

**PART 2A OF FORM ADV**  
**FIRM BROCHURE**



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**This Brochure provides information about the qualifications and business practices of Ellis Lake Capital, LLC (“Ellis Lake”). If you have any questions about the contents of this Brochure, please contact Anthony Pasqua at 212-521-1100 or by email at [apasqua@ellislake.com](mailto:apasqua@ellislake.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, and references in this Brochure to Ellis Lake as a “registered investment adviser” are not intended to imply a certain level of skill or training.**

**Additional information about Ellis Lake is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **ITEM 2 – MATERIAL CHANGES**

Ellis Lake is updating its Brochure as of August 19, 2013 as part of a prompt ADV amendment filing. The following is a summary of the changes made since Ellis Lake last submitted its annual amendment filing of its Brochure on March 27, 2013:

- Provided Ellis Lake's new address on the cover page.
- Made updates to reflect Ellis Lake's assets under management as of June 30, 2013.
- Made certain clarifying amendments to the Brochure.

In the future, when Ellis Lake amends its Brochure and such amended version contains material changes from the last annual update, Ellis Lake will identify and discuss those changes either on this page or as a separate document accompanying the Brochure. For documentation purposes, Ellis Lake will provide the date of the last annual update of its Brochure.

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## ITEM 4 – ADVISORY BUSINESS

<p><b>Item 4.A</b></p>	<p><b>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</b></p> <p>Ellis Lake is a New York-based investment management firm that commenced operations in February 2010 and has been registered as an investment adviser under the Advisers Act since March 2012. Ellis Lake provides discretionary investment advisory services for private investment funds that operate as pooled investment vehicles (the “Advisory Clients”).</p> <p>The principal owner is Gabriel Nechamkin.</p> <p>The Advisory Clients invest through a master-feeder structure with two feeder funds holding interests in Ellis Lake Master Fund, LP, a Cayman Islands limited partnership (the “Master Fund”). The feeder funds are Ellis Lake Domestic Fund, LP, a Delaware limited partnership (the “Domestic Fund”), and Ellis Lake Offshore Fund, Ltd., a Cayman Islands exempted company (the “Offshore Fund”; together with the Domestic Fund, the “Feeder Funds”).</p> <p>Ellis Lake GP, LLC, a Delaware limited liability company (the “General Partner”), is the general partner of the Domestic Fund and the Master Fund.</p>
<p><b>Item 4.B</b></p>	<p><b>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</b></p> <p>Ellis Lake generally has broad and flexible investment authority with respect to the Advisory Clients. The investment objectives and strategy of the Domestic Fund is set forth in its confidential private offering memorandum, and the investment objectives and strategy of the Offshore Fund is set forth in the confidential explanatory memorandum of the Offshore Fund (such documents together, the “PPMs”).</p> <p>Ellis Lake is an event-driven and opportunistic credit fund that can invest all across the capital structure. The majority of the Advisory Clients’ assets are invested in corporate bonds, bank debt, equities, options, and credit default swaps, though Ellis Lake does invest in various other securities. The Advisory Clients have an overall long bias but will use short positions in their strategy as well. The Master Fund generally has approximately 20-35 core positions.</p>
<p><b>Item 4.C</b></p>	<p><b>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</b></p> <p>Ellis Lake does not tailor its advisory services to the individual needs of investors in the Feeder Funds (“Investors”) and does not accept Investor-imposed investment restrictions.</p> <p>In the future, if deemed appropriate for a large or strategic investor, Ellis Lake</p>

	<p>may manage assets through a separately managed account which has negotiated terms that may impose certain restrictions on Ellis Lake's investments. It is likely that any such separately managed account would be subject to a significant minimum balance.</p> <p>Ellis Lake (or the Advisory Clients) have entered into and may in the future enter into side letters with certain Investors or prospective Investors whereby such Investors or prospective Investors may be subject to terms and conditions that are more advantageous than those set forth in the PPMs and applicable to other Investors. For example, such terms and conditions may provide for special rights to make future investments in the Feeder Funds, other investment vehicles or managed accounts; special withdrawal rights relating to frequency or notice; a reduction or rebate in fees to be paid by the Investor and/or other terms; rights to receive reports on a more frequent basis or that include information not provided to other Investors (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated by Ellis Lake (or the Advisory Clients) and the Investor or prospective Investor.</p>
<b>Item 4.D</b>	<p><b>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</b></p> <p>Ellis Lake does not participate in wrap fee programs.</p>
<b>Item 4.E</b>	<p><b>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a <i>non-discretionary basis</i>. Disclose the date "as of" which you calculated the amounts.</b></p> <p>As of June 30, 2013, Ellis Lake managed \$553,559,387 of Advisory Client assets on a discretionary basis. The preceding figure represents "regulatory assets under management," as defined by the SEC. Ellis Lake does not currently manage any Advisory Client assets on a non-discretionary basis.</p>

