

Form ADV Part 2A: Firm Brochure

LyonRoss Capital Management LLC

March 26, 2013

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This brochure provides information about the qualifications and business practices of LyonRoss Capital Management LLC (“LyonRoss” or the “Adviser”). If you have any questions about the contents of this brochure, please contact us at (212) 218-3950 or info@lyonross.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.

Additional information about LyonRoss Capital Management LLC also is available on the SEC’s website at: www.adviserinfo.sec.gov.

The Adviser is registered as an investment adviser with the United States Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940 (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training.

Item 2: Material Changes

This item discusses only material changes to the initial Brochure prepared by the Adviser dated February 14, 2012. The Brochure will be updated on an annual basis and any material changes to it will be identified in this section.

On August 31, 2012 (the "Closing Date"), Actinver Holdings Inc. ("Actinver"), a Delaware corporation and an affiliate of Grupo Actinver, a quoted Mexican financial services firm, acquired 26.8% of the equity interests of LCM Capital Holdings LLC, a Delaware limited liability company and the sole member of the Adviser (the "Parent Company"), by acquiring the interests of certain existing minority investors. As a member of the Parent Company, Actinver has been afforded certain minority protection rights, but is not involved in the day-to-day management of the Parent Company or the Adviser.

For a one year period following the Closing Date, Actinver has an option to purchase additional interests in the Parent Company representing approximately 16% of the outstanding equity, bringing its total ownership to approximately 42.66%. In addition, during the two year period following the Closing Date, Actinver has a second option to purchase additional interests to bring its ownership to 50% of the outstanding equity. This second option is subject to the satisfaction of several conditions, including among others mutually acceptable agreements regarding governance and other agreements and employment contracts for key employees.

Item 3: Table of Contents

Item 2: Material Changes	2
Item 3: Table of Contents	3
Item 4: Advisory Business.....	4
Item 5: Fees and Compensation	6
Item 6: Performance Based Fees and Side-by-Side Management.....	8
Item 7: Types of Clients	9
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	10
Item 9: Disciplinary Information	14
Item 10: Other Financial Industry Activities and Affiliations.....	15
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading...	16
Item 12: Brokerage Practices.....	17
Item 13: Review of Accounts	17
Item 14: Client Referrals and Other Compensation	20
Item 15: Custody	21
Item 16: Investment Discretion	21
Item 17: Voting Client Securities	22
Item 18: Financial Information.....	24

Item 4: Advisory Business

LyonRoss Capital Management LLC, a Delaware limited liability (“LyonRoss” or the “Adviser”), provides investment supervisory services on a discretionary basis to the following private investment funds: LyonRoss Liquid Strategies Fund L.P., a Delaware limited partnership, LyonRoss Liquid Strategies Fund Ltd., a Cayman Islands exempted company, and LyonRoss Liquid Strategies Master Fund L.P., a Cayman Islands limited partnership (the “Liquid Strategies Master Fund”) in which LyonRoss Liquid Strategies Fund L.P. and LyonRoss Liquid Strategies Fund Ltd. invest all of their investable assets (collectively, the “Liquid Strategies Fund”); and LyonRoss Partners Fund L.P., a Delaware limited partnership, LyonRoss Partners Fund, Ltd., a Cayman Islands exempted company, and LyonRoss Partners Master Fund L.P., a Cayman Islands limited partnership (the “Partners Master Fund”) in which LyonRoss Partners Fund L.P. and LyonRoss Partners Fund, Ltd. invest substantially all of their investable assets (collectively, the “Partners Fund” and together with the Liquid Strategies Fund, the “Funds”). In addition, LyonRoss currently provides (i) discretionary investment advisory services as a sub-adviser to an Actinver offshore fund, (ii) transaction and non-discretionary advisory services to an unaffiliated offshore fund and (iii) non-discretionary investment advisory services to an unaffiliated high net worth client (collectively with the Funds, the “Clients”). LyonRoss may provide investment advisory services to other private investment funds and/or managed accounts in the future.

