



JAE CREDIT MANAGEMENT LP

Part 2A of Form ADV Firm Brochure

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This brochure provides information about the qualifications and business practices of JAE Credit Management LP (“JAE”). If you have any questions about the contents of this brochure, please contact us at compliance@jaecredit.com or telephone +1 212-205-1000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration with the SEC does not imply a particular level of skill or training.

Additional information about JAE Credit Management LP is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2. Material Changes

Effective February 18, 2013, Robert Miller assumed ownership of the JAE Group and the Registrant.

The Registrant entered into a Service Agreement with its subsidiary JAE Credit Management UK Limited in the United Kingdom on February 18, 2013 to provide certain execution only services and operational support to the Registrant and its funds under management.

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Item 4. Advisory Business

A. Description of the Firm

JAE Credit Management LP (the “Registrant” or “Investment Adviser”) and affiliated group entities (collectively “JAE”, “us”, “we” or the “JAE Group”) provide investment advisory services to pooled investment vehicles.

The Registrant is a limited partnership incorporated in the State of Delaware in November, 2007 and has two partners, Robert Miller, and its general partner, JAE Credit Management (GP) LLC (the “General Partner”), of which Robert Miller remains principally responsible. Prior to the establishment of the Registrant Robert Miller was a portfolio manager at James Caird Asset Management since its inception in 2008.

JAE is headquartered in New York City, where the majority of its advisory services are performed. As of March 27, 2013, JAE had approximately 20 employees based in New York City, London and Washington D.C.

JAE’s investment management services are discussed further below.

B. Types of Advisory Services

JAE currently provides the following types of investment management services:

Private Investment Vehicles

JAE acts as the investment manager providing discretionary investment management services to privately offered investment vehicles (“Private Funds”). The Private Funds are generally organized or “sponsored” by JAE or an affiliate of JAE, and an affiliate of JAE acts as the managing member or general partner of the Private Funds.

The Private Funds are generally structured as “master-feeder” structures (with multiple feeder funds). JAE allocates assets to the Private Funds utilizing specific strategies (See Item 8). Additionally, Robert Miller is the JAE Chief Investment Officer and has overall responsibility for the management of the investments. Mr. Miller is supported by a team of investment and operational support professionals employed by the Registrant and its UK affiliates,

For a list of the Private Funds, please reference Section 7.B. of Schedule D of Part 1 to JAE’s Form ADV, which is publicly available at www.adviserinfo.sec.gov.

Managed Accounts

The Registrant may provide advisory services to additional managed accounts from time to time at its sole discretion.

C. Client Tailored Services and Client Tailored Restrictions

The JAE funds under management are subject to the investment restrictions and guidelines outlined in the relevant confidential private placement memorandum, investment management agreement and organizational documents. See Item 16 *Investment Discretion*. JAE manages funds and accounts in accordance with these requirements, restrictions and

guidelines. Subject to the foregoing, JAE has full trading discretion on behalf of its funds and accounts under management. JAE does not seek approval from its investors with respect to its trading on behalf of the funds and accounts. JAE does not tailor its advisory services to the individual needs of investors and investors may not impose restrictions on investing in certain securities or types of securities other than those contained in the relevant offering documentation and investment management agreements.

D. Wrap Programs

The Registrant does not participate in wrap fee programs.

E. Assets Under Management

On behalf of various private comingled investment vehicles (each, a “Client” and, collectively, the “Clients”), the Registrant managed the following Client assets on a discretionary basis:

Discretionary Amounts:	Non-Discretionary Amounts:	Date Calculated:
\$555,716,000	\$0	12/31/2012

This Brochure is not an offering and does not fully represent the complete terms for any fund or managed account under JAE management, including, but not limited to, the JAE Credit Fund.

Item 5. Fees and Compensation

Management Fees and Performance Compensation

The Registrant's fee schedule is omitted because this brochure is being delivered only to qualified purchasers as defined in the Investment Company Act of 1940.

Management fees are charged monthly in arrears and performance compensation (where applicable) is charged annually.

Other Types of Fees

The JAE Credit Fund generally bears all expenses incurred in connection with its organizational expenses, trading and investment activities, all of its ordinary and extraordinary legal, operating, accounting, administrative and auditing fees and expenses, the cost of directors' and officers' insurance including in relation to the indemnities granted under the relevant investment management agreement, as well as the expenses incurred in connection with the initial and continuous offerings. All material additional fees borne by the JAE Credit Fund are disclosed in the fund's PPM.

See Item 12 *Brokerage Practices* for information regarding brokerage fees.

