant to bankruptcy or other legal proceedings, or participation in informal committees of creditors or other security holders of an issuer.

As noted above, Investors in the Funds also incur brokerage and other transaction costs. Item 12 also further describes the factors that the Adviser considers in selecting or recommending broker-dealers for transactions and determining the reasonableness of their compensation (e.g., commissions).

In addition, note that subject to any standard of liability stated in an investment management agreement or limited partnership agreement, each Fund will bear the cost, or receive the benefit, of a trade error that was made in regard to its portfolio trading. Funds will not bear the cost, or receive the benefit of, any error associated with another Fund, and it is the responsibility of the Adviser to allocate such costs/benefits accurately.

Investors are subject to the foregoing fees and expenses regardless of whether any profit is made on investments.

- D. Prepayment of Fees** – As noted in Item 5(B) above, the management fee charged to the Funds is paid monthly in advance. Once charged to an Investor's account, there is no refund of any of the fees and expenses that have been charged.
- E. Additional Compensation and Conflicts of Interest** - No supervised person of the Adviser accepts compensation for the sale of securities or other investment products.

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

The Adviser charges Investors in the Funds performance-based fees (sometimes called an “incentive fee” or “incentive allocation”) described in Item 5 at the rate of 20% of the net profit in their account above the “loss carryforward” (or “highwater mark”). Note that certain Investors in the Funds, including, but not limited to, seed investors and certain employees of the Adviser and their family members, may have performance-based fees waived or reduced in accordance with the Fund's organizational documents. Some of the Adviser's investment personnel's compensation includes a performance-based component.

When an Adviser and its investment personnel manage more than one client account, a potential exists for one client account to be favored over another client account. In addition, the Adviser and its investment personnel have a greater incentive to favor client accounts that pay the Adviser (and indirectly its investment personnel) higher performance-based fees. The Adviser does not believe that it currently has such a conflict because it charges performance-based fees at the same rate in all its Funds.

The Adviser has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts and the allocation of investment opportunities. The Adviser allocates investment opportunities in accordance with written guidelines that insure that all clients are treated fairly and equally. At the semi-annual Pricing and Allocation Committee (PAC) meetings, account performance is reviewed for any evidence of favoritism to higher fee paying accounts. See Item 11 for further discussion of the Adviser's allocation policy.

The incentive allocation, once made, is not subject to claw-back in the event of subsequent losses. Thus an Investor may be subject to an incentive allocation even where it did not receive a profit during the entire term of its investment.

Item 7 – Types of Clients

The Adviser provides investment advice only to private funds (i.e., hedge funds). The minimum initial investment in the Emerging Markets Offshore Fund is \$1,000,000, subject to waiver or reduction by the Board of the Directors of such Fund. The minimum initial investment in the Exceptional Value Offshore Fund is \$500,000, subject to waiver or reduction by the Board of Directors of such Fund (but in no event will the minimum be less than \$100,000). The minimum initial investment in the Exceptional Value Domestic Fund is \$500,000, subject to waiver or reduction by the general partner of such Fund (who is an affiliate of the Adviser). The minimum initial investment in the Emerging Markets Domestic Fund is \$1,000,000, subject to waiver or reduction by the general partner of such Fund (who is an affiliate of the Adviser).

Potential Investors must meet the requirements set forth in the Funds' subscription documents in order to invest in the Funds. There are no minimums to maintain an investment in the Funds.

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

A. Methods of Analysis and Investment Strategies. The Adviser utilizes a variety of methods and strategies to make investment decisions for the Funds. The Adviser has considerable discretion respecting the investment strategies and choices for the Funds.

The Adviser expects that a significant percentage of the Funds' investments will be in publicly traded equity and equity-type securities, local and external debt instruments, and interest rate products that trade in Latin America, the United States, China and Asia. However, the Adviser may execute various long/short strategies within other individual country sectors, as well as on a cross-border and cross-industry basis. The Adviser intends to utilize macro instruments in an attempt to hedge against and exploit certain emerging trends. The Adviser expects to purchase and write (sell) options on various equity and financial products in underlying strategies, and also expects to trade futures contracts and purchase and sell options on futures, as a means of increasing or decreasing exposure to general market risk (*e.g.*, to hedge other financial instruments, lock in a gain or minimize the risk of loss).

Consistent with the Adviser's approach, there are no fixed diversification requirements or other limitations as to the types of securities or other instruments, industries, sectors, countries or asset classes to be invested in by the Funds. The

Funds are designed for investors seeking flexibility in investment strategy and potentially high economic return, as opposed to a strict asset allocation or diversification methodology or a heavily market dependent approach.