LyonRoss was founded by Piers Playfair in January 2007. Piers Playfair, through the Parent Company, is the managing member of the Adviser and owns a majority of the equity interests in the Parent Company. See Item 2 above for information as to the ownership interests of Actinver Holdings Inc. in the Parent Company. LyonRoss does not offer wrap fee accounts. LyonRoss maintains an office at 183 Madison Avenue, Suite 503, New York, New York, 10016.

As of January 31, 2013, the net assets under management of LyonRoss are approximately \$285,000,000 on a discretionary basis and approximately \$53,000,000 on a non-discretionary basis on behalf of its Clients.

Partners Fund

Partners Fund was initially formed on May 11, 2006 under the name LCM Advanced Alpha. LyonRoss is responsible for the selection and research of portfolio managers (the “Portfolio Managers”) that manage collective investment vehicles (the “Portfolio Funds”) and separate brokerage accounts (the “Separate Accounts”), and is also responsible for the Fund’s direct investments including, but not limited to, equities, futures, options and swaps (“Direct Investments”). The Adviser performs due diligence on investment strategies and Portfolio Managers pursuing such strategies, including but not limited to making inquiries into the following areas: (i) the suitability of terms and conditions of Portfolio Funds and, if any, Separate Accounts, (ii) the analysis of Portfolio Managers’ trading skills and risk management capabilities, (iii) the integrity of the investment professionals and (iv) review of operations and controls.

The Partners Fund's investment objective is long-term capital appreciation achieved through risk-adjusted returns on invested capital through deployment of Fund assets across a diverse set of asset classes, strategies and markets using (i) Portfolio Managers that manage Portfolio Funds and Separate

Accounts and, (ii) at the sole discretion of the Adviser, Direct Investments. To the extent any Direct Investments are contemplated, the Adviser also performs due diligence on the suitability of a particular Direct Investment for the Partners Fund. The Partners Fund may also invest in other collective investment vehicles that are managed by the Adviser.

The selection of strategies, Portfolio Managers and Direct Investments is intended to provide a balanced return over money market rates over the long term. At any time, significant portions of the Partners Fund's assets may be allocated to strategies and asset classes that correlate highly with global stocks and bonds (the "global financial markets"). Also, at any time, significant portions of the Partners Fund's assets may be allocated to strategies and asset classes which do not correlate highly, over time, to the global financial markets. The balance of strategies and asset classes will be at the sole discretion of the Adviser, consistent with the Adviser's view of the optimal allocations required to achieve the Partners Fund's investment objective. There can be no assurance that the Partners Fund will maintain, for any specific period, any particular level of correlation with global financial markets. Please see Item 8: Methods of Analysis, Investment Strategy and Risk of Loss for additional information.

Liquid Strategies Fund

LyonRoss manages the Liquid Strategies Fund to seek absolute return with limited drawdown during stress periods in the markets through deployment of Liquid Strategies Fund assets across a diverse set of trading strategies. LyonRoss selects a mix of strategies in which to invest that are generally expected to capture returns from market inefficiencies rather than being long a particular market risk, in most cases employing systematic signals to generate trades. The Liquid Strategies Fund intends to invest mainly in the U.S. and European securities markets. The Adviser intends to manage the majority of the Liquid Strategies Master Fund's assets directly, and to allocate a portion of the Liquid Strategies Master Fund's assets to one or more Portfolio Managers in Separate Accounts. In addition to investing with Portfolio Managers, the Liquid Strategies Fund may invest up to 10% of its direct investments in pooled investment vehicles with liquidity terms similar to those of the Liquid Strategies Fund. Such pooled investment vehicles may be managed by independent managers or by affiliates of the Manager. The mix and weighting of the strategies are selected in the sole discretion of the Adviser, consistent with the Adviser's view of the optimal allocation required to achieve the Liquid Strategies Fund's investment objective

The Liquid Strategies Fund seeks to achieve its objective by investing all or substantially all of its assets in liquid, readily marketable securities (including stocks, bonds, indexes, futures, options on indexes and futures, currency forwards and exchange-traded funds ("ETFs")) so as to maintain liquidity for investors. The selection of strategies that employ liquid investments is intended to provide investors with significant liquidity.