Method of Payment

All fees are deducted from the NAV of the Funds, except for redemption fees which are deducted from the redemption proceeds paid to investors. All fees are paid in arrears and not in advance and therefore no fee refunds would be required in the event of termination of an advisory contract.

Fee Differentiation

The Registrant has in the case of one seed investor, (as disclosed in the JAE Credit Fund offering documentation) and may in future with other investors at its sole discretion agree to waive, reduce or rebate compensation with respect to one or more investors without entitling other investors to such waiver, reduction or rebate.

Additional information

Class A Shares of the JAE Credit Fund are subject to the redemption terms set out in the PPM, a one-third of redemption fees charged are paid to JAE. The Registrant does not accept compensation for the sale of securities in any of its funds under management.

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

As noted in Item 5, the Investment Manager receives performance-based compensation from the JAE Credit Fund. All performance-based compensation is paid in accordance with Section 205 and Rule 205-3 under the Investment Advisers Act of 1940 (“Advisers Act”). JAE does not manage any accounts that have a fee structure that would result in a breach of the Advisers Act, such as accounts that pay only an asset-based fee.

The performance-based compensation that may be paid by the JAE Credit Fund and/or managed accounts in place from time to time create a conflict between JAE’s interest in earning a profit in the short term with the long-term interests of its Clients and their investors. Specifically, the Investment Manager may have an incentive to invest assets in investments that are riskier or more speculative than would be the case if JAE were only compensated based on a flat percentage of capital, because these investments may allow JAE to collect larger performance-based compensation which may be based on unrealized profits.

To manage these potential conflicts, JAE has adopted a number of compliance policies and procedures. These policies and procedures include (i) the JAE Code of Ethics (see Item 11.A), (ii) the JAE Compliance Manual, (iii) trade allocation and aggregation policies which seek to ensure that investment opportunities are selected, managed and allocated, where relevant, fairly and equitably among Clients on an overall basis, and (iv) allocation review of procedures reasonably designed to identify unfair or unequal treatment of accounts.

Item 7. Types of Clients

The Registrant provides advisory services to pooled investment vehicles, each deemed to be a Client. The investors in JAE Clients may include, high net worth individuals, registered investment companies, other pooled investment vehicles, pension and profit-sharing plans, charitable organizations, trusts, estates, endowments, foundations, corporations and other types of institutional investors.

United States investors in Clients must be “qualified purchasers” as defined in the Investment Company Act of 1940 and “accredited investors” as defined in the Securities Act of 1933. For the JAE Credit Fund, the minimum initial subscription per subscriber is generally \$5,000,000 (with the exception of a management share class where the minimum is \$100,000) but this may be waived at the discretion of the Board of the JAE Credit Fund but always subject to the Cayman Islands regulatory minimum of \$100,000.

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

All investing in securities involves the risk of loss, either in whole or in part, that clients should be prepared to bear. Investors are encouraged to carefully review the full description of risk factors presented in the specific JAE Client's PPM and the accompanying subscription documents.

Please refer to Item 4 above for information regarding the methods of analysis and investment strategy used by the Investment Adviser.

The following risk factors are not, and do not purport to be, a complete explanation of all potential risks pertaining to investment. Investors should read the PPM of the relevant Client for a full risk evaluation before making any investment decision. The risk factors do not seek to identify the specific funds to which they may be most relevant and in some cases they may not be relevant at all to a particular JAE Client.

Risk of Loss:

JAE Clients may incur substantial or even total losses. The “alternative investment strategies” employed in the Registrant’s management of Clients are subject to risk of loss, including a “risk of ruin”—sudden and material losses—which cannot be foreseen based upon past performance. This happened in 1998 and again in 2008 when numerous leveraged strategies like the ones employed by JAE incurred unprecedented losses as a result of adverse market movements, the increased cost and reduced availability of leverage and pervasive illiquidity in the markets.

Risks Relating to the Funds Under Management and the Investment Strategy of the Registrant:

Risk Management. The Registrant employs an approach to risk management and portfolio rebalancing which it considers appropriate for each Client. Investment restrictions are set out in the relevant Client PPM. Exposure can be global, and geographical bias can vary with market conditions; however, there will typically be a significant exposure to non-US markets. Surplus cash is generally invested in U.S. treasury funds (with an independent custodian), U.S. treasury repos, or deposited with a prime broker or custodian.

Senior investment professionals, including Robert Miller and Simon Park, oversee investment risk on behalf of the Investment Manager.

Concentrations, liquidity, leverage and other market risk indicators are reviewed periodically. There are no set leverage limits for any Client but leverage is closely monitored and managed. Liquidity expectations are reflected in the redemption terms for each JCAM Fund.