The Adviser will generally look to include both long and short positions in the Funds' portfolios. The Adviser will selectively seek to hedge net market exposure and increase performance by utilizing a disciplined approach to shorting various securities. Securities are shorted for a variety of reasons, including, but not limited, to: (i) valuation not justified by fundamentals; and (ii) relative value long/short trading.

Although the strategy and asset allocation utilized by the Adviser is primarily centered on financial products described above, the Adviser intends to follow a flexible approach in order to place the Funds in the best position to capitalize on opportunities in these and other financial markets. Accordingly, the Adviser may employ other strategies and may take advantage of opportunities in diverse asset classes if they meet the Adviser's standards of investment merit.

The Adviser may also employ strategies that involve G7 currencies, rates, and options on G7 currencies and rates, depending on market valuations.

Additional features of the Funds' investment strategy include the use of:

-Event-Driven and Special Situation Investments

-Commodities and Commodity Futures Contracts

-Options

-Fixed Income Securities

-Use of Leverage

-Other Types of Investments: such as US government obligations, CD's, commercial paper, money market instruments, repurchase agreements, foreign currency-denominated instruments and securities lending.

The Adviser's investment ideas will be generated from a wide variety of sources, including industry contacts, trade and financial publications, trade shows, investment conferences and trading screens. Asset evaluation begins with a review of all available public information, including various research reports published by different analysts. Careful analysis is conducted on the asset's expected cash flow potential, its relative position against similar and competing assets, its price and volatility history, and other such aspects. Particular attention will be paid to the asset's historical trading volumes and liquidity. Once an investment opportunity is determined to be attractive, the Adviser will evaluate the effect of adding that

investment to the Fund's portfolio. In doing so, the Adviser will seek to optimize the risk of capital loss against the potential capital gains.

Investing in the Funds is highly speculative and involves risk of loss that Investors should be prepared to bear.

B, C. Material Risks of the Adviser's Investment Strategies, Methods of Analysis and Types of Securities.

The Adviser has broad discretion in making investments for its Funds. Investments contained in the Funds' portfolios may be affected by business, financial market or legal uncertainties. Material risks include (but are not limited to) the following factors summarized below. Please consult the Offering Memoranda for a complete description of the risks associated with the Funds.

In general, the Funds may use transactions involving swaps and notional principal contracts, commodity futures and commodity option contracts and may utilise such investment techniques such as short sales, leverage, uncovered option transactions, workouts, illiquid securities, non-US securities and attendant currency exchange transactions and highly concentrated portfolios, among others, which present substantial investment risks and could in certain circumstances magnify the impact of any market or investment developments. In general, neither the Funds nor the Adviser will have the ability to direct or influence the management of these assets or the investment of their assets. If the Funds receive distributions in kind from any of the assets, it will incur additional costs and risks to dispose of such assets.

The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by the Adviser. Such factors include a wide range of economic, political, competitive and other conditions (including acts of terrorism and war) that may affect investments in general or specific industries or companies. The securities markets may be volatile, which may adversely affect the ability of the Funds to realize profits. As a result of the nature of the Funds' investing activities, it is possible that either or both of the Funds' financial performance may fluctuate substantially from period to period.

The Funds intend to invest a substantial portion of their assets in investments related to emerging market countries. The securities markets of emerging market countries as a whole have been volatile and the loans and securities of issuers in emerging markets tend to be subject to abrupt or erratic price movements. Systemic and market factors may affect the acquisition, payment for or ownership of such investments.

The Adviser's investment program contemplates that a portion of the Funds' portfolios may be invested in securities and other assets that the Adviser believes to be undervalued. The identification of such investment opportunities is a difficult

task, and there are no assurances that such opportunities will be successfully recognized or acquired.

The Adviser's investment program contemplates that a portion of the Funds' portfolios may be invested in companies that have small market capitalization and/or unseasoned companies (such as spin-offs of large companies). Such companies generally have potential for rapid growth, but they often involve higher risks because they may lack the management experience, financial resources, product diversification and/or competitive strength of larger and/or more established companies.