Other Clients

LyonRoss provides a variety of other discretionary and non-discretionary investment advisory services to other funds as a sub-advisor and to high net-worth clients. These advisory services generally involve (i) investing in global high yield securities, (ii) investing in separately managed accounts or funds managed by other third-party managers on which LyonRoss has performed due diligence or (iii) investing in other systematic or securities trading and/or hedging strategies in which LyonRoss specializes. These other Clients may impose restrictions on investing in certain securities or types of securities.

Item 5: Fees and Compensation

Liquid Strategies Fund

Holders of Class A and Class B interests do not pay any management fees with respect thereto. For providing investment advisory services, LyonRoss or an affiliate receives an incentive fee or an incentive allocation (the “Incentive Fee/Allocation”) equal to 20% of the net capital appreciation above a “high water mark” from the Liquid Strategies Fund. The Incentive Fee/Allocation is payable monthly; provided, however, that the Incentive Fee/Allocation for holders of Class A interests declines with the growth of assets under management (“AUM”) so that the Incentive Fee/Allocation will be 0% when the Liquid Strategies Fund’s AUM is approximately \$79 million.

Partners Fund

For providing investment advisory services, LyonRoss receives from the Partners Fund, as of the beginning of each fiscal quarter, a management fee (the “Management Fee”) at the annual rate of 1% in the case of Class A and Class B interests and at the annual rate of 1.3% in the case of Class C interests of the portion of the net asset value of the Partners Fund that is allocable to investors as of the beginning of each fiscal quarter. Additional classes of interests may be charged management fees at different rates. Net Asset value includes net realized and unrealized profits and losses.

LyonRoss may also receive an Incentive Fee/Allocation with respect to Class B and Class C interests as of the end of each fiscal year of up to 6% of the amount by which the net asset value exceeds a “high water mark”. Holders of Class A interests are subject to an Incentive Fee/Allocation with respect to net capital appreciation of their interest in the Fund in excess of 5% per annum in any fiscal year and any applicable “high water mark” (the “Net Capital Appreciation Rate”), with the applicable Incentive Fee/Allocation rate being equal to the lesser of (i) the Net Capital Appreciation Rate minus 4%, and (ii) 0.50% of the net asset value of the investor’s interest as of the last day of the fiscal year. In the case of Class A shares, however, the Incentive Fee/Allocation will be reduced by a portion of Incentive Fee/Allocation earned from Class B interests.

The Adviser may waive all or a portion of the Incentive Fee/Allocation with respect to any investor in any fiscal period. Incentive Fees/Allocations are accrued monthly from each investor’s interest and deducted annually.

Other Clients

As noted above, the Adviser also provides investment advisory services to other Clients. For providing investment advisory services, LyonRoss receives (i) in the case of the Actinver offshore fund, a fee per annum equal to the greater of \$150,000 and 35 basis points times that fund’s assets under management, (ii) in the case of the other offshore fund, a monthly fee of \$41,666.67, and (iii) in the case of the high net worth Client, a monthly consulting fee equal to .0875% of the fair market value of each investment made by the Client that has been recommended by the Adviser.

The Adviser will refund to a Client a pro rata portion of any management fee paid in advance if the Adviser ceases to render services other than as of the last day of the applicable fee period, based upon the number of days remaining in that period.