## ITEM 5 – FEES AND COMPENSATION

<p><b>Item 5.A</b></p>	<p><b>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</b></p> <p>The Feeder Funds offer interests/shares only to certain qualified investors and admission to the Feeder Funds is not open to the general public. Limited partnership interests of the Domestic Fund and shares of the Offshore Fund are sold only to certain qualified Investors. U.S. Investors must be “accredited investors” under Rule 501 of Regulation D of the Securities Act of 1933, as amended, and “qualified purchasers” as such term is defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended. Investors and prospective Investors should refer to the PPM for the appropriate Feeder Fund for a detailed description of fees.</p> <p>Investors generally compensate Ellis Lake, directly or indirectly, by a management fee of 1.5-2.0% (the “Management Fee”) and a performance-based fee of 15-20% of profits, subject to a loss carry-forward provision (the “Incentive Allocation”). Class A shares of the Offshore Fund and Class A interests of the Domestic Fund pay a 2% Management Fee and 20% Incentive Allocation. Class B shares of the Offshore Fund and Class B interests of the Domestic Fund pay a 1.5% Management Fee and 18% Incentive Allocation. Class C shares of the Offshore Fund and Class C interests of the Domestic Fund pay a 1.5% Management Fee and 15% Incentive Allocation. As a general matter, the liquidity associated with a class of shares or interests is directly related to fees (i.e., Investors that pay higher fees generally have greater liquidity).</p> <p><b>It is critical that Investors refer to the relevant PPM and other governing documents for a complete understanding of how Ellis Lake is compensated for its advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>
<p><b>Item 5.B</b></p>	<p><b>Describe whether you deduct fees from <i>clients</i>’ assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</b></p> <p>Ellis Lake deducts fees from Investors’ assets invested in the Feeder Funds. Investors do not have the ability to choose to be billed directly for fees incurred.</p> <p>The Management Fee generally is paid from the Master Fund to Ellis Lake on behalf of each of the Feeder Funds quarterly in advance. Ellis Lake deducts the amount of the Management Fee applicable to each Investor at the beginning of each quarter.</p> <p>Generally, the Incentive Allocation applicable to each Investor will be made (at the Master Fund level) to the General Partner as of the end of each year, on a high watermark basis.</p>

	<p>The Incentive Allocation applicable to an Investor may be made at the time an Investor withdraws or redeems (as the case may be) from the Feeder Fund. Ellis Lake deducts the amount of the Incentive Allocation applicable to an Investor at such time.</p> <p><b>It is critical that Investors refer to the relevant PPM and other governing documents for a complete understanding of how fees are deducted from their assets. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>
<b>Item 5.C</b>	<p><b>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</b></p> <p>In addition to fees payable to Ellis Lake (or the General Partner), the Master Fund is responsible for the expenses it incurs in connection with its operations. Such expenses are allocated on a pro rata basis to the Feeder Funds, which then allocate such expenses to their respective Investors. Accordingly, such expenses are deducted from Investors interests in the Feeder Funds. The expenses typically incurred by the Master Fund, include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Fund legal, compliance, administrator, audit (including custody audit, if any) and accounting expenses (including third party accounting services);</li> <li>• shareholder proxy voting services (Offshore Fund Investors only);</li> <li>• organizational expenses;</li> <li>• investment expenses such as commissions, research fees and expenses (including Bloomberg (trading, research and support) and similar services and research related travel);</li> <li>• interest on margin accounts and other indebtedness;</li> <li>• borrowing charges on securities sold short;</li> <li>• custodial fees;</li> <li>• bank service fees;</li> <li>• Fund-related insurance costs;</li> <li>• Directors' fees and expenses (Offshore Fund Investors only);</li> <li>• The Feeder Fund's pro rata share of the expenses of the Master Fund; and any other expenses reasonably related to the purchase, sale or transmittal of Advisory Client assets.</li> </ul> <p>Organizational expenses of the Feeder Funds are being amortized, for net asset value purposes, over a period of up to 60 months from the date operations were commenced.</p> <p><b>It is critical that Investors refer to the relevant PPM and other governing documents for a complete understanding of fees and expenses they may pay. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>
<b>Item 5.D</b>	<p><b>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact.</b></p>