All Clients use an independent administrator, to provide fund administration, including calculation of the net asset value, and shareholder services such as take-on of new clients, processing of subscriptions and redemptions, and investor reporting.

Hedging. The Registrant will not, in general, attempt to hedge all market or other risks inherent in a Client’s positions, and hedge certain risks, if at all, only partially. Specifically,

the Registrant may choose not, or may determine that it is economically unattractive, to hedge certain risks - either in respect of particular positions or in respect of a Client's overall portfolio. The Client's portfolio composition may result in various components of directional market risks remaining unhedged. The Registrant may rely on diversification to control such risks to the extent that it believes it is desirable to do so; however, the Client is not subject to formal diversification policies.

To the extent that any hedging strategy involves the use of OTC derivative transactions, such a strategy would be affected by implementation of the various legislative and regulatory changes.

The Registrant may enter into hedging transactions with the intention of reducing or controlling risk. Even if the Registrant is successful in doing so, the hedging may reduce the Client's returns. Furthermore, it is possible that the Registrant's hedging strategies will not be effective in controlling risk, due to unexpected changes in correlations between the hedging instruments and the positions being hedged, increasing rather than reducing both risk and losses.

To the extent that the Registrant hedges, its hedge may not be static but rather may need to be continually adjusted based on the Registrant's assessment of market conditions, as well as the expected degree of non-correlation between the hedges and the portfolio being hedged. The success of a hedging strategy may depend on the Registrant's ability to implement this dynamic hedging approach efficiently and cost effectively, as well as on the accuracy of its ongoing judgements concerning the hedging positions to be acquired by the Client.

Limitations on short selling could materially adversely impact a number of the Registrant's hedging strategies depending upon the instruments traded.

Investments Outside of the United States. The Registrant's investments outside of the United States involve certain risks. For example, trading outside the United States is not regulated by any U.S. regulator and may, therefore, be subject to more risks than trading on U.S. exchanges. Other considerations include exchange control regulations, reduced and less reliable information about issuers and markets, different accounting standards, illiquidity of securities and markets, higher brokerage commissions and custody fees, local economic or political instability and greater market risk in general. Moreover, unless the Clients hedge themselves against fluctuations in the exchange rates between the U.S. dollar and the currencies in which trading is conducted on such exchanges, any potential profits could be eliminated and losses could be incurred as a result of adverse changes in exchange rates. The Clients may have to convert assets into other currencies in order to meet margin requirements. The Clients may attempt to hedge themselves against fluctuations in the exchange rates but such hedging may or may not be successful and could, in any event, involve significant costs.

Borrowing and Leverage. The Registrant may employ leverage for the purpose of making investments and are not subject to restrictions in this regard except those imposed by law. The use of leverage may create special risks and may significantly increase the Client's investment risk. Leverage may create an opportunity for greater yield and total return but, at the same time, may increase a portfolio's exposure to capital risk. Any investment income and gains earned on an investment made through the use of leverage that are in excess of the costs associated therewith may cause the value of a portfolio to increase more rapidly than would otherwise be the case. Conversely, where the associated costs are greater than such

income and gains or, under certain circumstances, if the leverage is terminated by the leverage provider or counterparty in advance of the investment's term, the portfolio value may decrease more rapidly than would otherwise be the case.

Debt Securities. The Registrant's investment strategy may include investment in sub-investment grade or unrated debt securities which may be subject to greater risk than higher-rated debt securities. Because investors generally perceive that there are greater risks associated with unrated and below investment grade securities, the yields and prices of such securities may fluctuate more than those for higher-rated securities. The market for non-investment grade securities may be smaller and less active than that for higher-rated securities, which may adversely affect the prices at which these securities can be sold and result in losses to Clients. The Registrant may have the Client invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Registrant may have the Client invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. Clients may invest in debt securities which are subject to the significant risk of the issuer's inability to meet principal and interest payments on the obligations (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity risk (market risk).

Credit Default Swaps. The Registrant's investment strategy often involves the purchase and sale of credit derivatives contracts including credit default swaps for hedging, investment and other purposes. This may also include the purchase or sale of credit default swaps on a basket of reference entities.

As a buyer of credit default swaps, Clients are subject to certain risks in addition to those described under "Derivatives", below. In circumstances in which Clients do not own the debt securities that are deliverable under a credit default swap, Clients are exposed to the risk that deliverable securities will not be available in the market, or will be available only at unfavorable prices, as would be the case in a so-called "short squeeze". While the credit default swap market auction protocols reduce this risk, it is still possible that an auction will not be organized or will not be successful. In certain instances of issuer defaults or restructurings (for those credit default swaps for which restructuring is specified as a credit event), it has been unclear under the standard industry documentation for credit default swaps whether or not a "credit event" triggering the seller's payment obligation had occurred. The creation of the ISDA Credit Derivatives Determination Committee (the "Determination Committee") is intended to reduce this uncertainty and create uniformity across the market, although it is possible that the Determination Committee will not be able to reach a resolution or do so on a timely basis. In either of these cases, Clients would not be able to realize the full value of the credit default swap upon a default by the reference entity.