Other Expenses

The Funds are subject to additional expenses in addition to the Management Fees and Incentive Fees/Allocations. The Funds bear their own expenses, including, but not limited to, the Management Fee, investment expenses (i.e., expenses related to the investment of the Fund's or assets, including, without limitation, data, clearance, exchange, structuring, administrative, legal, tax, audit and technology fees, brokerage commissions, custody fees, interest and other borrowing charges, professional and legal expenses relating to particular investments and other expenses reasonably related to the investment decision and monitoring process), expenses from derivatives transactions, expenses associated with the Fund's securities financing activities, taxes, insurance premiums, legal expenses, regulatory expenses, the costs of brokerage services and research (including, without limitation, news, quotation, statistics and pricing services, hardware, software, databases and other technical and telecommunications services and equipment used in the investment management process), accounting, audit and tax preparation expenses, the administrator's fees, other expenses associated with the operation of the Fund, organizational expenses and expenses incurred in connection with the offering and sale of Fund interests and all extraordinary expenses.

Additional information regarding LyonRoss' brokerage practices is disclosed in Item 12: "Brokerage Practices".

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

The Incentive Fee/Allocation may create an incentive for the Adviser to cause the Funds to make investments that are riskier or more speculative than would be the case in the absence of such allocation. In addition, since the Incentive Fee/Allocation is calculated on a basis that includes unrealized appreciation of a Fund's assets, it may be greater than if the Incentive Fee/Allocation were based solely on realized gains.

LyonRoss is committed to allocating investment opportunities on a fair and equitable basis, and has established policies and procedures to address the conflicts of interest described above, including generally allocating trades among Clients on a *pro rata* basis and periodically reviewing allocations to ensure that they are fair, equitable and in compliance with LyonRoss' allocation policy and fiduciary duty.

Item 7: Types of Clients

The Clients consist of the Funds and other Clients as described in Item 4 above. The minimum investment required to invest in the Funds is described in the applicable Fund's offering memorandum. The Adviser, in its sole discretion, may waive or reduce any minimum commitment in certain circumstances.

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

A. Methods of Analysis

Partners Fund

The Adviser identifies, researches, evaluates, selects and monitors the Portfolio Managers with which the Partners Fund invests. The Portfolio Managers execute various types of investment strategies. The Adviser selects and monitors the Portfolio Managers based on certain criteria, which include, but are not limited to (i) the suitability of terms and conditions of Portfolio Funds and, if any, Separate Accounts, (ii) the analysis of Portfolio Managers' trading skills and risk management capabilities, (iii) the integrity of the investment professionals and (iv) review of operations and controls. The Adviser's selection of Portfolio Managers is influenced in part by the extent to which a Portfolio Manager's investment strategy has a demonstrable record of capital appreciation and high-quality risk management controls.

Liquid Strategies Fund

The Adviser seeks to achieve an absolute return by investing in a group of strategies that trade liquid, readily marketable securities with low correlations with one another. The Adviser creates a portfolio by selecting strategies based on the relative attractiveness of their returns and their diversification value. The Adviser develops, researches, monitors and evaluates various investment strategies for this purpose. In most cases, the Adviser trades these strategies directly; however, in a few instances, when a third-party manager offers a non-correlated, proprietary strategy that is valuable to the portfolio, the Adviser might chose that strategy to be managed in a separately managed account, alongside the other strategies.

Other Clients

In the case of the Actinver fund, for which the Adviser provides discretionary advisory services, LyonRoss selects global high yield bonds based on their relative return, liquidity and riskiness. The Adviser performs detailed investment research on numerous bonds identified through many sources, including street research, industry contacts and broker bid-lists. The credit analysis performed by the Adviser includes: review of company information and publicly available financial statements; review of industry reports and analyses; discussions with company management, industry experts and other knowledgeable persons; and financial forecasts/stress scenarios of the issuers. Finally, the Adviser continuously monitors the performance of the various issuers and the trading of their securities.

In the case of the other Clients for whom LyonRoss provides non-discretionary advisory services, the Adviser recommends both direct investments and Portfolio Managers. In the large majority of cases, such direct investments and Portfolio Managers are the same as (or very similar to) investments and Portfolio Managers in which the Funds have invested. The Adviser bases its recommendation on the criteria set out by the Client for the Adviser.