	<p><b>Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</b></p> <p>Management Fees applicable to Investors are paid quarterly in advance. With respect to refunds of fees, information about how an Investor may redeem or withdraw shares or interests in a Feeder Fund is set forth in the respective Feeder Fund’s PPM and other governing documents.</p> <p>Investors generally are able to withdraw or redeem from the Feeder Funds upon at least 60 days’ prior written notice (as specified in the relevant Feeder Fund’s PPM and other governing documents). In each case, withdrawals or redemptions will be subject to significant conditions and restrictions, which are set forth in the relevant Feeder Fund’s PPM and other governing documents. Such conditions, restrictions, and limitations may include, without limitation:</p> <ul style="list-style-type: none"> <li>○ The condition that withdrawal or redemption requests be properly submitted in accordance with the relevant Fund documents and in a timely manner;</li> <li>○ The condition that withdrawals or redemptions have not been suspended (in whole or in part) or postponed by the General Partner (in the case of the Domestic Fund) or the board of directors of the Offshore Fund (in the case of the Offshore Fund);</li> <li>○ Restrictions on the timing of withdrawal/redemption payments;</li> <li>○ Limitations on the amount paid to a withdrawing or redeeming Investor due to, among other things, fees, expenses and/or reserves for certain liabilities or contingencies or a “Gate”;</li> <li>○ Limitations on the method of withdrawal or redemption payments (i.e., in cash or in kind); and</li> <li>○ The condition that a withdrawing/redeeming Investor pay a fee for withdrawals/redemptions made prior to the end of an applicable lock-up period, where provided for under the Feeder Fund’s governing documents.</li> </ul> <p>The General Partner and Offshore Fund directors (in the case of the Offshore Fund) may waive or modify (and have waived and modified) the conditions relating to withdrawals or redemptions for certain Investors, including Investors who are members, employees or affiliates of the General Partner, Ellis Lake, relatives of such persons and for certain large or strategic investors.</p> <p><b>It is critical that Investors refer to the relevant PPM and other governing documents for a complete understanding of their withdrawal and/or redemption rights. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>
Item 5.E	<p><b>If you or any of your <i>supervised persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</b></p> <p>Not applicable.</p>
Item 5.E.1	<p><b>Explain that this practice presents a conflict of interest and gives you or your</b></p>



	<p><i>supervised persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client's</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend “no-load” funds.</p> <p>Not applicable.</p>
Item 5.E.2	<p>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</p> <p>Not applicable.</p>
Item 5.E.3	<p>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</p> <p>Not applicable.</p>
Item 5.E.4	<p>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</p> <p>Not applicable.</p>

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

If you or any of your *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *supervised persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *supervised persons* face by managing these accounts at the same time, including that you or your *supervised persons* have an incentive to favor accounts for which you or your *supervised persons* receive a *performance-based fee*, and describe generally how you address these conflicts.

As described in Item 5.B above, Ellis Lake receives performance-based compensation from Investors. It should be noted that the possibility that Ellis Lake may receive performance-based compensation creates a potential conflict of interest in that it may create an incentive to make investments that are riskier or more speculative than in the absence of such performance-based fee. Further, since the Incentive Allocation is calculated on a basis that includes unrealized appreciation of assets, the Incentive Allocation may be greater than if it were based solely on realized gains. Investors are provided with clear disclosure as to how performance-based compensation is charged with respect to the Feeder Funds and the risks associated with such performance-based compensation prior to making an investment.

Ellis Lake does not manage accounts that are not subject to performance-based compensation.

## ITEM 7 – TYPES OF CLIENTS

**Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.**

Ellis Lake provides investment advisory services to pooled investment vehicles operating as private investment funds.

Each Investor in the Funds generally must meet the eligibility provisions outlined in Item 5.A, above. The minimum initial contribution for Investors is \$2,500,000, subject to reduction or waiver at the discretion of the General Partner (in the case of the Domestic Fund) or board of directors (in the case of the Offshore Fund, though not below applicable Cayman Islands minimums).

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

<p><b>Item 8.A</b></p>	<p><b>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</b></p> <p>Ellis Lake utilizes a variety of investment strategies and has broad discretion in making investments for the Advisory Clients. The investment strategies are set forth in the respective PPMs. Ellis Lake makes investments (both on the long and short sides) consisting principally, but not solely, of fixed income securities, equity and equity-related securities and other financial instruments. Ellis Lake may also invest in corporate, high yield and stressed/distressed bonds, bank debt and credit default swaps; equities; currencies; commodities; and trade claims.</p> <p>Ellis Lake seeks to limit volatility and correlation to broad market indices. Investments are analyzed with disciplined, bottom-up, fundamental research and exhaustive scenario analysis. Ellis Lake utilizes a team-based, meritocratic approach to investing and rigorously vets all opportunities before an investment is made. This generally involves discussions among the investment team and formal write-ups of potential investments. The portfolio manager is ultimately responsible for which positions go into the portfolio, but the decision-making process is consensus oriented with active participation and independent perspectives from all team members.</p> <p>Once an investment decision is made, absolute loss potential drives position sizing and is generally limited to 1% of capital per investment. Ellis Lake uses hedges as an active, trading-based approach to risk management. In addition, Ellis Lake uses minimal leverage, invests in what it believes are liquid positions, and maintains a diversified portfolio while focusing on capital preservation.</p> <p>Ellis Lake identifies investment opportunities based on its market knowledge, research, analytics and other market sources. A significant proportion of Ellis Lake’s investment research is generated internally. Ellis Lake also utilizes multiple outside sources for research, including, but not limited to, broker-dealers and other firms.</p> <p>An investment in the Feeder Funds may be deemed speculative and is not intended as a complete investment program. Investing in the securities markets in general and in the Feeder Funds in particular involves significant risk. Investments in the Feeder Funds are appropriate for only experienced and sophisticated persons who meet certain eligibility criteria, are able to bear the risk of loss or some or all of an investment, and have a limited need for liquidity.</p>
<p><b>Item 8.B</b></p>	<p><b>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.</b></p>

### **Portfolio Turnover**

Ellis Lake's investment strategy may require active trading of the Advisory Clients' portfolio, and as a result, turnover and brokerage commission expenses may significantly exceed those of other investment entities of comparable size.

