

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

### **TONTINE ASSET MANAGEMENT, LLC**

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**March 28, 2013**

**This brochure (this “Brochure”) provides information about the qualifications and business practices of Tontine Asset Management, LLC. If you have any questions about the contents of this Brochure, please contact us at 203.769.2000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.**

**Tontine Asset Management, LLC is registered as an investment adviser with the SEC. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.**

**Additional information about Tontine Asset Management, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## ITEM 2 – MATERIAL CHANGES

On February 14, 2012, Tontine Asset Management, LLC submitted its initial Brochure (Form ADV Part 2A) dated February 14, 2012, with its application for registration with the SEC. On May 9, 2012, Tontine Asset Management, LLC submitted an amended Brochure dated May 9, 2012, reflecting a material change – the change of Tontine Asset Management, LLC’s business address as follows:

Previous Address:

55 Railroad Avenue  
Greenwich, CT 06830

Current Address:

1 Sound Shore Drive, Suite 304  
Greenwich, CT 06830

Since May 9, 2012, there have been no other material changes that would be required to be noted in this annual updating of the Brochure.

In the future, when Tontine Asset Management, LLC is required to amend its Brochure for its annual update, and the amended version contains material changes from the last annual update, those changes will be identified and summarized either in this section or as a separate document accompanying the Brochure.

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## ITEM 4 – ADVISORY BUSINESS

<p><b>Item 4.A</b></p>	<p>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</p> <p>Tontine Asset Management, LLC, a Delaware limited liability company, and its affiliated investment advisers Tontine Associates, L.L.C., a Delaware limited liability company, Tontine Overseas Associates, L.L.C., a Delaware limited liability company, Tontine Capital Associates, L.P., a Delaware limited partnership and TTR Associates, LLC, a Delaware limited liability company (the “Relying Advisers” and, together with Tontine Asset Management, LLC, “Tontine” or the “Adviser”) provide discretionary investment advisory services to private investment funds, the securities of which are offered to investors on a private placement basis (the “Funds”) and separately managed accounts on behalf of the beneficial owners of such accounts (the “Accounts” and, together with the Funds, the “Advisory Clients”).</p> <p>Jeffrey L. Gendell (the “Portfolio Manager”) is the managing member and principal owner of Tontine Asset Management, LLC. Mr. Gendell controls each of the Relying Advisers. The Portfolio Manager has ultimate responsibility of the management, operations and the investment decisions made by Tontine Asset Management, LLC and the Relying Advisers.</p> <p>Jeffrey L. Gendell, through Tontine, has been in business since 1995, forming Tontine Associates, L.L.C., Tontine Overseas Associates, L.L.C., Tontine Capital Associates, L.P., TTR Associates, LLC and, in 2009, Tontine Asset Management, LLC. Tontine Asset Management, LLC and the Relying Advisers are each controlled by Jeffrey L. Gendell, from the same principal office, with the same employees, under the same compliance program, and essentially function as one investment adviser with a single advisory business. As such, Tontine has registered Tontine Asset Management, LLC as an investment adviser and classified the Relying Advisers as relying advisers pursuant to a January 18, 2012 SEC “No-Action” Letter.</p>
<p><b>Item 4.B</b></p>	<p>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.</p> <p>Tontine generally has broad and flexible discretionary investment authority with respect to the investment portfolios it manages for its Advisory Clients. Tontine provides investment advisory services to its Advisory Clients with respect to a wide range of investments.</p> <p>As used herein, the term “Advisory Client” generally refers to each Fund and each beneficial owner of an Account.</p> <p><i>This Brochure generally includes information about Tontine Asset Management, LLC and its relationships with its Advisory Clients and affiliates. While much of this Brochure applies to all such Advisory Clients and affiliates, certain</i></p>

	<p><i>information included herein applies to specific Advisory Clients or affiliates only.</i></p> <p><i>This Brochure does not constitute an offer to sell or solicitation of an offer to buy any securities.</i></p> <p>Certain of the Funds focus their equity portfolios on companies with market capitalizations under \$5 billion. Holdings of such Funds may also include debt securities and other financial instruments, including privately placed securities, private investments in public equity (“PIPES”), and derivatives such as put and call options. Investments for such Funds may include long and short positions and may be leveraged through the purchases of securities on margin. As part of their investment programs, such Funds have acquired and may acquire assets or securities that Tontine believes either lack a readily assessable market value or should be held until the resolution of a special event or circumstance (each, a “Special Investment”). Additionally, Tontine may determine that, for various reasons, an asset that initially was not a Special Investment should be deemed to be a Special Investment.</p> <p>Certain of the Funds focus their equity portfolios on securities of companies with market capitalizations of between \$500 million and \$5 billion. Holdings of such Funds may also include debt securities and other financial instruments, including privately placed securities, private investments in public equity (“PIPES”), and derivatives such as put and call options. Investments for such Funds may include long and short positions.</p> <p>Certain of the Funds focus on investments in financial institutions, primarily small capitalizations thrifts and banks, including thrift and bank holding companies, and may also include larger financial institutions. Investments for such Funds may include long and short positions in equity and equity related securities, fixed income securities and other financial instruments, including derivative instruments such as options. Investments may be leveraged through the purchases of securities on margin.</p> <p>Tontine also manages certain funds which are currently in the process of being liquidated. These liquidating funds are described herein only to the extent applicable.</p> <p><i>The descriptions set forth in this Brochure of specific advisory services that Tontine offers to Advisory Clients, and investment strategies pursued and investments made by Tontine on behalf of its Advisory Clients, should not be understood to limit in any way Tontine’s investment activities. Tontine may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that Tontine considers appropriate, subject to each Advisory Client’s investment objectives and guidelines. The investment strategies Tontine pursues are speculative and entail substantial risks. Advisory Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Advisory Client will be achieved.</i></p>
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<p><b>Item 4.C</b></p>	<p>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.</p> <p>Tontine’s investment decisions and advice with respect to each Fund are subject to each Fund’s investment objectives and guidelines, as set forth in its offering documents.</p> <p>When deemed appropriate, Tontine has established, and may in the future establish, Accounts for particular investors. Tontine’s investment decisions and advice with respect to each Account are subject to each Account’s investment objectives, guidelines, restrictions, fee arrangements and other terms that are individually negotiated, as set forth in the Account’s investment management agreement, as well as any written instructions provided by the Account to Tontine. These Account relationships generally involve significant account minimum investment amounts.</p> <p>Tontine and its affiliates have entered (and may in the future enter) into agreements, or “side letters,” with Fund investors whereby such Fund investors may be subject to terms and conditions that vary from or are more advantageous than those applicable to other Fund investors. For example, such terms and conditions may provide for lower fees or preferential liquidity, among other rights.</p>
<p><b>Item 4.D</b></p>	<p>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.</p> <p>Not Applicable.</p>

<b>Item 4.E</b>	<p>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.</p> <p>As of January 31, 2013, Tontine has approximately \$531.2 million of “Regulatory Assets Under Management” (as defined by the SEC). All such assets are managed on a discretionary basis.</p>
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## ITEM 5 – FEES AND COMPENSATION