B. Investment Strategies

The mix and weighting of the strategies noted below used to invest the assets of the Funds will be in the sole discretion of the Adviser, consistent with Adviser's view of the optimal allocation required to achieve each Fund's investment objective. For the avoidance of doubt, the below lists are not intended to be an exhaustive list of the strategies which may be employed by either Fund from time to time. Over time, the Adviser may change these strategies or use other strategies in its sole discretion, including in response to changes in various market conditions.

Partners Fund

The Adviser employs on behalf of the Partners Fund various types of investment strategies, which include, but are not limited to:

- Equity
- Fixed Income and Market Neutral
- Macro and Trading
- Top Down
- Special Situations

Liquid Strategies Fund

The Liquid Strategies Fund invests in a group of hedge fund trading strategies which the Adviser expects are uncorrelated with each other and with global equity markets. The strategies are generally expected to capture returns from market inefficiencies rather than being long a particular market risk, in most cases employing systematic signals to generate trades. These strategies include:

- Systematic Pairs Trading
- Merger Arbitrage
- Short-Term Equity Mean Reversion
- Systematic Volatility Arbitrage
- Commodity Spread Trading
- Quantitative Equity Market Neutral
- Systematic Macro

Other Clients

In the case of the Actinver fund, the primary strategy is to invest in a global portfolio of high yield debt securities that have in the aggregate a duration of less than 3 years. The bonds selected are in the sole discretion of the Adviser and their mix and weighting will depend on the diversification, relative return, liquidity and riskiness of the securities.

In the case of other non-discretionary Clients, the investment recommendations follow from the criteria set out by the Client. The direct investments and Portfolio Managers that are recommended are generally selected from the investments and Portfolio Managers in the Funds.

C. Risk of Loss

General Economic and Market Conditions: The success of the Adviser's and, to the extent the Clients utilize Portfolio Managers, the Portfolio Managers' investments activities will be affected by general economic and market conditions, such as:

- Interest rates

Availability of credit
Credit defaults
Inflation rates
Economic uncertainty
Changes in laws (including laws relating to taxation of investments)
Currency exchange controls
National and international political circumstances (including wars, terrorist acts or security operations)

These factors may affect the level and volatility of financial instruments' prices and the liquidity of the investments. Volatility or illiquidity could impair investment profitability or result in losses.

The Adviser and the Portfolio Managers may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets — the larger the positions, the greater the potential for loss. The Adviser or certain Portfolio Managers may invest outside of the U.S., and the economies of non-U.S. countries may differ favorably or unfavorably from the U.S. economy in such respects as:

Growth of gross domestic product
Rate of inflation
Currency depreciation
Asset reinvestment
Resource self-sufficiency, and
Balance of payments position

Investment and Trading Risk: All investments made by the Clients and Portfolio Managers risk the loss of capital (i.e., invested amount). The Adviser and the Portfolio Managers may utilize such investment techniques as margin transactions, short sales, option transactions, forward and futures contracts, and other derivatives trading, which practices, in certain circumstances, will increase the risk of losses. No guarantee or representation is made that the Adviser's or any Portfolio Manager's investment program will be successful, and investment results may vary substantially over time. The Adviser does not have any responsibility for, involvement with or control over the Portfolio Managers' investments or other activities.

Additional risks associated with investments may include (among others):

Limited Operating History of the Adviser and Portfolio Managers
General Economic and Market Conditions
Master-Feeder Fund Structure
Systemic Risk
Incentive Fee/Allocation
No Market for Fund interests
Right of Funds to Force Redemption
Reliance on Management and Key Personnel
Effect of Substantial Losses or Redemptions
Multiple Portfolio Managers