### **Nature of Investments**

Ellis Lake has broad discretion in making investments for the Advisory Clients. Investments will generally consist of fixed income securities (including bank debt), equity and equity-related securities and other financial instruments that may be affected by business, financial market or legal uncertainties. There can be no assurance that Ellis Lake will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Advisory Clients' activities and the value of investments. In addition, the value of the Advisory Clients' portfolio may fluctuate as the general level of interest rates fluctuates.

### **Lack of Diversification**

Ellis Lake's portfolio may not be widely diversified among sectors, industries, geographic areas or types of securities. Further, the Partnership's portfolio may not necessarily be diversified among a wide range of issuers. Accordingly, the Partnership's portfolio may be subject to more rapid change in value than would be the case if the Partnership were required to maintain a wide diversification among companies or industry groups.

### **Short Sales**

Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the Advisory Clients' portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase.

There is also the risk that the securities borrowed by an Advisory Client in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, and the Advisory Client may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short. From time to time regulatory or legislative action taken by U.S. or Non-U.S. regulators may restrict the ability of an Advisory Client to engage in short selling.

**Investors and prospective Investors are provided with a PPM that contains a detailed description of the risks related to an investment in the Feeder Funds**

	<p><b>and are advised to carefully review <u>all</u> risk factors set forth in the relevant PPM.</b></p>
Item 8.C	<p><b>If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</b></p> <p><b><u>Equity-Related Instruments in General</u></b></p> <p>Ellis Lake utilizes equity-related instruments in its investment program. Certain options and other equity-related instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.</p> <p><b><u>Options</u></b></p> <p>Options are also a part of Ellis Lake's investment program. The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security, commodity or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received (which could result in a potentially unlimited loss). Over-the-counter options also involve counterparty solvency risk.</p> <p><b><u>High Yield Securities</u></b></p> <p>The Advisory Clients invest in "high yield" bonds and preferred securities which are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Securities in the lower rating categories are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower-rated securities, the yields and prices of such securities may tend to fluctuate more than those for higher-rated securities. The market for lower-rated securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such lower-rated securities.</p> <p><b><u>Distressed Securities</u></b></p> <p>The Advisory Clients invest in "distressed securities" - securities, private claims and obligations of domestic and foreign entities which are experiencing significant financial or business difficulties. Investments may include loans,</p>

commercial paper, loan participations, trade claims held by trade or other creditors, stocks, partnership interests and similar financial instruments, executory contracts and options or participations therein not publicly traded. Distressed securities may result in significant returns, but also involve a substantial degree of risk. The Advisory Clients may lose a substantial portion or all of an investment in a distressed environment or may be required to accept cash or securities with a value less than the Advisory Client's investment. Among the risks inherent in investments in entities experiencing significant financial or business difficulties is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments also may be adversely affected by state and federal laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims. The market prices of such instruments are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such instruments may be greater than normally expected. In trading distressed securities, litigation is sometimes required. Such litigation can be time-consuming and expensive, and can frequently lead to unpredicted delays or losses.

#### **Credit Default Swap Agreements**

The Advisory Clients enter into credit default swaps as a "buyer." The "buyer" in a credit default contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract in return for a contingent payment upon the occurrence of a credit event with respect to an underlying reference obligation. Generally, a credit event means bankruptcy, failure to pay, obligation acceleration or modified restructuring. If a credit event occurs, the "seller" typically must pay the contingent payment to the "buyer," which is typically the full notional value of the reference obligation. The contingent payment may be payment of the face amount of the obligation in return for physical delivery of the reference obligation or cash settlement of the difference between the face amount of the obligation and its market value. Thus, if a credit event occurs, the Advisory Clients should receive the full notional value of the underlying reference obligation. If no credit event occurs, the Advisory Clients may incur losses and if the market value of the underlying position increases, the Advisory Clients may incur significant losses. The "buyer" of credit default swaps may also incur a loss if the "seller" fails to perform on its obligation should a credit event occur. In certain circumstances, the "buyer" can receive the notional value of a credit default swap only by delivering a physical security to the "seller," and is at risk if deliverable securities are unavailable or illiquid.