The profitability of the Funds will depend upon the Adviser correctly assessing the future price movements of stocks, bonds, options on stocks, and other securities and the movements of interest rates. The Adviser cannot guarantee that it will be successful in accurately predicting price and interest rate movements (market volatility). In addition, the profitability of the Funds depends, in part, upon the Adviser correctly assessing the future price movements of currencies (currency price volatility). Such price movements are difficult to predict accurately and the Funds cannot guarantee that the Adviser will be successful in accurately predicting market, currency and interest rate movements.

When deemed appropriate by the Adviser and subject to applicable regulations, the Funds may use leverage, including the use of borrowed funds and investments in certain types of options, such as puts, calls and warrants, which may be purchased for a fraction of the price of the underlying securities while giving the purchaser the full benefit of movement in the market of those underlying securities. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss.

Investments in Non-US, and in particular emerging markets, investments present particular risks relating to political, social and economic developments abroad, as well as risks resulting from difference in regulations to which US and non-US issuers and markets are subject. Commodity trading risk in non-US markets is particularly risky due to differences in regulations and clearing facilities.

The securities industry and the varied strategies and techniques to be engaged in by the Adviser for both Funds are extremely competitive and each involves a degree of risk. The Funds will compete with firms, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staffs.

The Adviser has one managing principal, Ping Jiang. In the event that Mr. Jiang should become unable to perform his duties at the Adviser, the Funds may be adversely affected.

Note that the Adviser has in place policies and procedures to address risk. These include holding a semi-annual meeting of the Pricing and Allocation Committee (PAC) that reviews trading for the prior period. The Adviser has a dedicated risk officer who continually monitors the Funds. The Adviser has developed a Business Continuity Plan that addresses how the Adviser will address operational disruptions.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the Adviser or the integrity of the Adviser's management. The Adviser has no disclosures to make in this regard about any of its management persons, employees or the firm itself.

Item 10 – Other Financial Industry Activities and Affiliations

- A. Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a future commission merchant, commodity pool operator, a commodity trading advisor, or as an associated person of any of the foregoing.
- C. Except for the general partner entities which serve as general partners to the Emerging Markets Domestic Fund, Exceptional Value Domestic Fund, and the Master Funds, the Adviser has no relationships or arrangements that are material to its advisory business or to Investors that it or any of its management persons have with any related persons to disclose. The Adviser does not believe that this structure creates a conflict of interest to clients or Investors.
- D. The Adviser does not recommend or select other investment advisers for its clients.

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

- A. **Code of Ethics** - The Adviser has adopted a Code of Ethics (contained in its Compliance Manual) for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics and Compliance Manual include provisions relating to, among other things:

confidentiality of client information; prohibitions on insider trading, “pay-to-play” and rumor mongering; restrictions on the acceptance of significant gifts; reporting of certain gifts, outside activities and political contributions; and personal securities trading procedures. All supervised persons at the Adviser must acknowledge the terms of the Code of Ethics and the Compliance Manual annually. The Adviser’s Investors or prospective Investors may request a copy of the firm’s Code of Ethics and excerpts of the Compliance Manual by contacting the Adviser’s Chief Compliance Officer at apaxson@pinggroup.com or by phone at 646 237-5123.

- B. Transactions in Securities where Adviser has Material Financial Interest** – Neither the Adviser nor any of its related persons recommend to the Funds, or buy or sell for the Funds, securities in which the Adviser has a material financial interest.

Please note however that principals of the Adviser as well as other key employees of the Adviser may maintain substantial investments in the Funds, so in this regard, the Adviser may in fact be recommending securities in which it does have a material financial interest. Neither the Adviser nor any of its related persons buy or sell securities to or from the Funds as principal (a “principal transaction”). In the event such transactions would be contemplated by the Adviser, prior to undertaking a “principal transaction”, the Adviser will only complete such a transaction in accordance with the requirements of Section 206(3) of the Advisers Act. All potential principal transactions are brought to the attention of the Chief Compliance Officer prior to execution so that the proper course of action can be determined.

Except for the Exceptional Value Master Fund and the Emerging Markets Master Fund (which act as the investing entity for their respective Feeder Funds), neither the Adviser nor any of its related persons act as a general partner or Adviser in a Fund in which other Funds are solicited to invest. Neither the Adviser nor any of its related persons act as an investment adviser to an investment company that it recommends to the Funds.

- C., D. Investing in Securities Recommended to Clients; Contemporaneous Trading.** The Adviser has no proprietary trading accounts and therefore would not invest in the same (or related) securities that the Funds are invested in.