Retention and Motivation of Key Employees
Limited Diversification
In-Kind Distributions
Cross-Class Liability in Offshore Funds
Absence of Regulatory Oversight
Systems Risks
Operational Risk
Investment Risks, including
 Leverage
 Concentration of Investments
 Short Sales
 Equity Risk
 Interest Rate Movements
 Investment in Small Companies
 Investment in Illiquid Securities
 Investment in Non-U.S. Securities
 Identity of Beneficial Ownership and Withholding on Certain Payments
 Swap and Counterparty Risks
 Fixed Income Securities
 High Yield Securities
 Pooled Investment Vehicles, Pass-through Entities and Separate Accounts
 Risks of Arbitrage Strategies
 Hedging Risk
 Basis Risk
 Prepayment Risk
 Options
 Futures and Related Options
 Forward Trading
 Currency Trading
 Inter-Bank Trading
 Institutional Risk
 Repurchase Agreements
 Credit Risk
 Position Limits
 Debt Securities Generally
 Global Macro
 Long-Term Focus
 Relative Value and Market Neutral
 Other Instruments and Future Developments

Fund investors should refer to the Funds' offering memoranda for a more detailed discussion of risk factors.

Item 9: Disciplinary Information

Neither LyonRoss nor its employees have been involved in any legal or disciplinary events in the past ten years that would be material to a client's evaluation of the company or its personnel.

Item 10: Other Financial Industry Activities and Affiliations

LyonRoss is not registered as a broker-dealer and does not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

LyonRoss is not registered as and does not have any application to register as a futures commission merchant, commodity pool operator, commodity trading adviser or associated person of the foregoing entities.

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

The Adviser has adopted a Code of Ethics for all access persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons of the Adviser must acknowledge the terms of the Code of Ethics annually, or as amended.

The Code of Ethics is designed to assure that the personal securities transactions of the Adviser will not violate insider trading laws. Under the Code of Ethics, certain securities have been designated as restricted, based upon a determination that a related person of the Adviser either has material nonpublic information about an issuer or has a relationship with insiders of the issuer that is highly likely to result in such supervised person obtaining material nonpublic information. In addition, the Code of Ethics requires pre-clearance of any purchase of interests in private placements and initial public offerings. Employee trading is monitored on a quarterly basis under the Code of Ethics to reasonably prevent insider trading. Additionally, the Adviser manages proprietary capital which does not trade in the same strategies or investment opportunities as the Funds. The proprietary account is subject to similar preclearance procedures and Code of Ethics policy as the Adviser's access persons, and the CCO reviews monthly reports to confirm compliance with the Code.

The Code of Ethics requires all access persons to devote their full time and efforts to the Adviser's business. In addition, no supervised person may make use of either his or her position as an employee or information acquired during employment, or make personal investments in a manner that may create a conflict, or the appearance of a conflict, between the employee's personal interests and the interests of the Adviser or the Adviser's clients. In certain situations, an investment opportunity may be suitable for more than one Fund and/or other Client. In making allocation decisions among Funds and the other Clients, the Adviser will take into account a number of factors including, but not limited to, investment objectives, leverage parameters, volatility objectives, rate of return objectives, tax position, liquidity requirements and whether an allocation to a particular Fund or other Client will have a material impact on its overall portfolio. Application of these and other considerations may result in different allocation decisions depending on the particular facts and circumstances in existence at the time the allocations are made and may or may not result in a *pro rata* allocation of limited investment capacity among all Funds and other Clients.

The Adviser's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting its CCO, Taline Festekjian, at tfestekjian@lyonross.com.

Item 12: Brokerage Practices

The Adviser actively monitors the performance of a short list of investment managers (“Managers”) and may recommend the services of such Managers to non-affiliated clients. Such recommendations are based on a comparative analysis of each Manager conducted on a quarterly basis which focuses on (i) performance over a 10 year span if available, (ii) firm history of the Manager, (iii) institutional clients serviced by the Manager and (iv) portfolio diversification, concentration, turnover and volatility. The Managers typically provide discretionary portfolio management services to clients. The Managers do not charge commissions on transactions effected but rather receive compensation in the form of a management fee. The management fees charged by the Managers are consistent with industry standards for discretionary managed accounts. Neither the Adviser nor any of its affiliates or related person receives services, research, products or any other form of compensation from the Managers in exchange for recommendations.