The Advisory Clients also may enter into credit default swaps as a "seller." To the extent the credit default swap contains inherent leverage, it involves greater risks than if the Advisory Client had invested in the reference obligation directly. If a credit event were to occur, the value of the reference obligation received by the "seller," coupled with the periodic payments previously received, may be less than the full notional value it pays to the "buyer," resulting in a loss of value to the Advisory Client. The "seller" of credit default swaps may also incur a loss if the "buyer" fails to perform on its obligation to make payments under the swap agreements.

#### **Non-U.S. Securities**

	<p>The Advisory Clients invest in non-U.S. securities. Investing in securities of non-U.S. governments and companies that are generally denominated in non-U.S. currencies and utilization of options on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States government or United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, foreign government restrictions, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.</p> <p><b>Investors and prospective Investors are provided with a PPM that contains a detailed description of the risks related to an investment in the Feeder Funds and are advised to carefully review <u>all</u> risk factors set forth in the relevant PPM.</b></p>
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## ITEM 9 – DISCIPLINARY INFORMATION

If there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Items 9.A, 9.B, and 9.C list specific legal and disciplinary events presumed to be material for this Item. If your advisory firm or a *management person* has been *involved* in one of these events, you must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in your or the *management person's* favor, or was reversed, suspended or vacated, or (2) you have rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the “date” of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. If your advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not listed in Items 9.A, 9.B, or 9.C, but nonetheless is material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of its management, you must disclose the event. Similarly, even if more than ten years have passed since the date of the event, you must disclose the event if it is so serious that it remains material to a *client's* or prospective *client's* evaluation.

Item 9.A	<p>A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a <i>management person</i></p> <ol style="list-style-type: none"> <li>1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any <i>felony</i>; (b) a <i>misdemeanor</i> that <i>involved</i> investments or an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;</li> <li>2. is the named subject of a pending criminal <i>proceeding</i> that involves an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;</li> <li>3. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation; or</li> <li>4. was the subject of any <i>order</i>, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a <i>management person</i> from engaging in any <i>investment-related</i> activity, or from violating any <i>investment-related</i> statute, rule, or <i>order</i></li> </ol> <p>None.</p>
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Item 9.B	<p>An administrative <i>proceeding</i> before the SEC, any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> in which your firm or a <i>management person</i></p> <ol style="list-style-type: none"> <li>1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or</li> <li>2. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation and was the subject of an <i>order</i> by the agency or authority <ol style="list-style-type: none"> <li>(a) denying, suspending, or revoking the authorization of your firm or a <i>management person</i> to act in an <i>investment-related</i> business;</li> <li>(b) barring or suspending your firm's or a <i>management person's</i> association with an <i>investment-related</i> business;</li> <li>(c) otherwise significantly limiting your firm's or a <i>management person's investment-related</i> activities; or</li> <li>(d) imposing a civil money penalty of more than \$2,500 on your firm or a <i>management person</i>.</li> </ol> </li> </ol> <p>None.</p>
Item 9.C	<p>A self-regulatory organization (SRO) proceeding in which your firm or a management person</p> <ol style="list-style-type: none"> <li>1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or</li> <li>2. was <i>found</i> to have been <i>involved</i> in a violation of the <i>SRO's</i> rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from <i>investment-related</i> activities; or (iii) fined more than \$2,500.</li> </ol> <p>None.</p>

## ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Item 10.A	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>Not applicable.</p>
Item 10.B	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</p> <p>Not applicable.</p>
Item 10.C	<p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> <li>1. broker-dealer, municipal securities dealer, or government securities dealer or broker</li> <li>2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)</li> <li>3. other investment adviser or financial planner</li> <li>4. futures commission merchant, commodity pool operator, or commodity trading advisor</li> <li>5. banking or thrift institution</li> <li>6. accountant or accounting firm</li> <li>7. lawyer or law firm</li> <li>8. insurance company or agency</li> <li>9. pension consultant</li> <li>10. real estate broker or dealer</li> <li>11. sponsor or syndicator of limited partnerships</li> </ol> <p>Ellis Lake serves as the investment manager to the Feeder Funds. Ellis Lake’s affiliates, principals and employees also invest directly in the Feeder Funds. It should be noted that investments in the Feeder Funds made by such parties generally are not subject to the Management Fees or performance-based fees described in Item 5, above.</p> <p>The General Partner, an affiliate of Ellis Lake that is controlled by Mr. Nechamkin, serves as the general partner of the Domestic Fund and the Master Fund.</p> <p>Mr. Nechamkin serves as one of three directors of the Offshore Fund. He does not receive compensation in connection with his position as director.</p>