As a seller of credit default swaps, Clients may incur leveraged exposure to the credit of the reference entity and is subject to many of the same risks it would incur if it were holding debt securities issued by the reference entity. However, Clients will not have any legal recourse against the reference entity and will not benefit from any collateral securing the reference entity's debt obligations. In addition, the credit default swap buyer may have broad discretion to select which of the reference entity's debt obligations to deliver to the Client following a credit event and will likely choose the obligations with the lowest market value.

Derivatives. Derivative financial instruments (“derivatives”) include, without limitation, futures, options, interest rate swaps, forward currency contracts and credit derivatives such as credit default swaps. Engaging in over-the-counter (“OTC”) derivatives transactions subjects Clients to a variety of risks including but not limited to: (1) credit risk (the exposure to the possibility of loss resulting from a counterparty’s failure to meet its financial obligations); (2) interest rate risk (movements in interest rates); (3) basis risk (relative movements in two or more (related) rates or prices); (4) market risk (adverse movements in the price of a financial asset or commodity); (5) legal risk (the characterization of a transaction or a party’s legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could pre-empt otherwise enforceable contract rights); (6) operational risk (inadequate controls, deficient procedures, human error, system failure or fraud); (7) documentation risk (exposure to losses resulting from inadequate documentation); (8) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (9) systemic risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (10) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (11) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty).

Short Sales. The Registrant as part of its investment strategy may have the Clients engage in “short sales” (i.e. the sale of a security which the portfolio does not own in the hope of purchasing the same security at a later date at a lower price) in which there is no limit to the amount of potential loss. Clients will incur a loss as a result of a short sale if the price of the security increases between the date of the short sale and the date on which such Client covers its short position (i.e. purchases the security in the open market). Clients will realize a gain if the security declines in price between these dates by an amount sufficient to offset net expenses of the short sale. A short sale involves the theoretically unlimited risk of loss occasioned by an increase in the market price of the security that is the subject of the short sale.

Short sales can, in certain circumstances, substantially increase the impact of adverse price movements. A short sale of a security involves the risk of a theoretically unlimited increase in the market price of the security which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase. A number of governmental and regulatory agencies prohibited or materially restricted the short-selling of financial and other equities during the period following the Lehman Brothers bankruptcy. Certain of these restrictions are ongoing, and there are indications that certain restrictions may be reinstituted in jurisdictions in which they had been relaxed. Any ongoing restrictions on short-selling could materially adversely affect certain of the JAE Clients’ strategies.

Inflation. The enormous amounts of financial assistance which governments and central banks made available in an effort to resolve the “financial crisis” of 2007-2009 may influence material levels of inflation, particularly in the less developed nations in which the Registrant may invest a portion of a Client portfolio. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economics and securities markets of numerous economies. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on each Client’s returns. Certain of the markets in which the Clients invest may be particularly vulnerable to inflation.

Credit Strategies. The Registrant’s credit strategies attempt to take advantage of undervalued securities as well as relative mispricing. The identification of attractive investment opportunities in disrupted credit markets is difficult and involves a significant degree of uncertainty. The credit markets are, in general, highly susceptible to interest-rate movements, government interference, economic news, and investor sentiment. There has been significant volatility in the credit markets in recent years.

During periods of “credit squeezes” or “flights to quality” the market for credit instruments other than U.S. Treasury bills can become substantially reduced. This poses a particular risk that leveraged credit instrument positions held by hedge funds that pursue credit related investment strategies may need to be sold at discounts to fair value in order to meet margin calls. At the same time, the dealers may correspondingly reduce the value of outstanding positions, resulting in additional margin calls as loan to value triggers are hit under prime brokerage and swap agreements. The market for credit instruments has at times been so illiquid that a number of private investment funds had to sell otherwise highly desirable investments in other asset classes in order to meet margin calls on their credit positions.