Selection of Trading Counterparties

The Adviser is solely responsible for choosing the broker(s) used for each securities transaction for the Funds. In negotiating commission rates and selecting broker/dealers, the Adviser will take into account the financial stability and reputation of the particular broker/dealer, the ability to achieve prompt and reliable executions at favorable prices, the operational efficiency with which transactions are effected and the brokerage and research services provided by such broker/dealer. It is noted that since commission rates are generally negotiable, selecting brokers on the basis of considerations that are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable. The Adviser believes that valuable brokerage and research services can be provided to the Funds by brokerage firms effecting transactions for the Funds. Accordingly, the Adviser does not intend to seek lower brokerage commissions to the extent that doing so might detract from the provision of such brokerage and research services. Brokerage and research services may either be obtained from or paid for by brokerage firms and may include, but are not limited to, written information and analyses concerning specific securities, companies or sectors, news, statistics and as well as discussions with research personnel and consultants.

The Funds may retain one or more prime brokers and custodians. From time to time LyonRoss may participate in capital introduction programs arranged by broker-dealers, including firms that serve as prime brokers to the Funds. LyonRoss may place portfolio transactions with firms who have made such recommendations or provided capital introduction opportunities, if it determines that it is otherwise consistent with seeking best execution. In no event will LyonRoss select a broker-dealer as a means of remuneration for recommending it or any Fund or affording it with the opportunity to participate in capital introduction programs.

Soft Dollar Benefits

LyonRoss does not receive any soft dollar benefits.

Trade Errors

In the event that the Adviser incurs a trade error as a result of the Adviser's gross negligence, willful misconduct, or fraud, trade errors are to be (i) corrected by the Adviser as soon as practicable, in a manner such that the Client incurs no loss and (ii) promptly reported to the CCO. Broker-dealers may not assume responsibility for trade error losses caused by the Adviser.

Allocation of Investment Opportunities

In certain situations, an investment opportunity may be suitable for more than one Client. In making allocation decisions among Clients, the Adviser will take into account a number of factors including, but not limited to, investment objectives, leverage parameters, volatility objectives, rate of return objectives, tax position, liquidity requirements and whether an allocation to a particular Client will have a material impact on its overall portfolio. Application of these and other considerations may result in different allocation decisions depending on the particular facts and circumstances in existence at the time the allocations are made and may or may not result in a *pro rata* allocation of limited investment capacity among all Clients.

Item 13: Review of Accounts

Fund Administrator

The General Partner has appointed Stone Coast Fund Services LLC to serve as the Funds' administrator. Pursuant to administration agreements entered into between each of the Funds and the administrator, the administrator is responsible for, among other things, (i) computing and disseminating the Funds' net asset value, and (ii) keeping the accounts of the Funds and such financial books and records as are required by law or otherwise for the proper conduct of the financial affairs of the Funds and preparing or procuring the preparation of annual financial statements of the Funds and furnishing such statements, as well as monthly reports regarding the Funds' performance, to the Funds' investors. The administrator charges the Funds fees for services at customary rates.

Partners Fund

At the end of each calendar month, the Adviser distributes a monthly letter to the Partners Fund's investors and a quarterly asset allocation report containing information relating to general macro market conditions, the Fund's estimated performance, and future strategy considerations.

Liquid Strategies Fund

On a weekly basis, the Adviser distributes an email letter containing information relating to estimated performance for the prior week to existing investors.

Other Clients

In the case of the Actinver Fund, on a weekly basis, LyonRoss distributes an email letter containing information relating to performance for the prior week. In the case of the fund on which Lyonross sub-advises, and the high net worth Client, LyonRoss sends a monthly performance update.

Side Letters

LyonRoss may, from time to time, enter into letter agreements or other similar agreements (collectively, "Side Letters") with one or more investors which provide such investor with additional and/or different rights (including, without limitation, with respect to management fees) that may be more advantageous than those set forth in the offering memorandum for the applicable Fund.