Item 10.D	<p>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</p> <p>Not applicable.</p>
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## ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Item 11.A	<p><b>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any <i>client</i> or prospective <i>client</i> upon request.</b></p> <p>Ellis Lake’s Code of Ethics (the “Code”) is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (the “Advisers Act”). The Code applies to Ellis Lake’s “Access Persons.” Access Persons include, generally, any partner, officer or director of Ellis Lake and any employee or other supervised person of Ellis Lake who, in relation to the Advisory Clients, (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All Ellis Lake employees are deemed to be Access Persons.</p> <p>The Code sets forth a standard of business conduct that takes into account Ellis Lake’s status as a fiduciary and requires Access Persons to place the interests of Advisory Clients and Investors above their own interests and the interests of Ellis Lake. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of Ellis Lake’s Chief Compliance Officer (the “Chief Compliance Officer”). All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and on at least an annual basis thereafter.</p> <p>The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide the Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Advisers Act Rule 204A-1.</p> <p>The Code also seeks to ensure the protection of nonpublic information about the activities of the Advisory Clients. Investors or prospective Investors may obtain a copy of the Code by contacting the Chief Compliance Officer at <a href="mailto:apasqua@ellislake.com">apasqua@ellislake.com</a>.</p>
Item 11.B	<p><b>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</b></p> <p><b>Examples: (1) You or a <i>related person</i>, as principal, buys securities from (or sells securities to) your <i>clients</i>; (2) you or a <i>related person</i> acts as general partner in a partnership in which you solicit <i>client</i> investments; or (3) you or</b></p>

	<p><b>a <i>related person</i> acts as an investment adviser to an investment company that you recommend to <i>clients</i>.</b></p> <p>As explained in Item 10.C above, Ellis Lake serves as the investment manager to the Feeder Funds and the General Partner, which is a related person, serves as general partner of the Domestic Fund and Master Fund. Ellis Lake, as investment manager, and the General Partner, as general partner, recommend interests in the Feeder Funds to prospective Investors.</p> <p>Ellis Lake and the General Partner have a material financial interest with respect to fees paid by Investors. Management Fees are payable without regard to the overall success or income earned by the Advisory Clients and therefore may create an incentive on the part of Ellis Lake to raise or otherwise increase assets under management to a higher level than would be the case if Ellis Lake were receiving a lower or no management fee. Performance-based fees may create an incentive for Ellis Lake to make investments that are riskier or more speculative than in the absence of such Incentive Allocation.</p> <p>The General Partner and some of Ellis Lake’s principals and employees also invest directly in the Feeder Funds. It should be noted that investments in the Feeder Funds made by such parties generally are not subject to the management or performance-based fees described in Item 5 above.</p> <p>The fact that the General Partner and Ellis Lake’s principals and employees have financial ownership interests in the Feeder Funds creates a potential conflict in that it could cause Ellis Lake to make different investment decisions than if such parties did not have such financial ownership interests. Such potential conflicts are addressed by the personal securities transaction pre-clearance and holding requirements described in Item 11.A. and 11.C.</p> <p>Ellis Lake addresses these potential conflicts through regular monitoring of the Advisory Client portfolios for consistency with Advisory Client objectives, strategies, and target capacity. Further, the investment team carefully considers the risks involved in any investments and Ellis Lake provides extensive disclosure to Investors regarding the potential risks that come with an investment in the Feeder Funds. The Code requires Access Persons to place the interests of Advisory Clients and Investors over their own or those of Ellis Lake, and all Access Persons are required to acknowledge their receipt and understanding of the Code.</p>
Item 11.C	<p><b>If you or a <i>related person</i> invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a <i>related person</i> recommends to <i>clients</i>, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</b></p> <p>Ellis Lake recognizes the potential conflict when employees of an investment adviser make transactions in their personal securities accounts. Ellis Lake reduces this risk by permitting Access Persons to make personal securities transactions generally only in mutual funds, ETFs, ETNs, supranational bonds and municipal bonds not held by Ellis Lake’s Advisory Clients, or the Feeder Funds themselves (except that (1) the Chief Compliance Officer may grant limited exceptions to this</p>

	<p>policy, subject to a requirement that any such exceptions be pre-cleared with the Chief Compliance Officer, and (2) Access Persons may close out positions in other types of securities that they held as of the date they became an Access Person, subject to pre-approval by the Chief Compliance Officer). Ellis Lake believes that when Access Persons invest in the Feeder Funds it aligns Access Persons' interests with those of Investors.</p> <p>As noted in Item 11.B, the General Partner and some of Ellis Lake's principals and employees have purchased interests in the Feeder Funds.</p>
<b>Item 11.D</b>	<p><b>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</b></p> <p>Please refer to Items 11.A, 11.B, and 11.C.</p>