<b>Item 5.A</b>	<p>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</p> <p>Tontine generally charges Advisory Clients an asset based investment management fee based on the value of the Advisory Client’s assets under management. In addition, Advisory Clients also pay Tontine a performance-based fee or incentive allocation. These performance-based fees/allocation are compensation to Tontine that is based on a share of capital gains on, or capital appreciation of, the assets of an Advisory Client.</p> <p>Tontine also manages certain liquidating Funds for which no management fee or performance-based compensation is charged to or allocated from such Funds.</p> <p><b><u>Fund Fees</u></b></p> <p>The Fees applicable to each Fund are set forth in detail in each Fund’s offering documents. A brief summary is below.</p> <p><b>Management Fees</b></p> <p>Management fees are generally calculated and paid quarterly in advance. The management fee is generally based on the net asset value of each Fund investor’s interest in the Fund, as of the first day of such quarter or as of the last day of the previous fiscal quarter, depending on the Fund. The quarterly management fee is generally equal to 0.25% (1% on an annual basis) of a Fund’s net asset value (subject in all cases to the specific management fee provisions of the applicable Fund governing documents).</p> <p>The management fee will be prorated for any capital contribution or withdrawal/redemption by a Fund investor that is effective other than as of the first day of a quarter. For Funds where the management fee is paid in advance, in the event of a withdrawal/redemption by an investor other than as of the last day of a quarter, a pro rata portion of the management fee (based on the actual number of days remaining in such fiscal quarter) will be repaid by the relevant Tontine entity to the Fund and distributed to the Fund and then to the withdrawing Fund investor.</p> <p>For purposes of calculating management fees, Special Investments held by a particular Fund generally (though with certain exceptions) are valued by Tontine at fair value (which will generally be cost if the investment is designated as a Special Investment at the time of acquisition).</p> <p><b>Incentive Allocations</b></p> <p>Tontine, with regard to the offshore Funds, and the General Partners (as defined in Item 10.C, below), with regard to the domestic Funds, generally charge performance-based compensation and/or fees to Fund accounts that range from 15-20% of the net capital appreciation (including realized and unrealized gains and losses) allocated to each Fund investor as of the end of the Fund’s fiscal year,</p>
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	<p>subject to a high water mark or loss carryforward mechanism, which generally provides that to the extent a Fund incurs net losses as of the end of any year, the Fund investors will not be charged an incentive allocation on net profits earned in subsequent years unless 100% of the net losses carried forward from prior years have been recouped (subject in all cases to the specific performance-based allocation provisions of the applicable Fund's governing documents).</p> <p>For purposes of determining the performance-based compensation, the performance-based compensation will take into account, with respect to Special Investments, only gains and losses realized or deemed realized.</p> <p>In the event that a Fund is terminated or an investor withdraws/redeems other than at the end of a fiscal year, then for purposes of determining the Incentive Allocation allocable at such time to the Fund's General Partner, net capital appreciation will be determined as if such dates were the end of the fiscal year, subject to certain adjustments. In the sole discretion of the Fund's general partner or investment manager, the performance compensation may be waived, reduced or calculated differently with respect to certain investors.</p> <p>Certain Funds have also offered certain Fund investors the right to carry over their high water mark from liquidating funds in which they were previously investors.</p> <p>Certain Funds or Fund investors may pay a higher or lower management fee or performance-based compensation than other Funds or Fund investors for the same management services, depending, for example, on investment strategy, number of related investment accounts or total Fund investor assets under management with Tontine. Tontine may reduce, waive or calculate differently the management fees or performance-based compensation for Fund investors that are members, employees or affiliates of Tontine and relatives of such persons and certain large or strategic investors.</p> <p><b>It is critical that Fund investors refer to their respective Fund's private placement memorandum and operating agreements for a complete understanding of fees and allocations they may incur. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p> <p><b><u>Account Fees</u></b></p> <p>The Fees applicable to each Account are set forth in detail in each Account's investment management agreement. A brief summary is below.</p> <p>Fee arrangements with the Accounts are individually negotiated and established pursuant to each Account's investment management agreement. Generally, the investment management agreements are terminable upon receipt by either party from the other of prior written notice of termination and after the expiration of the specified notice period and the Account will be entitled to any unearned prepaid portion of the management fee to the extent applicable. Fee arrangements with the Accounts generally include a management fee based on assets under management, calculated and paid quarterly, and may include performance-based compensation, calculated and paid annually.</p>
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<p><b>Item 5.B</b></p>	<p>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.</p> <p>Fees and compensation paid to Tontine or its affiliates by the Funds or Accounts are generally deducted from the assets of such Advisory Clients. As discussed above, Fund management fees are generally deducted on a quarterly basis and performance compensation (fees and/or allocations, as applicable) is generally deducted on an annual basis. Fund investors do not have the ability to choose to be billed directly for fees incurred.</p> <p>Account owners may negotiate the terms of their investment management agreements and are generally billed for management fees quarterly either in advance or in arrears and for performance-based compensation annually.</p> <p><b>It is critical that Fund investors refer to their respective Fund's private placement memorandum and operating agreements for a complete understanding of how fees are deducted from the Fund's (and thus Fund investor assets). The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>
<p><b>Item 5.C</b></p>	<p>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.</p> <p>Unless noted otherwise, the following is a summary of expenses that may be charged by Tontine to one or more (but not necessarily all) of the Funds. Therefore, a Fund (and therefore, its Fund investors) may bear some or all of the following expenses:</p> <ul style="list-style-type: none"> <li>• A pro rata share of master fund expenses;</li> <li>• investment expenses (<i>e.g.</i>, expenses that Tontine reasonably determines to be related to the investment of a Fund's or a master fund's assets, such as brokerage commissions, clearing and settlement charges, custodial fees, structuring and placement fees, interest expense, stock loan fees, consulting fees, other professional fees and expenses related to the purchase and sale of illiquid securities);</li> <li>• legal expenses; accounting, auditing and tax preparation expenses; organizational expenses; premiums for liability insurance covering the directors of such Fund, the general partner, the investment manager and their respective members, directors, officers, employees and agents; expenses relating to the offer and sale of Fund interests and shares; entity-level taxes; fees to the administrator and the custodian;</li> <li>• Extraordinary expenses;</li> <li>• Expenses relating to Special Investments; and</li> <li>• Other similar expenses related to the Funds.</li> </ul> <p>The Accounts may bear investment expenses and, in some cases, certain other expenses as described above for the Funds. See Item 12 for a discussion of Tontine's brokerage practices.</p>

	<p><b>It is critical that Fund investors refer to their respective Fund’s private placement memorandum and operating agreements for a complete understanding of the 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>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. 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.</p> <p>As noted in Item 5.A above, generally, each Fund pays Tontine a fee for investment management services quarterly in advance based on the net asset value of each Fund. In the event that a Fund’s net asset value is reduced in connection with a withdrawal or redemption by an investor of such Fund other than as of the last day of a quarter, Tontine generally determines to pay such Fund an amount equal to the pro rata portion of the management fee, based on the actual number of days remaining in such quarter, and such Fund will distribute such amount to the Fund investor. In each case, withdrawals/redemptions may be subject to certain conditions and restrictions, which are set forth in the Fund’s governing documents.</p> <p>With respect to any Account that pays management fees in advance, if the advisory contract is terminated or if a portion of the assets are withdrawn other than as of the last day of a quarter, Tontine generally determines to pay such Account an amount equal to the pro rata portion of the management fee, based on the actual number of days remaining in such quarter.</p> <p><b>It is critical that Fund investors refer to their respective Fund’s private placement memorandum and operating agreements for a complete understanding of how pre-paid, unearned management fees will be refunded to the Fund investor. The information contained herein is a summary only and is qualified in its entirety by such documents.</b></p>
<b>Item 5.E</b>	<p>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.</p> <p>Not applicable.</p>
<b>Item 5.E.1</b>	<p>Explain that this practice presents a conflict of interest and gives you or your <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>

<b>Item 5.E.2</b>	<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>
<b>Item 5.E.3</b>	<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>
<b>Item 5.E.4</b>	<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><b>Note:</b> If you receive compensation in connection with the purchase or sale of securities, you should carefully consider the applicability of the broker-dealer registration requirements of the Securities Exchange Act of 1934 and any applicable state securities statutes</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.

Tontine and its investment personnel provide investment management services to multiple investment portfolios for its multiple Advisory Clients. As described in Item 5, Tontine may accept performance-based compensation from Advisory Clients, but does not receive such compensation from certain liquidating funds. As a result, Tontine and its affiliates do not face certain conflicts of interest that may arise when an investment adviser accepts performance-based compensation from some Advisory Clients, but not from other Advisory Clients.

However, in the allocation of investment opportunities, performance-based compensation arrangements may create (i) an incentive to favor Advisory Clients with performance-based compensation over Advisory Clients from which Tontine will not receive performance-based compensation (*e.g.*, because a Fund is below the high water mark or because a Fund is in liquidation and does not pay such compensation); (ii) an incentive to favor Advisory Clients from which Tontine will receive a greater performance-based compensation over Advisory Clients from which Tontine will receive a lesser performance-based compensation; (iii) an incentive for Tontine to use higher valuations for portfolio positions (including unrealized gains) to increase the overall net asset value of the Funds (upon which such performance compensation is based); or (iv) an incentive for Tontine to make investments that are riskier or more speculative than would be the case if such performance compensation arrangement was not in effect. Tontine 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. See Item 11 for a discussion of Tontine's allocation policies.