Item 14: Client Referrals and Other Compensation

LyonRoss compensates placement agents who introduce new investors that commit capital. The amount paid to placement agents (“placement fee”) ranges up to .50% per annum of the investor’s account balance and all placement fees are fully disclosed to investors referred by placement agents.

Item 15: Custody

LyonRoss' Client funds and securities are held in custody by unaffiliated qualified custodians. LyonRoss is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to each Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception," which, among other things, requires that each Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund distribute its audited financial statements conducted in accordance with U.S. GAAP (domestic funds) or other generally accepted accounting principles. The beneficial owners of the Funds receive audited financial statements prepared in accordance with U.S. general accepted accounting standards within 120 days of the Liquid Strategies Fund's fiscal year end and within 180 days of the Partners Fund's fiscal year end.

Item 16: Investment Discretion

LyonRoss has the exclusive responsibility for selecting the security interests and Portfolio Funds/Portfolio Managers to be purchased or sold for Client accounts. There are no limitations or restrictions other than what is disclosed in each Fund's offering document or imposed in writing by the Client.

Item 17: Voting Client Securities

In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Investment Advisers Act, LyonRoss has adopted and implemented written policies and procedures governing the voting of client securities.

Due to the nature of LyonRoss' advisory services, and more specifically because LyonRoss may sometimes follow a quantitative, systematic approach to trading, which is not dependent upon the outcome of proxy contests, the Adviser currently may not vote proxies with respect to Fund holdings related to such strategies. However, with regard to certain positions in other strategies (e.g. merger arbitrage), the Adviser votes proxies in accordance with the following guidelines: Unless a particular proposal or the particular circumstances of a company suggests otherwise, proposals regarding routine matters (such as the election or re-election of board members, changes in capitalization, and the approval of auditors) generally shall be voted in accordance with written voting guidelines. Non-routine matters (such as mergers) may be reviewed and voted by on a case-by-case basis.

The general policy is to vote proxy proposals, amendments, consents or resolutions relating to client securities, including interests in Funds, if any (collectively, "proxies"), in a manner that serves the best interests of the Funds, as determined by LyonRoss in its discretion, taking into account the following factors:

- Generally, the Adviser will vote in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated), selection of auditors, and increases in or reclassification of common stock.
- Generally, the Adviser will vote against proposals that make it more difficult to replace members of the issuer's board of directors, including proposals to stagger the board, cause management to be overrepresented on the board, introduce cumulative voting, introduce unequal voting rights, and create supermajority voting.

The Adviser may retain a third party to assist it in coordinating and voting proxies with respect to the Funds' securities. If so, the CFO and/or CCO shall monitor the third party to assure that all proxies are being properly voted and appropriate records are being retained.

Additionally, LyonRoss may submit or withhold consent on behalf of the Portfolio Funds with respect to certain actions or amendments to offering terms proposed by the managers of the Portfolio Funds. Each proposed amendment or action ("Proposal") is reviewed by LyonRoss' investment personnel. LyonRoss' investment personnel submit the decision to the Portfolio Fund manager and maintain records of each Proposal received and LCM's response.

A copy of LyonRoss' proxy voting policies and procedures shall be provided to any client upon request.

Class Actions/Other Claims

To the extent that the Adviser has authority, pursuant to the governing documents of a Client account, to deal with class action claims/other claims (“Claims”) it will do so on a case-by-case basis in accordance with the following policy.

If the Adviser receives notice of a class action claim, the CCO will determine whether any Clients or former Clients of the Adviser owned the Security during the period covered by the Claim. The CCO will consult with the CIO to determine if he agrees with the basis of the Claim. In evaluating the Claim, the CIO, in consultation with the CCO, will decide whether or not to participate in the Claim depending upon (i) the nature of the Claim; (ii) prospects for recovery; (iii) resources required to pursue the Claim and (iv) other relevant factors pertaining to the particular Claim.

Item 18: Financial Information

This Item is not applicable.