## ITEM 12 – BROKERAGE PRACTICES

Item 12.A.1	<p>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (e.g., commissions).</p> <ol style="list-style-type: none"> <li>1. <b>Research and Other Soft Dollar Benefits.</b> If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create. <ol style="list-style-type: none"> <li>a. Explain that when you use <i>client</i> brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.</li> <li>b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your <i>clients’</i> interest in receiving most favorable execution.</li> <li>c. If you may cause <i>clients</i> 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), disclose this fact.</li> <li>d. Disclose whether you use soft dollar benefits to service all of your <i>clients’</i> accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to <i>client</i> accounts proportionately to the soft dollar credits the accounts generate.</li> <li>e. Describe the types of products and services you or any of your <i>related persons</i> acquired with <i>client</i> brokerage commissions (or markups or markdowns) within your last fiscal year.</li> <li>f. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for soft dollar benefits you received.</li> </ol> </li> </ol> <p>Ellis Lake has authority for selecting the broker-dealer used in each transaction for the Advisory Clients. Generally, commissions and fees paid to brokers are fixed. Ellis Lake recognizes its duty to obtain “best execution.” Consistent with such duty, in determining best execution, Ellis Lake takes into account the full range and quality of a broker-dealer’s services, including research and other services. Ellis Lake does not select broker-dealers solely on the basis of lowest possible costs, but by the best qualitative execution. Brokerage costs are generally negotiable and thus selecting brokers on the basis of considerations that are not limited to the applicable costs may result in higher transaction costs than</p>
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	<p>would otherwise be obtainable.</p> <p>Consistent with such policy, consideration is given to a variety of factors, including but not limited to the financial stability and reputation of brokerage firms, the research, brokerage or other services provided by such brokers, the ability to show “niche” or off-run ideas, creditworthiness/financial responsibility, trade execution, costs associated with execution (trading and operations), and the full range of services provided.</p> <p>Ellis Lake does not utilize “soft dollars.” If in the future Ellis Lake utilizes soft dollars, it will amend its Form ADV as appropriate. It should be noted, however, that broker-dealers utilized by Ellis Lake on behalf of Advisory Clients may include research, certain services or access to certain information as part of the brokerage service provided to Ellis Lake.</p>
Item 12.A.2	<p><b><u>Brokerage for Client Referrals.</u></b> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</p> <ul style="list-style-type: none"> <li>a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients’</i> interest in receiving most favorable execution.</li> <li>b. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals.</li> </ul> <p>Ellis Lake may place transactions with a broker or dealer that (i) provides the Ellis Lake (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers investors to the Advisory Clients (or an affiliate). Because such referrals, if any, are likely to benefit Ellis Lake and its affiliates but will provide an insignificant (if any) benefit to Investors, Ellis Lake will have a conflict of interest with the Advisory Clients when allocating Advisory Client brokerage business to a broker who has referred Investors to the Advisory Clients. To prevent Advisory Client brokerage commissions from being used to pay Investor referral fees, Ellis Lake will not allocate Advisory Client brokerage business to a referring broker unless Ellis Lake determines in good faith that the commissions payable to such broker is consistent with seeking best execution; provided Ellis Lake is not selecting the broker-dealer in recognition of the opportunity to participate in such capital introduction events or the referral of Investors.</p>
Item 12.A.3	<p><b><u>Directed Brokerage.</u></b></p> <ul style="list-style-type: none"> <li>a. If you routinely <u>recommend</u>, <u>request</u> or <u>require</u> that a <i>client</i> direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their <i>clients</i> to direct brokerage. If you and the broker-dealer are affiliates or have another economic</li> </ul>

	<p>relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money.</p> <p>b. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices.</p> <p>Ellis Lake does not have directed brokerage arrangements.</p>
Item 12.B	<p><b>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</b></p> <p>As of the date of this Brochure, Ellis Lake serves as investment adviser to only the Advisory Clients. All securities transactions are made by the Master Fund. If in the future Ellis Lake serves as investment adviser to additional accounts, it will amend its Form ADV as appropriate to reflect whether and under what conditions it aggregates the purchase or sale of securities for client accounts.</p>

## ITEM 13 – REVIEW OF ACCOUNTS

Item 13.A	<p><b>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.</b></p> <p>The Advisory Client portfolios are under continuous review by the investment team. Such reviews include a review of existing investments, potential investments, investment policy, the suitability of the investments used to meet policy objectives, cash availability, and investment objectives. The investment team considers, among other things, investment performance, the portfolio's sensitivity to market changes, and whether anything has changed subsequent to an initial investment decision that impacts the risk or potential return.</p> <p>Ellis Lake has a risk committee that meets as needed to discuss all risk issues. Ellis Lake views risk from an investment, operational and legal perspective.</p>
Item 13.B	<p><b>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review</b></p> <p>Please see Item 13.A. The accounts are under continuous review.</p>
Item 13.C	<p><b>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</b></p> <p>Investors receive the following:</p> <ul style="list-style-type: none"> <li>• Periodic reports with information regarding Feeder and/or Master Fund performance and portfolio characteristics;</li> <li>• Mid-month net asset value estimates;</li> <li>• Final month-end net asset values are distributed within ten business days of month-end; and</li> <li>• Capital balance statements are distributed within ten business days of month-end.</li> </ul> <p>In addition to these monthly reports, Investors also receive quarterly letters, annual audited financial statements, and K-1s.</p>

## ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Item 14.A	<p>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</p> <p>Not applicable.</p>
Item 14.B	<p>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>supervised person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</p> <p>Ellis Lake does not currently use solicitors but, in the future, may enter into written arrangements with third parties to act as solicitors for Ellis Lake's investment advisory business. All such compensation will be fully disclosed to each client consistent with applicable law. All such referral activities will be conducted in accordance with SEC Rule 206(4)-3 under the Advisers Act, as well as relevant guidance.</p>

## ITEM 15 – CUSTODY

**If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.**

The General Partner, an affiliate of Ellis Lake, is deemed to have custody of the Funds by virtue of its status as general partner of the Master Fund.