## 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.

As previously described in Item 4, Tontine's clients are the Funds and Accounts, the beneficial owners of which are institutional and/or sophisticated individual investors. With respect to the Funds, any initial and additional subscription minimums are disclosed in the relevant offering documents. Tontine generally determines the minimum investment amounts on a case-by-case basis for prospective clients wishing to open an Account. In general, such Accounts involve significant minimum investments.

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

Item 8.A	<p>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.</p> <p><i>The descriptions set forth in this Brochure of specific advisory services that Tontine offers to Advisory Clients, and investment strategies pursued and investments made by Tontine on behalf of its Advisory Clients, should not be understood to limit in any way Tontine’s investment activities. Tontine may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that Tontine considers appropriate, subject to each Advisory Client’s investment objectives and guidelines. The investment strategies Tontine pursues are speculative and entail substantial risks. Advisory Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Advisory Client will be achieved. <b>Each Fund should carefully review its private placement memorandum for a more detailed and specific discussions of the investment strategies and risks described herein as each of the Funds may not follow each of these strategies or investment programs.</b></i></p> <p>Tontine utilizes a variety of investment strategies and has broad discretion in making investments for Advisory Clients. The investment strategies are set forth in detail in the offering documents for each Fund and in Tontine’s investment management agreements with each Account.</p> <p>Tontine’s investment approach emphasizes value investing and is based primarily on its industry research, analysis of company financial documents and discussions with company management. Value investing refers to the purchase of securities at a substantial discount from their “intrinsic” or “realizable” value. Typically, this discount results from one or more of the following factors, among others. First, institutional investors may not follow the company, which may be a result of either the smaller market capitalization or a unique characteristic of the company. Second, a security may be discounted due to a temporary market dislocation; for example, a significant holder of a security may be forced to sell such security due to considerations unrelated to that security. Third, a company may have operating difficulties in one or more divisions or be classified in an “undesirable” industry sector, thus discouraging analysis by the investment community.</p> <p>Certain of the Funds focus on investments in financial institutions, primarily small-capitalization thrifts and banks, including thrift and bank holding companies, and may also include larger financial institutions.</p> <p>The “entry,” or buy point is crucial to the investment decision process. Once Tontine identifies a company as undervalued, it emphasizes the identification of positive operating, financial or other changes that would result in a higher market value for the security.</p> <p>Tontine will focus on the liquidity of the investment portfolio in order to reduce portfolio volatility. Monitored variables include security and industry</p>
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	<p>concentration, security trading volume and asset/liability duration analysis.</p> <p>An investment in the Funds may be deemed speculative and is not intended as a complete investment program. Investing in the securities markets in general and in the Funds in particular involves significant risks, including the risk of loss of some or all of an investment. Investments in the Funds are appropriate for only experienced and sophisticated persons who meet certain eligibility criteria, are able to bear the risk or loss of some or all of an investment, and have a limited need for liquidity. Prospective investors should speak with their legal, tax and financial advisors prior to making an investment with Tontine.</p>
<b>Item 8.B</b>	<p>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.</p> <p><i>The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the Advisory Clients advised by Tontine. These risk factors include only those risks Tontine believes to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by Advisory Clients.</i></p> <p><u>Risks in Investments in Securities Generally</u></p> <p>All securities investments risk the loss of capital. No guarantee or representation is made that an Advisory Client's investment program will be successful. An Advisory Client's investment program may utilize such investment techniques as options transactions, limited diversification, margin transactions, repurchase agreements, short sales and forward currency contracts, each of which can, in certain circumstances, increase the adverse impact to which an Advisory Client's investment portfolio may be subject. In addition, an Advisory Client's investment in securities may be materially affected by conditions in the financial markets and overall economic conditions occurring globally and in particular countries or markets where an Advisory Client may invest its assets.</p> <p>While Tontine believes that an Advisory Client's investment program and research techniques moderate this risk through careful selection of securities and other financial instruments, an Advisory Client's methods of minimizing such risks may not accurately predict future risk exposures. Risk management techniques are based in part on the observation of historical market behavior, which may not predict market divergences that are larger than historical indicators. Also, information used to manage risks may not be accurate, complete or current, and such information may be misinterpreted.</p> <p><u>Limited Diversification</u></p> <p>In the normal course of making investments on behalf of an Advisory Client, Tontine may, but is not obligated to, diversify its investments. Even if Tontine is able to diversify an Advisory Client's portfolio, the investments and portfolio risks could become significantly concentrated at any time in a limited number of issues, types of financial instruments, industries, sectors, strategies, countries,</p>



geographic regions or other areas of risk, and any such concentration of risk may increase losses suffered by an Advisory Client and could expose an Advisory Client to losses disproportionate to market movements in general. In addition, the investment portfolios of certain of the Funds are concentrated in a single sector, the financial services industry. Such concentration of risk may increase any losses suffered by the Funds. Even when Tontine attempts to control risks and diversify the portfolio, risks associated with different assets may be correlated in unexpected ways, with the result that an Advisory Client faces concentrated exposure to certain risks. In addition, many hedge funds pursue similar strategies, which creates the risk that many funds would be forced to liquidate positions at the same time, reducing liquidity, increasing volatility and exacerbating losses. Although Tontine attempts to identify, monitor and manage significant risks, these efforts do not take all risks into account and there can be no assurance that these efforts will be effective. Many risk management techniques are based on observed historical market behavior, but future market behavior may be entirely different. Any inadequacy or failure in Tontine's risk management efforts could result in material losses for an Advisory Client.

#### Investments in Undervalued Securities

One of Tontine's primary objectives is to invest in undervalued securities. Identifying investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from an Advisory Client's investments may not adequately compensate for the business and financial risks assumed. An Advisory Client may make certain speculative investments in securities which Tontine believes to be undervalued; however, there are no assurances that the securities purchased will in fact be undervalued. In addition, an Advisory Client may be required to hold such securities for a substantial period of time before realizing their anticipated value. During this period, a portion of an Advisory Client's assets will be committed to the securities purchased, thus possibly preventing an Advisory Client from investing in other opportunities.

#### Investments in Small- and Medium- Capitalization Companies and Companies with Limited Operating Histories

An Advisory Client may invest in securities of small- and medium- capitalization companies and recently organized companies. Historically, such securities have been more volatile in price than those of larger capitalized, more established companies included in the Standard & Poor's Composite Index of 500 Stocks. The securities of small- and medium- capitalization and recently organized companies pose greater investment risks because such companies may have limited product lines, distribution channels and financial and managerial resources. Further, there is often less publicly available information concerning such companies than for larger, more established businesses. The equity securities of small- and medium- capitalization companies are often traded over-the-counter or on regional exchanges and may not be traded in the volumes typical of the equity securities of larger-capitalization companies or those traded on a national securities exchange. Consequently, an Advisory Client may be required to dispose of such securities over a longer (and potentially less favorable)