Although it is prohibited by the Adviser’s policies regarding personal account trading by employees (described below), it is possible that an employee of the Adviser or its related persons may hold a security that a Fund subsequently buys for its portfolio. In such a case, the employee must be granted permission to sell such a security from their personal account by the Chief Compliance Officer, who would

make a determination at that time as to whether the employee's sale of such security could adversely affect any client.

The Adviser has adopted the following procedures to address conflicts of interest arising from personal account trading (such as front-running or personal trading having an effect on price of a security). Employees are prohibited from buying or selling for their personal accounts: (i) securities of any issuer listed on the Adviser's restricted list, or (ii) any "covered securities" issued by, or related to, a company which is currently held in the portfolio of any Fund(s). All transactions in "covered securities" (if not prohibited), require pre-clearance by the Chief Compliance Officer. The term "covered securities" is specifically defined in the Code of Ethics and generally includes all debt and equity securities, as well as options, futures and commodities, with certain limited exceptions pursuant to SEC rules and regulations.

The Code of Ethics is designed to ensure that the personal securities transactions, activities and interests of the employees of the Adviser will not interfere with making decisions in the best interest of advisory clients. Employee trading is monitored every month to ensure compliance with the Code of Ethics.

The Adviser maintains procedures to address the situation where an investment would be suitable for acquisition or disposition by one or more Funds at the same time. Where this is the case, the Adviser will endeavor to allocate in good faith the limited amount of such investments acquired among the various accounts for which the Adviser considers them to be suitable. The Adviser may make such allocations among Funds in any manner which it considers to be fair under the circumstances, including, but not limited to, allocations based on relative account sizes, the degree of risk involved in the investments acquired, and the extent to which such investments are consistent with the investment policies and strategies of the various accounts involved.

It is the Adviser's policy that the Adviser will not engage in cross trading between client accounts. The Adviser's Compliance Manual contains policies and procedures to address the conflicts of interest that may arise in such a case, including approval or review of the transaction by the PAC committee and Investor approval if required by law.

Item 12 – Brokerage Practices

- A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions** - Generally, in determining which broker or dealer to use, the Adviser looks at the character of the market for the security, including, but not limited to the security's price, volatility, and liquidity, as well as the size and type of transaction.

Specifically, in making any such determination, the Adviser may consider a number of factors, including, without limitation:

- the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any);
- the operational efficiency with which transactions are effected and the efficiency of error resolution;
- taking into account the size of order and difficulty of execution;
- the financial strength, integrity and stability of the broker;
- special execution capabilities;
- clearance;
- settlement;
- reputation;
- on-line pricing;
- block trading and block positioning capabilities;
- willingness to execute related or unrelated difficult transactions in the future;
- order of call;
- on-line access to computerized data regarding clients' accounts;
- performance measurement data;
- the quality, comprehensiveness and frequency of available research and related services considered to be of value;
- the availability of stocks to borrow for short trades; and
- the competitiveness of commission rates in comparison with other brokers satisfying the Adviser's other selection criteria.

While the price of a commission is a factor that the Adviser considers, it does not necessarily always pay the lowest commission price available for each trade. In all cases, in directing brokerage, the Adviser must conclude that the commissions paid are reasonable in relation to the value of the brokerage and/or research services provided by the broker-dealer, viewed in terms of either the particular transaction or the Adviser's overall responsibilities with respect to the Funds.

The Adviser's Pricing and Allocation Committee meets periodically to evaluate the broker-dealers used by the Adviser to execute client trades using the foregoing factors.

A.1. Research and Other Soft Dollar Benefits – Although it currently does not do so, the Adviser is permitted pursuant to the Funds' Offering Memoranda to utilize "soft dollar" credits generated by brokerage of the Fund to pay for research and other products or services other than execution from a broker-dealer or a third party under the "safe harbor" provided by Section 28(e) of the U.S. Securities and Exchange Act of 1934, as amended. Section 28(e) provides a safe harbor for advisers that receive "soft dollar" benefits that are limited to certain research and brokerage products and services.