Litigation Risk. Clients may be subject to judicial or governmental orders or claims from third parties seeking to recover from the Client’s assets that are alleged to lawfully belong to someone other than the Client. This circumstance may arise where a broker or trading counterparty of a Client becomes subject to regulatory, bankruptcy or insolvency proceedings. While generalisations are difficult and the specific outcome will depend on the particular facts, law and jurisdiction involved, in certain instances, the Client could potentially have a portion of its assets frozen or the Client could be required to return a portion of its assets to a court, governmental agency or third party claimant, as applicable. Any such actions would deprive the Client of the use of such assets and/or result in increased costs to the Client, and could materially impair the Client’s ability to execute its investment strategy and/or affect the Net Asset Value of the Client as a result. In addition, from time to time, the Client could be involved in other litigation or regulatory proceedings not related to the above, which could result in increased costs to the Master Fund and/or limit the ability of the Registrant to continue to pursue a Clients investment objective, resulting in losses to the Client and therefore to its investors.

Risks Relating to the Investment Manager and Clients

Operating History of the Investment Manager and the Sub-Investment Managers. The Investment Manager was formed in 2007. Robert Miller and the other personnel of the Investment Manager have significant experience in implementing similar strategies to those which are employed by Clients, both from their time at the Investment Manager when they have been involved in the management of the assets of various investment vehicles and before that time as part of other firms.

Investment Management Risk. The investment performance of Clients is dependent primarily on the services of certain key partners and employees of the Investment Manager, including in particular Robert Miller. In the event of the death, incapacity, departure or withdrawal of any of these individuals, the performance of the funds under management may be adversely affected.

In addition, some of the contractual arrangements in place with certain Client's counterparties provide or may in the future provide the relevant counterparties with rights of termination, if Robert Miller and/or certain other key employees and officers of the Investment Manager cease to have responsibility for managing the fund's investments. The assertion of such rights to terminate contracts could result in the Client's contractual positions being closed out on unsatisfactory terms and in a fewer number of potential counterparties in the future. The assertion of such rights may have a material adverse impact on the business and/or financial condition of the Client. There can be no assurance that the Registrant would be able to mitigate the effects of the loss of any such key individual.

Effect of Substantial Redemptions from Clients/Termination of Investment Management Agreements and Sub-Investment Management Agreements. Substantial redemptions by investors in the Clients within a short period of time and/or the termination of an Investment Management Agreement and/or a Sub-Investment Management Agreement could require the Registrant to liquidate positions in the Clients more rapidly than would otherwise be desirable, which could adversely affect the value of the Client's assets and/or disrupt the investment strategy of the Clients and/or, where relevant, the investment process and methodology of the Registrant and/or its affiliates. In each case, the resulting reduction in the Client assets could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base.

No JAE Client currently has any form of "gates" designed to protect Clients from the effect of substantial redemptions.

Other Activities of the Registrant. The Registrant currently manages a managed account and may from time to time in the future manage other customer accounts. Orders for accounts pursuing an investment strategy similar to that of the current Clients may occur contemporaneously. There is no specific limit as to the number of accounts which may be managed or advised by the Registrant.

The Investment Manager may manage accounts and perform investment management for other clients including for other investment funds. In addition, the Registrant and/or its affiliates and/or employees may from time to time have an interest, direct or indirect, in a security whose purchase or sale is recommended or which is purchased, sold or otherwise traded for a Client.

Execution Risks and Investment Manager Error. In order to seek positive returns in global markets, the Registrant's trading and investment for Clients will involve multiple portfolio managers, multiple instruments, multiple brokers and counterparties and multiple strategies. As a result, the execution of the trading and investment strategies employed by the Investment Manager for the Clients may often require rapid execution of trades, a high volume of trades, complex trades, difficult to execute trades, use of negotiated terms with counterparties and the execution of trades involving less common or novel instruments. In each case, the Registrant will seek best execution and have trained execution and operational staff devoted to executing, settling and clearing such trades. However, in light of the high

volumes, complexity and global diversity involved, some slippage, trading errors and miscommunications with brokers and counterparties are inevitable and may result in losses to the Clients. Such losses may be caused by the Client's brokers and counterparties or by the Investment Manager and/or its affiliates or by that of a combination of the broker or counterparty and the Investment Manager. The Investment Managers may, but is not required to, attempt to recover losses from brokers or counterparties. Investors in Clients of the Registrant should note the limitations on liability of the Registrant in the relevant Client offering documentation. Investment in Clients are only available for subscription by investors who understand that they and the Client are waiving potential claims for damages arising from the operation of the Client, which may include damages resulting from the Registrant's own negligence, and expect a certain level of execution losses to be incurred by the Client in which they have invested.

Business Continuity. The Registrant has emergency and disaster recovery plans in place that are designed to enable business to continue in the face of various adverse situations. However, there is no guarantee that any of these plans would be effective, particularly with respect to an unanticipated event.