	<p>period of time than is required to dispose of the securities of larger, more established companies. Investments in companies with limited operating histories are more speculative and entail greater risk than do investments in companies with an established operating record.</p> <p><u>Leverage</u></p> <p>An Advisory Client may leverage its capital because Tontine believes that the use of leverage may enable the Advisory Client to achieve a higher rate of return. Accordingly, leverage may take the form of purchasing securities on margin, call and put options, repurchase agreements, total rate of return swaps, loans or other instruments Tontine deems appropriate. The amount of borrowings which an Advisory Client may have outstanding at any time may be substantial in relation to its capital.</p> <p>While leverage presents opportunities for increasing total returns, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment would be magnified to the extent the investment is leveraged. The cumulative effect of the use of leverage by an Advisory Client in a market that moves adversely to its investments could result in a substantial loss to an Advisory Client which would be greater than if an Advisory Client were not leveraged.</p> <p>In general, the anticipated use of short-term margin borrowings results in certain additional risks to an Advisory Client. For example, should the securities pledged to brokers to secure an Advisory Client's margin accounts decline in value, an Advisory Client could be subject to a "margin call" pursuant to which an Advisory Client must either deposit additional funds or securities with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of an Advisory Client's assets, the Advisory Client might not be able to liquidate assets quickly enough to satisfy its margin requirements.</p> <p><u>Short Selling</u></p> <p>Certain Advisory Clients may engage in short selling. Short selling involves selling securities which are not owned by the short seller, and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the seller to profit from a decline in market price to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. The extent to which an Advisory Client engages in short sales will depend upon Tontine's investment strategy and opportunities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to an Advisory Client of buying those securities to cover the short position. There can be no assurance that an Advisory Client will be able to maintain the ability to borrow securities sold short. In such cases, an Advisory Client can be "bought in" (i.e., forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.</p>
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	<p><u>Limitations Due to Regulatory Restrictions</u></p> <p>An Advisory Client may seek to acquire a significant stake in certain securities. In the event such stake exceeds certain percentage or value limits, an Advisory Client may be required to file a notification with a governmental agency or comply with other regulatory requirements. Certain notice filings are subject to review that could cause a delay in the acquisition of the security. Compliance with such filing and other requirements may result in additional costs to Tontine and an Advisory Client, and may delay an Advisory Client's ability to respond in a timely manner to changes in the markets with respect to such securities.</p> <p><u>Competition; Availability of Investments</u></p> <p>Certain markets in which an Advisory Client may invest are extremely competitive with respect to attractive investment opportunities and, as a result, there may be reduced expected investment returns. There can be no assurance that Tontine will be able to identify or successfully pursue attractive investment opportunities in such environments. Among other factors, competition for suitable investments from other pooled investment vehicles, the public equity markets and other investors may reduce the availability of investment opportunities. There has been significant growth in the number of firms organized to make such investments, which may result in increased competition to an Advisory Client in obtaining suitable investments.</p> <p><u>Exchange Rate Exposure</u></p> <p>An Advisory Client may invest in securities denominated in non-U.S. currencies, the prices of which are determined with reference to currencies other than the U.S. dollar. An Advisory Client, however, values its financial instruments in U.S. dollars. An Advisory Client may or may not seek to hedge its non-U.S. currency exposure by entering into currency hedging transactions, such as treasury locks, forward contracts, futures contracts and cross-currency swaps. There can be no guarantee that financial instruments suitable for hedging currency or market shifts will be available at the time when an Advisory Client wishes to use them, or that hedging techniques employed by an Advisory Client will be effective. Furthermore, certain currency market risks may not be fully hedged or hedged at all.</p> <p>To the extent unhedged, the value of an Advisory Client's positions in non-U.S. investments will fluctuate with U.S. dollar exchange rates as well as with the price changes of the investments in the various local markets and currencies. In such cases, an increase in the value of the U.S. dollar compared to the other currencies in which an Advisory Client makes investments will reduce the effect of any increases and magnify the effect of any decreases in the prices of the an Advisory Client's financial instruments in their local markets and may result in a loss to the an Advisory Client. Conversely, a decrease in the value of the U.S. dollar will have the opposite effect on an Advisory Client's non-U.S. dollar investments.</p> <p><u>Systemic Risk</u></p> <p>Credit risk also may arise through a default by one of several large institutions</p>
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	<p>that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a “systemic risk” and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which an Advisory Client interacts on a daily basis.</p> <p><u>Global Investments</u></p> <p>An Advisory Client may invest a portion of its portfolio in securities of issuers located outside the United States. In addition to business uncertainties, such investments may be affected by political, social and economic uncertainty affecting a country or region. Many financial markets are not as developed or as efficient as those in the United States, and as a result, liquidity may be reduced and price volatility may be higher. The legal and regulatory environment may also be different, particularly as to bankruptcy and reorganization. Financial accounting standards and practices may differ, and there may be less publicly available information in respect of such non-U.S. issuers.</p> <p>An Advisory Client may be subject to additional risks, which include possible adverse political and economic developments, possible seizure or nationalization of non-U.S. deposits and possible adoption of governmental restrictions which might adversely affect the payment of principal and interest to investors located outside the country of the issuer, whether from currency blockage or otherwise. Furthermore, some of the securities may be subject to brokerage taxes levied by governments, which has the effect of increasing the cost of such investment and reducing the realized gain or increasing the realized loss on such securities at the time of sale. Income received by an Advisory Client from sources within some countries may be reduced by withholding and other taxes imposed by such countries. Any such taxes paid by an Advisory Client will reduce its net income or return from such investments. While Tontine will take these factors into consideration in making investment decisions for an Advisory Client, no assurance can be given that it will be able to fully avoid these risks.</p> <p><b>Investors and prospective investors are provided with investment offering documents that contain a detailed description of the risks related to an investment in the Funds and are advised to carefully review <u>all</u> risk factors set forth in the relevant offering documents.</b></p>
<b>Item 8.C</b>	<p>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.</p> <p><u>Restricted Securities; Private Investments in Public Companies</u></p> <p>The Advisory Clients may hold restricted securities. Restricted securities cannot be sold to the public without registration under the Securities Act of 1933 and may be less liquid than publicly traded securities. Unless registered for sale, restricted securities can be sold only in privately negotiated transactions or pursuant to an exemption from registration. An Advisory Client may also make private investments in public companies whose stocks are quoted on stock exchanges or which trade in the over-the-counter securities market, a type of investment commonly referred to as a “PIPE” transaction. PIPE transactions may be entered into with smaller capitalization public companies, which will entail</p>

business and financial risks comparable to those of investments in the publicly-issued securities of smaller capitalization companies, which may be less likely to be able to weather business or cyclical downturns than larger companies and are more likely to be substantially hurt by the loss of a few key personnel. PIPE transactions will generally result in the Advisory Client's acquisition of either restricted stock or an instrument convertible into restricted stock. As with investments in other types of restricted securities, such an investment may be illiquid. Any number of factors may prevent or delay a proposed registration of restricted securities. Alternatively, it may be possible for restricted securities, including securities acquired in a PIPE transaction, to be resold in transactions exempt from registration in accordance with Rule 144 under the Securities Act of 1933 or otherwise under the Federal securities laws, although the prices realized from these sales could be less than those originally paid by the Advisory Client. There can be no guarantee that there will be an active or liquid market for the stock of any small capitalization company due to the possible small number of stockholders. As a result, even if the Advisory Client is able to have restricted securities and securities acquired in a PIPE transaction registered or sells such securities through an exempt transaction, the Advisory Client may not be able to sell all the securities on short notice, and the sale of the securities could lower the market price of the securities. There is no guarantee that an active trading market for the securities will exist at the time of disposition of the securities, and the lack of such a market could hurt the market value of the Advisory Client's investments.

#### Equity Securities

Advisory Clients may invest in equity securities and equity derivatives. The value of these securities generally will vary with the performance of the issuer and movements in the equity markets. As a result, Advisory Clients may suffer losses if they invest in equity instruments of issuers whose performance diverges from Tontine's expectations or if equity markets generally move in a single direction and the Advisory Clients have not hedged against such a general move. Advisory Clients also may be exposed to risks that issuers will not fulfill contractual obligations such as, in the case of convertible securities or private placements, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

#### Convertible Securities

Advisory Clients may invest in convertible securities. Convertible securities are stocks or other securities that may be converted into or exchanged for a specified amount of common stock of the same or different issuer within a particular period of time at a specified price or formula.

The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors also may have an effect on the convertible security's investment value. The conversion value of a convertible security is determined by

the market price of the underlying common stock. If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by an Advisory Client is called for redemption, an Advisory Client will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on an Advisory Client's ability to achieve its investment objective.

#### Debt Securities Generally

Advisory Clients may invest in private and government debt securities and instruments. Advisory Clients may invest in debt instruments that are unrated, and whether or not rated, the debt instruments may have speculative characteristics. The issuers of such instruments (including sovereign issuers) may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal. Such instruments are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk exposure to adverse conditions. In addition, certain debt instruments may lack an active trading market or may otherwise be subject to limited liquidity, which could hurt the value of an Advisory Client's investments.

#### Derivative Investments

Advisory Clients may enter into swaps, options and other derivative instruments, such as credit derivatives. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk, and operations risk. In addition, Advisory Clients may, in the future, take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available. Special risks may apply in the future that cannot be determined at this time. The regulatory and tax environment for derivative instruments in which Advisory Clients may participate is evolving, and changes in the regulation or taxation of such financial instruments may have a material adverse effect on Advisory Clients.