To ensure Ellis Lake is in compliance with Rule 206(4)-2 under the Advisers Act, Ellis Lake or the Feeder Funds' administrators provide Investors with audited financial statements for their respective Feeder Funds (prepared by an independent public accountant registered with, and subject to inspection by, the Public Company Accounting Oversight Board) within 120 days of the end of such Feeder Funds' fiscal years (i.e., generally by April 30). Investors should carefully review such statements.

## ITEM 16 – INVESTMENT DISCRETION

**If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).**

Ellis Lake has discretionary authority to manage securities accounts on behalf of the Advisory Clients. Ellis Lake is authorized to make transaction recommendations for the Advisory Clients. As explained in Item 4.C above, each Feeder Fund's investment strategy is set forth in detail in a PPM. Investors do not have the ability to impose limitations on Ellis Lake's discretionary authority. Investors must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Further, Investors in the Domestic Fund must execute a limited partnership agreement that contains a power of attorney.

## ITEM 17 – VOTING CLIENT SECURITIES

<p><b>Item 17.A</b></p>	<p><b>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</b></p> <p>Ellis Lake has authority to vote Advisory Client securities. Ellis Lake understands and appreciates the importance of ensuring that its proxy voting procedures are clearly described to Advisory Clients and Investors.</p> <p>The Portfolio Manager of Ellis Lake determines how to vote any proxies/corporate actions. Prior to voting any proxies with respect to Advisory Clients, the Portfolio Manager determines whether there are any conflicts of interest related to the proxy in question in accordance with the general guidelines outlined below. If a conflict is identified, the Portfolio Manager then makes a determination as to whether the conflict is material or not. If no material conflict is identified pursuant to these procedures, Ellis Lake will vote the proxy in question in accordance with the best interest of the Advisory Clients.</p> <p>If a material conflict is identified, the Portfolio Manager will determine what course of action is in the best interests of the affected Advisory Clients (which may include utilizing an independent third party to vote such proxies). Further, Ellis Lake will determine whether it is appropriate to disclose the conflict to affected Advisory Clients and give such Advisory Clients (and Investors, if applicable) the opportunity to vote the proxies in question themselves.</p> <p>Ellis Lake delivers completed proxies in accordance with instructions related to such proxy. Ellis Lake keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, communications received and internal documents created that were material to voting decisions and Investor requests for proxy voting records and Ellis Lake’s response.</p> <p>Investors do not have the ability to direct proxy votes.</p> <p>Advisory Clients and Investors may obtain additional information regarding how Ellis Lake voted proxies and may obtain a copy of Ellis Lake’s proxy voting policies and procedures by contacting the Chief Compliance Officer at <a href="mailto:apasqua@ellislake.com">apasqua@ellislake.com</a>.</p>
<p><b>Item 17.B</b></p>	<p><b>If you do not have authority to vote <i>client</i> securities, disclose this fact. Explain whether <i>clients</i> will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) <i>clients</i> can contact you with questions about a particular solicitation.</b></p> <p>Not applicable.</p>

## ITEM 18 – FINANCIAL INFORMATION

Item 18.A	<p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none"> <li>1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.</li> <li>2. Show parenthetically the market or fair value of securities included at cost.</li> <li>3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X.</li> </ol> <p>Note: If you are a sole proprietor, show investment advisory business assets and liabilities separate from other business and personal assets and liabilities. You may aggregate other business and personal assets unless advisory business liabilities exceed advisory business assets.</p> <p>Note: If you have not completed your first fiscal year, include a balance sheet dated not more than 90 days prior to the date of your brochure.</p> <p>Exception: You are not required to respond to Item 18.A of Part 2A if you also are: (i) a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules; or (ii) an insurance company.</p> <p>Not applicable.</p>
Item 18.B	<p>If you have <i>discretionary authority</i> or <i>custody</i> of <i>client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>Note: With respect to Items 18.A and 18.B, if you are registered or are registering with one or more of the state securities authorities, the dollar amount reporting threshold for including the required balance sheet and for making the required financial condition disclosures is more than \$500 in fees per client, six months or more in advance</p> <p>Ellis Lake is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Advisory Clients or Investors.</p>
Item 18.C	If you have been the subject of a bankruptcy petition at any time during the



	<p><b>past ten years, disclose this fact, the date the petition was first brought, and the current status.</b></p> <p>Not applicable.</p>
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