Item 9. Disciplinary Information

There has been no disciplinary or legal matter with respect to the Registrant, its partners, officers or principals which is material to a client or prospective client's evaluation of the Registrant's advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

The Registrant has no registration or application pending to register as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading adviser (“CTA”) or associated person of an FCM, CPO or CTA.

The Registrant is part of a group structure.

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

Code of Ethics

The Registrant has instituted a Code of Ethics in adherence with SEC rule 204A-1 which establishes and inculcates the principle that the Registrant owes a fiduciary duty to its clients and therefore that the Registrant's employees must avoid any activities, interests and relationships that run contrary (or might be perceived to run contrary) to the best interests of its clients.

To ensure the appropriate treatment of clients and the ethical conduct of its partners, employees and associates, the Registrant seeks, by training, oversight and management communication and emphasis, to instill the following key tenets in all staff:

- *The client comes first* - As a fiduciary, the Registrant must act in clients' best interests and should the interests of it and a client ever conflict, the interests of the client would be put ahead of those of the Registrant. Neither the Registrant nor its affiliates or staff should benefit at the expense of its clients.
- *Conflicts of interest must be either avoided or adequately mitigated. In particular:*
 - *Personal investing is secondary to client interests and employees must adhere to the Registrant's Personal Account Dealing requirements* – to ensure employees' personal investing is appropriate and that there is no possibility (either perceived or actual) of employees taking advantage of information to which they are privy, personal investing is carefully controlled. This is done to ensure that no employee leverages from, or takes advantage of, the trading done by the Registrant or one of its affiliates (e.g. by practices such as "front-running" which are prohibited) on behalf of Clients.
 - *Staff should avoid taking advantage of their position* – Employees must not accept investment opportunities, gifts or other gratuities from individuals or entities seeking to conduct business with the Registrant, or any part of JAE, or on behalf of a client or counterparty where such opportunities, gifts or gratuities could create the appearance of impropriety or might otherwise influence a decision to conduct business with such other party. All gifts and hospitality received are to be reported and any gift with a high value must be pre-approved.
- *Full compliance with all relevant securities laws and regulations is essential.* All employees are required to abide by the relevant regulations and in particular the standards set forth in the Registrant's Code of Ethics.

The Registrant will provide a copy of its Code of Ethics to any client or prospective client upon request.

Personal Trading

As indicated in the Code of Ethics and detailed in the Personal Securities Transaction Policy (“PA Dealing Policy”), employees of the Registrant (and affiliated JAE entities) are allowed to engage in personal trading with Approved Brokers outlined in the PA Dealing Policy, provided that it is appropriate and that their focus is in the best interests of clients. Accordingly, they are expressly forbidden to purchase or sell any security, unless the transaction occurs in an *exempt* security or the employee has complied with the requirements of the PA Dealing Policy (summarized below).

All non-exempt personal account transactions must be pre-approved by the Chief Compliance Officer or his designate, and written clearance provided. Checks with traders and against the firm’s trading records are done before this approval is granted and records of those checks and the request and approval are maintained by the Chief Compliance Officer. A written form reminds the individual of their responsibilities and must be signed and completed to formally request approval for a personal transaction.

Permission will not be given to establish a position in any security that is, at the time of the request, held (long or short) or has been traded in the previous 30 days by any JAE fund under management. Trading by the JAE funds does not just apply to a particular security but to any relevant investment related to the same issuer. Permission to close existing positions that are, or have been, held by the JAE funds will only be granted providing there has been no trading on the day of the request (either known or contemplated).

No net short positions, synthetic or otherwise, are permitted and any position established must be held for a minimum of 30 days before it can be closed (in whole or in part). Options are permitted provided they are on an index and do not result in a net short position. This 30 day limit has been established to prevent short-term or frequent trading.

New employees are required to report all investments that are held at the date of their commencement of employment (e.g. via a statement of account) as well as quarterly. These initial investments may be sold, once employment has commenced, provided that prior written approval for the trade is obtained and a statement provided to the Chief Compliance Officer. All holdings reports must conform to the information requirements and should cover the individual and any other “relevant person” (i.e. linked individuals such as family members) and as defined in the PA Dealing Policy. They must also provide duplicate brokerage statements and disclose any new brokerage account (which must be with one of the brokers authorised for usage by the Registrant).

The Chief Compliance Officer ensures personal trading by the firm’s employees and partners is in compliance with the requirements of the PA Dealing Policy and the regulations and laws governing market conduct.