Advisory Clients may incur risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (*i.e.*, the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the



premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of an uncovered call option may be unavailable for purchase, except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to increase, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment in the call option.

Advisory Clients may incur risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (*i.e.*, the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security if the market price falls below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire premium investment in the put option.

#### Other Derivative Instruments

Advisory Clients may enter into other derivative instruments. It may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objective of the Advisory Clients and legally permissible. Special risks may apply to instruments that are invested in Advisory Clients in the future that cannot be determined at this time or until such instruments are developed or invested in by Advisory Clients. Certain options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk.

#### Hedging Transactions

Advisory Clients may utilize financial instruments both for investment purposes and for risk management purposes in order to (i) protect against possible changes in the market value of an Advisory Client's investment portfolios resulting from fluctuations in the markets and changes in interest rates; (ii) protect an Advisory Client's unrealized gains in the value of its investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in an Advisory Client's portfolios; (v) hedge against a directional trade; (vi) hedge the interest rate, credit or currency exchange rate on any of an Advisory Client's financial instruments; (vii) protect against any increase in the price of any financial instruments an Advisory Client anticipates purchasing at a later date; or (viii) act for any other reason that Tontine deems appropriate. An Advisory Client will not be required to hedge any particular risk in connection with a particular transaction or its portfolios generally. While an Advisory Client may enter into hedging transactions to seek to reduce risk, such transactions may

	<p>result in a poorer overall performance for an Advisory Client than if it had not engaged in any such hedging transaction. Moreover, it should be noted that the portfolio will always be exposed to certain risks that may not be hedged.</p> <p><u>High Yield Securities</u></p> <p>Advisory Clients may invest in bonds or other fixed income securities, including without limitation “higher yielding” (including non-investment grade) debt securities. Such securities are generally not exchange traded and, as a result, these financial instruments trade in the over-the-counter marketplace, which is less transparent and has wider bid/ask spreads than the exchange-traded marketplace. In addition, Advisory Clients may invest in bonds of issuers that do not have publicly traded equity securities, making it more difficult to hedge the risks associated with such investments. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments. High yield securities face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer’s inability to meet timely interest and principal payments. High yield securities are generally more volatile and may or may not be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured by substantially all of the issuer’s assets. High yield securities may also not be protected by financial covenants or limitations on additional indebtedness.</p> <p>The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities are often highly leveraged and may not have available to them more traditional methods of financing. It is possible that a major economic recession could severely disrupt the market for such securities and may have an adverse impact on the value of such securities. In addition, it is possible that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default of such securities.</p> <p><u>Illiquid Portfolio Investments</u></p> <p>Certain investments made by an Advisory Client may lack an active trading market or may otherwise be less liquid than others. Such investments may include restricted securities, PIPE transactions and certain debt instruments, among others. In addition, certain Advisory Clients may invest part of their assets in investments that Tontine believes either lack a readily assessable market value or should be held until the resolution of a special event or circumstance (a “Special Investment”).</p> <p>An Advisory Client may not be able to readily dispose of each of its investments (in particular, its Special Investments, if any) and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. Occasions have arisen in the past where previously liquid investments have rapidly become illiquid.</p> <p>A Special Investment will be valued at its fair value (as determined by Tontine) at</p>
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	<p>the time it is designated a Special Investment (which will generally be cost if the investment is designated as a Special Investment at the time of acquisition). There is no guarantee that fair value will represent the value that will be realized by the Advisory Client on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment.</p> <p><u>Proxy Contests and Unfriendly Transactions</u></p> <p>Advisory Clients may purchase securities of a company which is the subject of a proxy contest in the expectation that new management will be able to improve the company's performance or effect a sale or liquidation of its assets so that the price of the company's securities will increase. If the incumbent management of the company is not defeated or if new management is unable to improve the company's performance or sell or liquidate the company, the market price of the company's securities will typically fall, which may cause Advisory Clients to suffer a loss.</p> <p>In addition, where an acquisition or restructuring transaction or proxy contest is opposed by the subject company's management, the transaction often becomes the subject of litigation. Such litigation involves substantial uncertainties and may impose substantial cost and expense on the company participating in the transaction.</p> <p><u>Purchasing Securities of Initial Public Offerings</u></p> <p>Advisory Clients may purchase securities of companies in initial public offerings or shortly thereafter. Special risks associated with these securities may include a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the company and limited operating history. These factors may contribute to substantial price volatility for the shares of these companies and, thus, for the value of an Advisory Client's interests. The limited number of shares available for trading in some initial public offerings may make it more difficult for an Advisory Client to buy or sell significant amounts of shares without an unfavorable impact on prevailing market prices. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.</p> <p><b>Investors and prospective Investors are provided with investment offering documents that contain a detailed description of the risks related to an investment in the Funds and are advised to carefully review <u>all</u> risk factors set forth in the relevant offering documents.</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.

<b>Item 9.A</b>	<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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<p><b>Item 9.B</b></p>	<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>. <a href="#">See below.</a></li> </ol> </li> </ol> <p>On July 5, 2005, Jeffrey Gendell and Tontine Management, L.L.C. (the "Respondents") entered into a Stipulation and Consent to the Issuance of an Order to Cease and Desist For Affirmative Relief and an Order of Assessment of Civil Money Penalty with the Office of Thrift Supervision ("OTS") (the "Stipulation and Consent").</p> <p>As set forth in the Stipulation and Consent, Respondents entered into the Stipulation and Consent (1) without any adjudication on the merits; (2) without admitting or denying that grounds exist to initiate cease and desist proceedings or civil money penalty proceedings and (3) without admitting or denying the OTS finding of facts (which state that during various periods from September 30, 2001 to January 5, 2004, Respondents (i) acquired more than 10% of a class of voting stock of certain financial entities (the "10% threshold"), in each instance following stock repurchases by the relevant financial entities, and (ii) failed to divest the stock in excess of 10% or file an application or rebuttal with the OTS within 90 days of acquisition of control, which constituted a violation of the Home Owners' Loan Act, 12 U.S.C. § 1467a(e) ("HOLA") and 12 C.F.R. § 574.4(b)(1)(i) of the OTS Control Regulations, 12 C.F.R. Part 574 (the "Control Regulations")). The OTS finding of facts further state that at the relevant times, the Respondents were also subject to a Consent Order to Cease and Desist for Affirmative Relief, No. CHI-00-01, dated January 27, 2000 (the "2000 Consent Order"), and the Respondent's violations of HOLA and the Control Regulations constituted a violation of the 2000 Consent Order.</p> <p>Pursuant to the Stipulation and Consent, the Respondents consented to the issuance by the OTS of a Consent Order to Cease and Desist for Affirmative Relief (the "C&amp;D Order") and a Consent Order of Assessment of Civil Money Penalty (the "CMP Order"), both dated July 5, 2005. Pursuant to the C&amp;D Order, (1) the Respondents agreed to cease and desist from any violations of HOLA and</p>
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	the Control Regulations; (2) the Respondents agreed to implement and adhere to internal policies and procedures designed to prevent and protect themselves from engaging in any future violations of HOLA and the Control Regulations and (3) the 2000 Consent Order was terminated. Pursuant to the CMP Order, the Respondents agreed to pay the OTS the sum of \$75,000.
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<p><b>Item 9.C</b></p>	<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>
	<p>Beginning in February 2011, several purported derivative actions and a putative securities class action have been filed by shareholders of Broadwind Energy, Inc. (“Broadwind”) against, among other defendants, certain of Tontine’s liquidating funds (the “Tontine Funds”). The lawsuits arise in part from a January 2010 secondary public offering of Broadwind common stock in which the Tontine Funds, Broadwind and Broadwind’s then-CEO sold shares.</p> <p>Specifically, in February and March 2011, derivative actions were filed in Illinois federal and state court against Broadwind (as a nominal defendant), various Broadwind officers and directors, and the Tontine Funds. The state court actions were subsequently dismissed in favor of the federal actions pending in the United States District Court for the Northern District of Illinois, which were consolidated, and an amended complaint in the consolidated federal derivative action was filed on July 21, 2011 (the “Consolidated Derivative Complaint”). The Consolidated Derivative Complaint alleges that the January 2010 secondary offering of Broadwind’s common stock was not in the best interests of Broadwind, and that the selling shareholders, including the Tontine Funds, sold shares while in possession of material nonpublic information relating to a goodwill and intangible asset impairment charge subsequently announced by Broadwind in March 2010. Plaintiffs assert claims against the Tontine Funds for aiding and abetting breaches of fiduciary duty allegedly committed by other defendants in connection with the secondary offering, and for unjust enrichment. The Consolidated Derivative Complaint seeks an unspecified amount of damages from the Tontine Funds, and disgorgement of all proceeds derived by the Tontine Funds from their sales of shares in the Offering. The Tontine Funds and other defendants moved to dismiss the Consolidated Derivative Complaint on September 19, 2011. On May 15, 2012, the District Court granted the defendants’ motion to dismiss the Consolidated Derivative Complaint.</p> <p>On February 11, 2011, a putative securities class action was filed in the United States District Court for the Northern District of Illinois against Broadwind and certain of its current and former officers and directors. On September 13, 2011, an amended complaint was filed (the “Amended Class Action Complaint”) that, among other things, names additional defendants, including the Tontine Funds and Jeffrey Gendell. The Amended Class Action Complaint asserts claims against Broadwind and certain of its current and former officers and directors for alleged violations of Section 10(b) of the Securities Exchange Act (the “Exchange Act”) and Rule 10b-5 promulgated thereunder arising from a series of alleged false</p>