- a. In the event the Adviser were to utilize “soft dollars” as described above, it would receive a benefit because it would not have to produce or pay for the research or brokerage products or services.
- b. In the event the Adviser were to utilize “soft dollars” as described above, it may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or brokerage products or services, rather than on the clients’ interest in receiving most favorable execution.
- c. In the event the Adviser were to utilize “soft dollars” as described above, this practice may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for “soft dollar” benefits (known as “paying-up”).
- d. In the event the Adviser were to utilize “soft dollars” as described above, the “soft dollars” generated by one client’s account may be used by the Adviser to service that account as well as others and that “soft dollar” benefits possibly may be applied disproportionately to the soft dollar credits that an account generates.
- e. During the past fiscal year, neither the Adviser nor any of its related persons acquired any products and services with client brokerage commissions (or markups or markdowns). However, note that research reports (on both companies and markets generally), attendance at certain seminars and conferences, discussions with research analysts, and meetings with corporate executives were acquired from various broker-dealers that the Adviser utilizes as either an executing broker or prime broker for the Funds. These products and services were not provided with “soft dollar” credits generated by specific trades, but rather were provided by the broker-dealer because of the Adviser’s ongoing relationship with the broker-dealer.
- f. During the past fiscal year, the Adviser did not direct any client transactions to a particular broker-dealer in return for “soft dollar” benefits.

Note that the Adviser presently does not utilize “soft dollar” credits generated by brokerage from the Funds to pay for research or brokerage services.

A.2. Brokerage for Client Referrals - The Adviser may also direct some of the Funds’ brokerage business to brokers who refer prospective investors to the Fund(s). Because such referrals, if any, are likely to benefit the Adviser and its affiliates but will provide an insignificant (if any) benefit to Investors, the Adviser will have a conflict of interest with the Fund(s) when allocating Fund brokerage business to a broker who has referred investors to the Fund. To prevent Fund brokerage commissions from being used to pay investor referral fees, the Adviser will not allocate Fund brokerage business to a referring broker unless the Adviser determines in good faith that the commissions payable to such broker are reasonable in relation

to those available from non-referring brokers offering services of substantially equal value to the Fund.

A.3. Directed Brokerage - The Adviser does not recommend, request or require that a client direct it to execute transactions through a specified broker-dealer ("directed brokerage"). The Adviser does not permit a client to direct brokerage.

B. Order Aggregation and Allocation Policy - The Adviser does not currently have two or more Funds that have identical mandates and therefore each trading decision is made independently for each Fund. The Adviser may at times determine that certain investments will be suitable for acquisition by two or more Funds. If that occurs, and the Adviser is not able to acquire the desired aggregate amount of such investments on terms and conditions which the Adviser deems advisable, the Adviser will endeavor to allocate in good faith the limited amount of such investments acquired among the various accounts for which the Adviser considers them to be suitable. The Adviser may make such allocations among Funds in any manner which it considers to be fair under the circumstances, including, but not limited to, allocations based on relative account sizes, the degree of risk involved in the investments acquired, and the extent to which such investments are consistent with the investment policies and strategies of the various accounts involved.

The Adviser does not aggregate orders for clients: all trades are entered using separate orders.

Item 13 – Review of Accounts

- A. Frequency and Nature of Review** - The Portfolio Managers and risk analyst of the Adviser regularly evaluate the portfolios of the Funds on a real-time basis. The Funds are actively managed by the respective portfolio managers of each Fund through daily position sizing evaluations, liquidity reviews, hedging adjustments and overall maintenance of the stated portfolio parameters as set forth in the Offering Memoranda. A semi-annual Pricing and Allocation Committee (PAC) meeting is held to provide oversight over trading for the Funds. The PAC is composed of the Adviser's Chief Compliance Officer, the Chief Executive Officer/Chief Investment Officer (or Portfolio Manager) and the Risk Officer.
- B. Factors Prompting a Non-Periodic Review of Accounts** - The Funds are actively managed and are reviewed regularly throughout the trading day.
- C. Content and Frequency of Regular Account Reports** - *Reports Provided to Investors in the Funds* – (i) annual financial statements audited by an independent certified public accounting firm, (ii) monthly unaudited performance information from the administrator, (iii) copies of each Investor's Schedule K-1 to the Fund's tax

returns, if applicable, and (iv) other reports as determined by the Investment Adviser or general partner in its sole discretion.

Although the Adviser will use its best efforts to provide timely tax information to Investors, it is possible that it may be late in providing tax information, and Investors should be prepared to file for extensions with the relevant Federal and state taxing authorities.

All reports described above are written (although some may be delivered electronically).

Item 14 – Client Referrals and Other Compensation

- A. **Economic Benefits Received from Non-Clients for Providing Services to Clients** - The Adviser has no arrangements whereby a party who is not a client compensates or otherwise provides an economic benefit to the Adviser for providing services to clients.
- B. **Compensation to Non-Supervised Persons for Client Referrals** - The Adviser has entered into arrangements with placement agents providing for a payment by the Adviser of a one-time or ongoing fee based upon a percentage of the Management Fee and/or Performance Allocation. If an Investor is introduced to a Fund through a placement agent, the arrangement, if any, with such placement agent will be disclosed to and acknowledged by, the subscriber.