Material Non Public Information

All employees are given guidance and training to ensure that they are aware that whenever they receive, or intend to receive (whether deliberately or inadvertently), information which they believe might constitute material non public information (“MNPI”) about a company that has issued publicly traded securities (a “Public Company”) they must contact the Chief Compliance Officer. Where material non-public information has been received or is to be

received, the Chief Compliance Officer will immediately add the company to a Restricted List.

The Restricted List is circulated to all employees within the JAE Group, whether investment professionals or non investment professionals, on a contemporaneous basis and therefore all employees will be regarded as aware that the Registrant has had exposure to MNPI about a Public Company and therefore that trading in that company, and any relevant linked instruments, is restricted. No trading of securities in a company on the Restricted List is permitted by any employee. This includes, but is not limited to, trading in an employee's personal account or on behalf of a JAE Fund.

Employees are also responsible for notifying the Chief Compliance Officer of any other circumstances in which there might be a reason why the Registrant should be restricted or where there is any issue, individual or corporate, pursuant to the Code of Ethics.

Outside Business Activities

JAE employees generally may not be employed (either on a part-time, evening or weekend basis) or compensated by any business other than JAECM or one of its affiliates.

Approval of the Chief Compliance Officer for any of the above activities must be obtained prior to engaging in such activity so that determinations may be made regarding (1) the degree to which such activity may interfere with the employee's duties to JAECM and the Clients and (2) whether such activity involves conflicts of interest between JAECM and any Client that need to be disclosed and may require Client and/or Fund Investor consent.

Participation or Interest in Client Transactions

The Registrant manages JAE funds in which principals of JAE (or parties connected thereto) may have an aligned investment interest in a personal or otherwise connected capacity (e.g. as an investor in said JAE funds). The JAE Funds are managed in accordance with the investment management agreements detailed previously and the potential conflict of interest inherent in this arrangement namely that the investment manager may put their interests before those of stakeholders is managed, monitored and mitigated by the company's policies and procedures in particular its Conflicts of Interest and Allocation and Aggregation policies. These arrangements do not permit such action and monitoring seeks to ensure that this is the case.

Item 12. Brokerage Practices

Best Execution

The Registrant seeks to achieve best execution (namely the best possible result) for Clients. The Registrant regularly assesses the brokers (“execution venues”) available for execution and maintains an authorized broker list which governs the approved venues.

The Registrant exercises discretion in determining the most appropriate venue, and this selection and expertise is integral to the investment management service provided to investors. The venue selected will depend in part on the asset in question and may involve a counterparty for on or off exchange trading or a Regulated Market or Multilateral Trading Facility. In particular, the Registrant considers the following factors in determining the venue in which an order will be executed:

- price;
- costs;
- speed;
- likelihood of execution or settlement;
- size of the order;
- nature of the order;
- governing documentation (terms); and
- any other consideration relevant to the efficient execution of the order.

The relative importance of the factors is determined by considering:

- our clients’ characteristics;
- the characteristics and nature of orders;
- the characteristics of the financial instruments; and
- the characteristics of the execution venues.

Ordinarily, price will merit a relatively high importance in obtaining the best possible result as will liquidity. In over-the-counter markets, documentation provisions and counterparty credit ratings will also be pertinent. In certain circumstances, for some client orders, financial instruments or markets, JAE in its absolute discretion may decide that other factors are more important in determining the best possible execution result in accordance with our order execution policy.

Research and other Soft Dollar Benefits

The Registrant has not to date entered into any soft dollar arrangements and currently has a policy not to enter knowingly into any soft dollar arrangement. Research is provided to the Registrant by a range of brokers and sources. JAE does not use affiliated brokers or receive any compensation in connection with the purchase or sale of securities. Research obtained

may be considered to be a benefit to JAE because JAE does not have to produce or pay for the research, and it may create an incentive to select or recommend a broker-dealer based on receiving the research rather than on the clients' interest in receiving the most favorable execution. Research obtained by JCAM does not ever solely determine or decide the decision as to where an order is placed though it may be a consideration in the decision.

Allocation and Aggregation of Trades

The Registrant regularly reviews and updates its Allocation Policy which covers the methods by which the Registrant establishes, monitors and reviews its procedures and provisions to handle and allocate orders in a fair and appropriate manner and in accordance with the SEC's rules, in particular section 206 of the Investment Advisers Act.

Allocation and aggregation is managed based on clearly articulated principles (in particular the overarching principle that allocation is fair, appropriate and clearly justifiable in the context of the trading strategy of a Client) and intentions even when specific allocation proportion rules have not been assigned or are judged inappropriate in a particular instance.