	<p>and/or misleading statements concerning Broadwind's financial results, operations, and business prospects, including with respect to the January 2010 secondary offering of Broadwind's common stock. The Amended Class Action Complaint also asserts claims against the Tontine Funds and Mr. Gendell, among others, under Section 20(a) of the Exchange Act. Specifically, plaintiffs allege that the Tontine Funds and Mr. Gendell acted as control persons of Broadwind, and are therefore secondarily liable for the underlying Section 10(b) violations allegedly committed by the other defendants. Plaintiffs seek an unspecified amount of damages. On November 18, 2011, the defendants, including the Tontine Funds and Mr. Gendell, moved to dismiss all claims against them in the Amended Class Action Complaint. By Memorandum Opinion and Order dated April 19, 2012, the District Court dismissed plaintiffs' claims against the Tontine Funds and Mr. Gendell, with prejudice. Except with respect to Broadwind's former CEO, the District Court also dismissed plaintiffs' claims against Broadwind's current and former officers and directors.</p>
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## ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

<b>Item 10.A</b>	<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>Tontine and its management persons are not registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.</p>
<b>Item 10.B</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>Tontine and its management persons are not registered as, and do not have any application to register as, futures commission merchants, commodity pool operators, commodity trading advisors or associated persons of the foregoing entities.</p>

<p><b>Item 10.C</b></p>	<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>Tontine Asset Management, LLC and the Relying Advisers serve as the investment manager to certain Funds domiciled in the U.S. and in offshore jurisdictions.</p> <p>The following entities affiliated with Tontine Asset Management, LLC serve as general partners to certain of the domestic Funds and offshore master funds and all are controlled by Jeffrey L. Gendell:</p> <ul style="list-style-type: none"> <li>• Tontine Management, L.L.C.;</li> <li>• Tontine Asset Associates, LLC;</li> <li>• TTR Management, LLC;</li> <li>• Tontine Capital Management, L.L.C.; and</li> <li>• Tontine Capital Overseas GP, L.L.C.</li> </ul> <p>(collectively, “General Partners”).</p> <p>In addition, Jeffrey L. Gendell serves as a director of certain offshore Funds that are structured as Cayman Islands exempted companies.</p> <p>Tontine Capital Overseas Master Fund II, L.P. is an investor in certain liquidating Tontine funds.</p> <p>Tontine and its affiliates may serve as directors of, or have board observation rights at, portfolio companies in which Tontine invests.</p>
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<b>Item 10.D</b>	<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

<p><b>Item 11.A</b></p>	<p>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.</p> <p>Tontine strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. Tontine’s Code of Ethics (the “Code”) is designed to meet these standards and the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (the “Advisers Act”). The Code applies to all of Tontine’s “Access Persons.” Access Persons include, generally, any partner, officer or director of Tontine and any employee or other supervised person of Tontine 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 Tontine employees are deemed to be Access Persons.</p> <p>The Code sets forth a standard of business conduct that takes into account Tontine’s status as a fiduciary and requires Access Persons to place the interests of Advisory Clients above their own interests and the interests of Tontine. 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 Tontine’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 and understanding 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 (such as the identification of investors, securities and financial circumstances) about the activities of the Advisory Clients. Advisory Clients may obtain a copy of the Code by contacting the Chief Compliance Officer, Joe Cerulli, at <a href="mailto:jcerulli@tontinepartners.com">jcerulli@tontinepartners.com</a>.</p>
<p><b>Item 11.B</b></p>	<p>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.</p> <p>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 a <i>related person</i></p>

	<p>acts as an investment adviser to an investment company that you recommend to <i>clients</i>.</p> <p>Tontine may cause an Advisory Client to engage in trades, including principal transactions (collectively, “Cross-Transactions”), with one or more Advisory Clients which it manages or for which it serves as investment adviser (the “Other Accounts”), typically for purposes of rebalancing the portfolios of the Advisory Clients and such Other Accounts, in order to further the Advisory Clients and such Other Accounts’ respective investment programs, or for other reasons consistent with the investment and operating guidelines of the Advisory Clients and such Other Accounts. A Cross-Transaction may be effected if Tontine determines the transaction to be in the interests (and consistent with the investment program, risk management and other relevant considerations) of the Advisory Clients and an Other Account. Generally, an asset will be transferred at a price equal to the price of the asset on the transfer date, as determined in accordance with the Advisory Clients valuation policies. Tontine and its affiliates will not charge any fees to effect a Cross-Transaction. Any expenses incurred in a Cross-Transaction will be allocated equitably in the sole discretion of Tontine between the transferee and the transferor. Similarly, if a transaction is cancelled, any costs incurred will be allocated equitably in the sole discretion of Tontine between the transferee and the transferor. Tontine will seek to ensure that the transaction is consistent with Tontine’s duty to obtain best execution for each of its Advisory Clients.</p> <p>When required by applicable law, Cross-Transactions will be approved by one or more persons not affiliated with Tontine. To the extent that Cross-Transactions may be viewed as principal transactions due to the aggregate ownership interest in a Fund by Tontine or its personnel, Tontine will comply with the notice and consent requirements of Section 206(3) of the Advisers Act, including that any such transactions will be considered and approved or disapproved by or on behalf of relevant Fund investors.</p> <p>Tontine addresses these potential conflicts through regular monitoring of the Advisory Client portfolios for consistency with Advisory Client objectives, strategies, and target capacity. Further, Tontine carefully considers the risks involved in any investments and Tontine provides extensive disclosure to Fund investors regarding the potential risks that come with an investment in the Funds or through a separately managed account.</p>
<b>Item 11.C</b>	<p>If you or a <i>related person</i> invests in the same securities (or related securities, <i>e.g.</i>, 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.</p> <p>The Code places restrictions on personal trades by employees, including that they disclose their personal securities holdings and transactions to Tontine on a periodic basis, and requires that employees pre-clear certain types of personal securities transactions.</p> <p>The fact that the General Partners, Portfolio Manager, and Tontine’s employees have financial ownership interests in certain of the Funds creates a potential conflict in that it could cause Tontine to make different investment decisions than</p>