Item 15 – Custody

All client assets are maintained at a “qualified custodian”. As noted above in Item 13, the administrator sends monthly statements directly to clients. The custodian is not required to send separate statements to Investors for the Funds because as pooled investment vehicles that undergo a timely annual audit within 120 days after fiscal year end by a PCAOB auditor, they are therefore subject to an exception to this requirement.

Item 16 – Investment Discretion

The Adviser provides investment advisory services on a discretionary basis to clients. Please see Item 4 for a description of any limitations clients may place on the Adviser’s discretionary authority.

Prior to assuming full discretion in managing a client’s assets, the Adviser enters into an investment management agreement or other agreement that sets forth the scope of the Adviser’s discretion.

Unless otherwise instructed or directed by a discretionary client, the Adviser has the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) (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.

The Adviser has discretionary authority from the outset of its advisory relationship with each Fund to select the identity and amount of securities to be bought or sold for its portfolio. In all cases, however, such discretion is exercised by the Adviser in a manner consistent with the stated investment objectives and guidelines for the particular Fund account, as these are set forth in the Offering Memoranda. Investors have no ability to request or direct a change in the stated investment objectives and guidelines for the Fund that they are investing in.

For Investors in the Exceptional Value Domestic Fund and the Emerging Markets Domestic Fund, upon execution of the subscription documents, each Investor agrees to be bound by the Fund's partnership agreement (which appoints the Adviser as investment adviser to the Fund).

For Investors in the Exceptional Value Offshore Fund and the Emerging Markets Offshore Fund, upon execution of the subscription documents, each investor has purchased shares of such Fund. The Fund is organized in the Cayman Islands pursuant to Articles of Incorporation which have been approved by its Board of Directors. The Board of Directors has approved the appointment of the Adviser to manage the assets of the Fund, and the Board of Directors may remove the Adviser if it sees fit to do so. In addition, pursuant to the offshore feeder fund's subscription document, Investors may appoint, with full power of substitution, a proxy for the purpose of voting their shares.

Item 17 – Voting Client Securities

The Adviser has the authority to vote proxies for securities held in Fund portfolios. The Adviser's proxy voting policy was adopted in accordance with SEC Rule 206(4)-6 and calls for it to exercise its duty of care and loyalty to its Investors when it votes proxies. The Adviser generally will not vote proxies in situations where it holds an immaterial position (less than or equal to 1% of outstanding voting equity), or when the Adviser receives a proxy for a security which it no longer holds in the portfolio of any of the Funds. Note however that as the Adviser invests generally in

government-issued fixed income securities and derivative products, the Adviser is rarely solicited for proxy voting.

Absent good reason to the contrary, the Adviser will generally give substantial weight to management recommendations regarding voting, and will vote for routine matters in favor of management proposals. Non-routine matters will be voted on a case-by-case basis, given the complexity of many of these issues. Where there is a measurable change in the structure, management, control or operation of the company, or a change that is inconsistent with industry standards and/or the laws of the state of incorporation applicable to the company, the Adviser will generally vote against such proposals.

Investors in the Funds may not direct the Adviser's vote in any proxy solicitation.

Potential conflicts of interest between the Firm and the Fund(s) may arise when the Firm's relationships with an issuer or with a related third party actually conflict, or appear to conflict, with the best interests of the Fund(s). If the issue is specifically addressed in the Adviser's proxy voting policies and procedures, the Adviser will vote in accordance with the stated policies. In a situation where the issue is not specifically addressed in the policies and an apparent or actual conflict exists, the Adviser shall either: i) delegate the voting decision to an independent third party; ii) inform the Investors of the conflict of interest and obtain advance consent of a majority of such Investors for a particular voting decision; or iii) obtain approval of a voting decision from the Adviser's chief compliance officer, who will be responsible for documenting the rationale for the decision made and voted. In all such cases, the Adviser will make disclosures to clients of all material conflicts and will keep documentation supporting its voting decisions.

Clients may obtain a copy of the Adviser's complete proxy voting policies and procedures upon request. Clients may also obtain information from the Adviser about how it voted any proxies on behalf of their account. Please contact the Adviser at apaxson@pinggroup.com, or by phone at 646 237-5123.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the Adviser's financial condition. The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.