Therefore, while the general rules seek to provide clarity and guidance with regard to allocation, there may be occasions where the restrictions applicable to a particular Client or the nature, risk profile or size of the trade require a different allocation. The strategies and investment parameters of a particular Client and the rationale for a particular trade will generally determine allocation. Allocations are monitored and reviewed regularly across Clients to ensure adherence to the Allocation and Aggregation Policy and to confirm that the allocation of investments among Client is appropriate and fair.

Orders are aggregated (or not) based upon the best interests of each Client. Generally, orders are placed concurrently or collectively to prevent a price move to the disadvantage of any one party. Where orders must be placed separately, the Registrant does not permit the interests of one Client to predominate over another.

Trade Errors

The Registrant seeks, in accordance with its fiduciary responsibilities, to effect orders correctly, promptly and in the best interests of the Registrant's clients. The Registrant has established policies and procedures regarding the handling of trading errors in which the Registrant treats all trading errors, including those which result in losses and those which result in gains, as for the account of the client, unless the errors are the result of conduct on the part of employees of the Registrant which is inconsistent with the appropriate standard of fiduciary care as established in the relevant Client PPM. In the event a trade error occurs, the Registrant's policy is to seek to identify and correct any errors as promptly as possible. The Registrant's trade error policies and procedures require the documentation of each identified trade error on an error form template, and the Chief Compliance Officer maintains an errors register. The Chief Compliance Officer and Chief Operating Officer review and sign each form and for significant occurrences, the Chief Executive Officer must also sign the error form, to demonstrate appropriate supervisory approval and remediation.

Agency Cross Trades

The Registrant does not conduct or participate in agency cross trades.

Item 13. Review of Accounts

The Registrant performs a review of client accounts ranging from a daily review of investment performance and exposures, to a monthly review of the net asset value and performance attribution of the Client account. Such reviews are conducted by senior management including the Chief Operating Officer, and senior investment professionals, including the Chief Investment Officer.

Investment performance information and reporting is provided to investors in the Clients on a regular basis by the Client's administrator (e.g. monthly net asset value statements are provided to investors). Other information may include portfolio and strategy information, performance and profit and loss information and exposure concentrations by region, sector and asset class. The Registrant also provides periodic written reports to provide further information on investment performance and portfolio positioning. Investors also receive fiscal year-end audited financial statements for the Clients in which they invest.

Item 14. Client Referrals and Other Compensation

The Registrant does not receive an economic benefit (e.g. sales awards or other prizes) from anyone that is not a client.

The Registrant does not compensate any person who is not a JAE employee for client referrals.

On occasion, potential investors to Clients are introduced by the Client's prime broker. Such introductions are entirely independent of, and do not influence, the decision to utilize a particular broker for a particular trade.

Item 15. Custody

The Registrant is considered under SEC rules to have custody of client assets. JAE, however, will not maintain physical possession of the funds or securities of its Clients. Custody of the assets of its Clients will be maintained with a Qualified Custodian. JAE has selected its Prime Broker as its Qualified Custodian, in its exclusive discretion, in which this selection may change from time to time generally without the consent of investors in JAE's Clients.

The Registrant is exempt from many of the provisions of the Custody Rule 206(4)-2, however, because each Client is audited in accordance with US generally accepted auditing standards ("US GAAS") on an annual basis by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. Audited Financial statements, prepared in accordance with US generally accepted accounting principles ("US GAAP"), are distributed to each investor in each Client within 120 days of the end of each fiscal year-end.

Item 16. Investment Discretion

The Registrant manages the Clients in accordance with the relevant investment management agreements within the parameters set out in the relevant offering documentation. The sub-investment management agreements (or in the case of the managed account, the investment management agreement) provide full discretion for the Registrant to determine the investment selection and portfolio with respect to certain assets of the Client funds.

Item 17. Voting Client Securities

The Registrant has authority to vote client securities under the terms of the sub-investment management agreements. Therefore, in accordance with SEC rule 206 (4)-6, the Registrant has adopted policies and procedures that are designed to ensure that it votes Client securities in the best interest of the Client or Clients in question. These procedures are detailed in the Registrant's Corporate Actions and Proxy Voting policy and the JAE Compliance Manual and address the management of the conflicts, material and otherwise, that may arise between the interests of the Registrant and/or the JAE Group and Clients or their investors.

The policies referred to above and a record of all of the proxy votes cast on behalf of the Clients are available to investors in Clients upon request.

Item 18. Financial Information

The Registrant does not require or solicit pre-payment of more than \$1,200 in fees per Client, six months or more in advance. There is no financial condition that is reasonably likely to impair the Registrant's ability to meet its contractual and fiduciary commitments to Clients and it has not been the subject of a bankruptcy petition at any point in the past ten years.

Item 19. Requirements for State-Registered Advisers

Not applicable.