	<p>if such parties did not have such financial ownership interests.</p> <p>Tontine, its affiliates and its employees may give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken for Advisory Clients. These activities may adversely affect the prices and availability of other securities or instruments held by or potentially considered for one or more Advisory Clients. Potential conflicts also may arise due to the fact that Tontine and its personnel may have investments in some Funds but not in others or may have different levels of investments in the various Funds.</p> <p>Tontine has established policies and procedures to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading and holding requirements in the Code, as described above, and regular monitoring of employee transactions and trading patterns for actual or perceived conflicts of interest, including those conflicts that may arise as a result of personal trades in the same or similar securities made at or about the same time as an Advisory Client trades.</p> <p>The General Partners and Tontine's Access Persons have purchased interests in certain of the Funds. Tontine believes that when Access Persons invest in a Fund it aligns such Access Persons' interests with those of Fund investors.</p>
<b>Item 11.D</b>	<p>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.</p> <p>Tontine manages investments on behalf of a number of Advisory Clients. Certain Advisory Clients have investment programs that are similar to or overlap and may, therefore, participate with each other in investments. Tontine will act in a fair and equitable manner in allocating investment and trading opportunities, including private placements, among the Advisory Clients. In furtherance of the foregoing, Tontine will consider participation in all appropriate opportunities within the purpose and scope of each Advisory Client's objectives, and Tontine will evaluate such factors as it considers relevant in determining whether a particular situation or strategy is suitable and feasible for each Advisory Client (which factors may include the investment restrictions and objectives of each Advisory Client, diversification, covenants and other limitations in the governing agreements, relative size of the Advisory Client, available cash, the nature of the opportunity in the context of the Advisory Client's other positions at the time, risk tolerance, liquidity requirements, required credit ratings, duration targets and/or constraints, existing asset allocation targets, minimum investment size, maximum investment size, tax implications, legal, contractual or regulatory constraints). Tontine is not obligated to purchase or sell for each Advisory Client every security which Tontine or its employees may purchase or sell for other Advisory Clients, if such a transaction or investment appears unsuitable, impractical or undesirable for the Advisory Client; provided that Tontine, to the extent within its control, will not favor itself in any way to an Advisory Client's detriment and will act in a manner that over the long term is fair and equitable to all its Advisory Clients. Notwithstanding the foregoing, it should be noted that Tontine (for a variety of reasons) may allocate trades solely to one Advisory Client, on a non-pro rata basis or on a pro rata basis across only those Advisory Clients for whom the trade is appropriate based on investment strategy as determined by Tontine.</p>

	<p>Tontine may be actively engaged in transactions on behalf of one or more Other Accounts that involve the same securities in which a Fund may invest. These Other Accounts may have investment programs and investment objectives similar to or dissimilar from those of such Fund. The transactions and portfolio strategies of Tontine used for Other Accounts could conflict with the transactions and portfolio strategies employed by Tontine in managing such Fund and adversely affect the prices and availability of the securities and other financial instruments in which such Fund invests or may seek to invest. In connection with Tontine performing investment advisory services for Other Accounts, Tontine may sell or recommend the sale of, and may buy or recommend the purchase of, a particular security for certain but not all of the Advisory Clients (including the Fund and any accounts in which Tontine or its principals or employees may have an interest) or may take different action with regard to the timing or nature of actions taken with respect to such securities for the Fund compared to such Other Accounts and, accordingly, transactions for the Fund may not be consistent with transactions for Other Accounts. The Fund may acquire securities or other financial instruments of an issuer that are senior or junior to securities or financial instruments of the same issuer that are held by Other Accounts (<i>e.g.</i>, an Other Account may acquire senior debt while the Fund may acquire subordinated debt). Tontine recognizes that conflicts may arise under such circumstances and will endeavor to treat all Advisory Clients fairly and equitably.</p> <p>If it is determined by Tontine that it would be appropriate for the Fund and one or more Other Accounts to participate in an investment opportunity, Tontine will seek to execute orders for all of the participating accounts and investment funds, including the Fund, on a fair and equitable basis, taking into account such factors as the relative amounts of capital available for investments, the investment objectives, investment programs and portfolio positions of the Fund and the Other Accounts, the relative amounts of capital available for new investments, relative exposure to market trends, transaction costs, the portfolio positions of the participating accounts, the manner in which the investment in question is likely to affect the amount of available capital after the investment is made, investment guidelines or restrictions and investment strategies, concentrations and diversification within an account, tax and regulatory issues, the nature and size of existing portfolio holdings and cash positions, risk/return objectives and anticipated redemptions/withdrawals and subscriptions (liquidity). In certain circumstances, Tontine may give special consideration to certain accounts such as new accounts (including those in which Tontine may have an interest) with a substantial amount of available cash. Such considerations may result in allocations among the Fund and Other Accounts on other than a pro rata basis.</p> <p>Tontine, through an unaffiliated broker, may place combined orders for all such Advisory Clients simultaneously with any broker and if any order is not filled at the same price, Tontine may average the prices paid. There may be instances, such as when orders are placed with more than one broker, that make it impossible for Tontine to average the prices paid. In these instances, Tontine will allocate the filled orders in an equitable manner (as determined by Tontine). Similarly, if an order on behalf of more than one Advisory Client cannot be fully executed under prevailing market conditions, Tontine acting through an unaffiliated broker may allocate the securities traded among the different Advisory Clients on any basis that it considers equitable. In these circumstances, each Advisory Client would pay, in connection with the acquisition of securities</p>
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	<p>by more than one Advisory Client, the average price per unit acquired, which may be higher than if it had acted alone, and it may otherwise not be able to execute an investment decision as effectively as it could have if it had acted alone. There may be corresponding potential disadvantages when more than one Advisory Client account simultaneously seeks to dispose of commonly held securities and other investment positions.</p> <p>Because the investment program of a Fund may have a different risk-tolerance and investment strategy or guidelines than Other Accounts, Tontine may make decisions to increase or decrease the size of positions held by the Other Accounts while maintaining, increasing or decreasing a position or positions held by such Fund. Such decisions may have an adverse effect on the market value of the securities held on behalf of such Fund or the investment strategy of such Fund.</p>
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## ITEM 12 – BROKERAGE PRACTICES

<b>Item 12.A.1</b>	<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. Research and Other Soft Dollar Benefits. 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>From time to time, Tontine may pay a broker-dealer commissions (or markups or markdowns with respect to certain types of riskless principal transaction) for effecting Advisory Client transactions in excess of that which another broker-dealer might have charged for effecting the transaction in recognition of the value of the brokerage and research services provided by the broker-dealer. Tontine will effect such transactions, and receive such brokerage and research services, only to the extent that they fall within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended, and subject to prevailing guidance provided by the SEC regarding Section 28(e). Tontine believes it is important to its investment decision-making processes to have access to independent research.</p>
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	<p>Tontine has authority to select the broker-dealer used in each transaction for the Advisory Clients. Tontine recognizes its duty to obtain “best execution.” Consistent with such duty, in determining best execution, Tontine takes into account the full range and quality of a broker-dealer’s services, including research and other services as described below, some of which may be beneficial to Tontine and/or certain Advisory Clients but not beneficial to all Advisory Clients. Tontine 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 would otherwise be obtainable.</p> <p>Consistent with such policy, consideration is given to a variety of factors, including but not limited to price, transaction costs, a broker’s ability to effect the transactions, its facilities, reliability and financial responsibility, commitment of capital, access to company management, access to deal flow and the provision or payment by the broker of the costs of research and research-related services which are of benefit to Tontine and the relevant Advisory Clients (subject to the objective of seeking best execution). Additionally, subject to the considerations described above, the selection of a broker (including a prime broker) to execute transactions, provide financing and securities on loan, hold cash and short balances and provide other services may be influenced by, among other things, the provision by the broker of the following: capital introduction, marketing assistance and consulting services with respect to technology, operations, equipment and office space. Accordingly, the commission rates (or dealer markups and markdowns arising in connection with riskless principal transactions) charged to the Advisory Clients by brokers in the foregoing circumstances may be higher than those charged by other brokers who may not offer such services.</p> <p>Section 28(e) of the Securities Exchange Act of 1934, as amended, is a “safe harbor” that permits an investment manager to use commissions or “soft dollars” to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. Tontine limits the use of “soft dollars” to obtain research and brokerage services that fall within the Section 28(e) safe harbor. When Tontine uses Advisory Client brokerage commissions (or markups or markdowns) to obtain research or other products or services, it receives a benefit because it does not have to produce or pay for the research, products or service, and these benefits provide an incentive for Tontine to select a broker-dealer based on its interest in receiving such products or services, rather than on Advisory Clients’ interest in receiving the lowest-cost execution.</p> <p>In the past year, research and related services furnished by brokers included, among other things, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; financial publications; trade order management services; and statistical and pricing services, as well as discussions with research personnel.</p> <p>In some instances, Tontine could receive a product or service that may be used only partially for functions within Section 28(e). In such instances, Tontine will make a good faith effort to determine the relative proportion of the product or service used to assist Tontine in carrying out its investment decision-making</p>
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	<p>responsibilities and the relative proportion used for administrative or other purposes outside of the Section 28(e) safe harbor. The proportion of the product or service attributable to assisting Tontine in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by Advisory Client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by Tontine from its own resources.</p> <p>Research and brokerage services obtained by the use of commissions arising from certain of the Advisory Clients portfolio transactions may be used by Tontine in its other investment activities and for other Advisory Clients and thus Advisory Clients may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided.</p> <p>At least annually, Tontine considers the amount and nature of research and research services provided by broker-dealers, as well as the extent to which such services are relied upon, and attempts to allocate a portion of the brokerage business of the Advisory Clients on the basis of that consideration. Broker-dealers sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocation, but can (and often does) exceed the suggested level, because total brokerage is allocated on the basis of all of the considerations described above. In no case will Tontine make binding commitments as to the level of brokerage commissions it will allocate to a broker-dealer, nor will it commit to pay cash if any informal targets are not met. A broker-dealer is not excluded from receiving business because it has not been identified as providing research products or services.</p>
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<p><b>Item 12.A.2</b></p>	<p><u>Brokerage for <i>Client</i> Referrals.</u> 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> <ol 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> </ol> <p>Neither Tontine nor any related person receives client referrals from any broker-dealer or third party. However, as discussed above, in selecting brokers, Tontine takes into account the factors listed in Item 12.A.1 above. As part of its “best execution” analysis, Tontine may consider a broker-dealer’s ability to provide Tontine with the opportunity to participate in capital introduction events sponsored by the broker-dealer and to refer prospective investors to Tontine. It should be emphasized that Tontine does not direct Advisory Client transactions to a particular broker-dealer solely in return for investor referrals.</p> <p>While Tontine’s involvement in such capital introduction events has occurred infrequently in the past, Tontine recognizes that it may have an incentive to favor broker-dealers that provide capital introduction services to Tontine. Tontine receives management fees and accordingly would receive a financial benefit from the increase in assets under management that result from capital introduction services. Similarly, Tontine may receive performance-based compensation and accordingly could receive larger performance-based compensation in any given profit period as a result of an increase in assets under management that results from capital introduction services. The potential for higher fees presents a potential conflict in that Tontine has an incentive to favor broker-dealers that provide services that have a direct impact on fees even if those broker-dealers rate unfavorably in other categories that are part of Tontine’s best execution analysis. Tontine addresses this potential conflict through its best execution review process, through which Tontine analyzes the overall performance of broker-dealers in light of the amount of business directed to such broker-dealers.</p>
<p><b>Item 12.A.3</b></p>	<p><u>Directed Brokerage.</u></p> <ol 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 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.</li> <li>b. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice. If</li> </ol>

	<p>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>Tontine does not have directed brokerage agreements.</p>
<b>Item 12.B</b>	<p>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.</p> <p>When appropriate, Tontine may, but is not required to, aggregate Advisory Client orders to achieve more efficient execution or to provide for equitable treatment among accounts. Advisory Clients participating in aggregated trades generally will be allocated securities based on the average price achieved for such trades. When orders are not aggregated, trades generally will be processed in the order that they are placed with the broker or counterparty selected by Tontine. As a result, certain trades in the same security for one client (including a client in which Tontine and its personnel may have a direct or indirect interest) may receive more or less favorable prices or terms than another client, and orders placed later may not be filled entirely or at all, based upon the prevailing market prices at the time of the order or trade. In addition, some opportunities for reduced transaction costs and economies of scale may not be achieved. At any time that Tontine manages Accounts subject to regulation under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), Tontine will not aggregate trades for the Accounts subject to regulation under ERISA with trades for any other Advisory Client.</p>

## ITEM 13 – REVIEW OF ACCOUNTS

<b>Item 13.A</b>	<p>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 <i>supervised persons</i> who conduct the review.</p> <p>The Advisory Client accounts are under continuous review by the Portfolio Manager. 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 Portfolio Manager 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>
<b>Item 13.B</b>	<p>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review</p> <p>Please see Item 13.A. The Advisory Client accounts are under continuous review.</p>
<b>Item 13.C</b>	<p>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.</p> <p>Accounts and Fund investors may receive the following:</p> <ul style="list-style-type: none"> <li>• monthly performance metrics, for certain of the Advisory Clients;</li> <li>• quarterly letters;</li> <li>• audited financial statements annually; and</li> <li>• K-1s (for Investors in the domestic Funds only) annually.</li> </ul>

## ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

<b>Item 14.A</b>	<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>
<b>Item 14.B</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><b>Note:</b> If you compensate any person for client referrals, you should consider whether SEC rule 206(4)-3 or similar state rules regarding solicitation arrangements and/or state rules requiring registration of investment adviser representatives apply.</p> <p>Not applicable.</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.

Tontine and the General Partners are deemed to have custody of the funds and securities of certain Advisory Clients by virtue of their status as investment manager or general partner because they have the authority to obtain Advisory Client funds or securities, for example, by deducting advisory fees from an Advisory Client's account or otherwise withdrawing funds from an Advisory Client's account. The assets of such Advisory Clients are held in custody by unaffiliated broker-dealers or banks acting in the capacity of "qualified custodians" pursuant to the Advisers Act. Account statements related to such Advisory Clients are sent by the qualified custodians to Tontine.

Tontine is subject to Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). However, it 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 to all investors within 120 days of the end of its fiscal year.

## 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).

Tontine has discretionary authority to manage securities accounts on behalf of the Funds, and is authorized to make transaction for the Funds. As explained in Item 4.C above, each Fund's investment strategy is set forth in detail in such Fund's prospectus and governing documents. Fund investors do not have the ability to impose limitations on the discretionary authority of Tontine. Fund 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, Fund investors in Domestic Funds must execute a limited partnership agreement that contains a power of attorney.

Tontine also has discretionary authority to manage the Accounts. Such Accounts are subject to investment objectives, guidelines, and restrictions, and fee arrangements, as well as other terms that are individually negotiated with each Account owner, and set forth in an investment management agreement (or similar agreement).

Tontine or an affiliate of Tontine entered into an investment management agreement, or similar agreement, with each Advisory Client, pursuant to which Tontine or an affiliate of Tontine was granted discretionary trading authority.

## ITEM 17 – VOTING CLIENT SECURITIES

<p><b>Item 17.A</b></p>	<p>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.</p> <p>Tontine has authority to vote the securities of certain Advisory Clients. Tontine understands and appreciates the importance of ensuring that its proxy voting procedures are clearly described to Advisory Clients and Fund investors.</p> <p>All proxies will be provided to the Portfolio Manager (or his Designated Person) who, prior to voting any proxies, will determine if there are any conflicts of interest related to the proxy in question. If a potential conflict is identified, the Portfolio Manager will inform the Chief Compliance Officer of the details of such proxy and the perceived conflict of interest. The Portfolio Manager and the Chief Compliance Officer together will make a determination as to whether the conflict is material. If no material conflict is identified, the Portfolio Manager (or his designated person) will vote the proxy in question in accordance with the best interest of the relevant Advisory Client(s).</p> <p>If a material conflict is identified by the Portfolio Manager and Chief Compliance Officer, Tontine will generally seek to mitigate the conflict by either appointing an independent third party to vote such proxies or disclosing the conflict to affected Advisory Clients and giving such Advisory Clients the opportunity to vote the proxies in question themselves.</p> <p>Tontine delivers completed proxies in accordance with instructions related to such proxy. Tontine 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 Tontine's response.</p> <p>Advisory Clients may obtain additional information regarding how Tontine voted proxies and may obtain a copy of Tontine's proxy voting policies and procedures by contacting the Chief Compliance Officer, Joe Cerulli, at <a href="mailto:jcerulli@tontinepartners.com">jcerulli@tontinepartners.com</a>.</p>
<p><b>Item 17.B</b></p>	<p>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.</p> <p>Not applicable.</p>



## ITEM 18 – FINANCIAL INFORMATION

<b>Item 18.A</b>	<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><b>Note:</b> 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><b>Note:</b> 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><b>Exception:</b> 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>
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<b>Item 18.B</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><b>Note:</b> 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>Not applicable.</p>
<b>Item 18.C</b>	<p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p> <p>Not applicable.</p>