

ITEM 1. COVER PAGE

Schechter Capital LP

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**Part 2A of Form ADV: Firm Brochure
March 28, 2013**

This brochure provides information about the qualifications and business practices of Schechter Capital LP. If you have any questions about the contents of this brochure, please contact us at cschechter@schechtercap.com. 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.

Additional information about Schechter Capital LP also is available on the SEC’s website at www.adviserinfo.sec.gov. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

Item 2 is not applicable to Schecter Capital LP as this is its initial brochure.

Item 3. Table of Contents

ITEM 1. COVER PAGE.....	1
ITEM 2.MATERIAL CHANGES	2
ITEM 3.TABLE OF CONTENTS	3
ITEM 4. ADVISORY BUSINESS	4
ITEM 5. FEES AND COMPENSATION.....	4
ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	5
ITEM 7. TYPES OF CLIENTS	5
ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	11
ITEM 9. DISCIPLINARY INFORMATION	11
ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	12
ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	12
ITEM 12. BROKERAGE PRACTICES	13
ITEM 13. REVIEW OF ACCOUNTS.....	15
ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION	15
ITEM 15. CUSTODY	15
ITEM 16. INVESTMENT DISCRETION.....	15
ITEM 17. VOTING CLIENT SECURITIES.....	15
ITEM 18. FINANCIAL INFORMATION	16
ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS.....	16

ITEM 4. ADVISORY BUSINESS

The Adviser

Schechter Capital LP (the “Adviser”) is an investment adviser organized as a Delaware limited partnership on February 25, 2013. The Adviser’s principal owner is Carl Schechter.

Advisory Services

The Adviser provides investment advisory services to a separately managed account (the “Managed Account”). As the investment adviser of the Managed Account, the Adviser’s services consist of identifying opportunities for acquisition, management, monitoring, and disposition of investments of the Managed Account. Investment advice is provided directly to the Managed Account, subject to the discretion and control of the owner of the Managed Account.

The Managed Account seeks to pursue risk arbitrage and event-driven investment strategies.

The Adviser may in the future organize investment funds or manage investment funds or separately managed accounts that may either co-invest with the Managed Account or follow an investment program similar to or different from the Managed Account’s program. The Adviser may also establish special purpose vehicles or subsidiaries and it or the Managed Account may invest in or act through such special purpose vehicles or subsidiaries.

Services are provided to the Managed Account in accordance with the investment management agreement between the Managed Account and the Adviser (the “Management Agreement”). Investment restrictions for the Managed Account, as amended from time to time, are established pursuant to the Management Agreement.

The Adviser does not participate in wrap fee programs.

Assets Under Management

The Adviser is newly formed. As of March 25, 2013, the Adviser managed \$0 on a discretionary basis and \$0 on a non-discretionary basis. The long positions held by the Managed Account are expected to have a market value of up to \$500,000,000.

ITEM 5. FEES AND COMPENSATION

As provided under the investment management agreement between the Adviser and the Managed Account, the Adviser will receive from the Managed Account both a monthly management fee at a fixed rate and an annual performance fee based upon the performance of the Managed Account. Although the Adviser has entered into agreements with the Managed Account providing for the below fees, the Adviser may negotiate alternative fees or allocations on a client-by-client basis with other funds or separate account clients that it manages in the future. Different client facts and circumstances will be considered in determining such fees or allocations, including the client’s investment strategy, assets under management, account composition, reporting requirements, economies of scale, if any, and any other factors the Adviser deems relevant. All such fees will be set forth in agreements with such clients.

Other Expenses

Expenses shall be borne in accordance with the Management Agreement.

The Adviser and its supervised persons do not accept compensation or commissions for the sale of securities or other investment products.

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

As disclosed above under Item 5, FEES AND COMPENSATION, the Adviser receives a Performance Fee based on performance of the Managed Account.

ITEM 7. TYPES OF CLIENTS

The Adviser currently provides investment advisory services to the Managed Account. Investment advice is provided directly to the Managed Account, subject to the discretion and control of the owner of the Managed Account.

The Adviser may in the future provide advisory services to funds and other separately managed accounts for high net worth individuals, trusts, estates, charitable organizations, pension plans, corporations, limited partnerships, limited liability companies, and similar entities.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

The Managed Account will invest in risk arbitrage and event-driven strategies.

Investment Risks

The Managed Account is subject to a high degree of investment risk, including the risk that the entire amount invested in the Managed Account may be lost. The Managed Account will make investments using strategies and financial techniques with significant risk characteristics. No guarantee is made that the investment objectives of the Managed Account will be realized. Below is a list of potential investment risk factors that are reportable in this brochure. There is no guarantee that this is a complete list of the risks, that the Managed Account will be able to control investment risks or that the risks will not aggregate in a manner adverse to the Managed Account.

The risks associated with particular investments by the Managed Account include, but are not limited to, the following:

Merger Arbitrage and Event Investing. Merger arbitrage and event investing require the Adviser to analyze and make judgments regarding the probability of events such as: the consummation or delay of, or failure to consummate, a merger and the price at which it occurs; the success or failure of a tender or exchange offer; the success, failure or delay of a corporate reorganization; and various bankruptcy related events. An unexpected number of incorrect judgments could result in substantial losses to the Managed Account.

Event investing is characterized by relatively small profits on a large number of investments and relatively large losses when an event goes wrong, either because the anticipated event does not happen or the terms are adversely changed. In addition, successful “event” investing requires the Adviser to analyze and evaluate the unique set of facts and circumstances of each event and to make judgments on the (i) realized price, (ii) time to completion, (iii) probability of success and (iv) loss if the investment goes wrong.

Financial Market Fluctuations. General fluctuations in the market prices of securities may affect the value of the investments held by the Managed Account. Instability in the securities markets will also likely increase the risks inherent in the Managed Account's investments. There is no guarantee that ordinary and prudent precautions for natural and other disasters will provide an effective connection between the Adviser and markets in the event of large-scale disruptions in the United States or, alternatively, in the countries where the Adviser executes trades.

Leverage. The Adviser may utilize leverage in investing the Managed Account's assets, including through engaging in trading on margin by borrowing funds and pledging securities as collateral. While such use of borrowed funds increases returns if the Managed Account earns a greater return on the incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns if the Managed Account fails to earn as much on such incremental investments as it pays for such funds. The effect of leverage may therefore result in a greater decrease in the net asset value of the Managed Account than if the Managed Account were not so leveraged. Any use by the Managed Account of short-term margin borrowings will result in certain additional risks to the Managed Account. In addition, the Managed Account may engage in certain derivative transactions which implicitly contain leverage and subject the Managed Account to the same risks discussed above.

Leveraged Companies. The Managed Account's investments may include companies whose capital structures have significant leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. The leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as downturns in the economy or deterioration in the condition of the portfolio company or its industry. Additionally, the securities acquired by the Managed Account may be the most junior in what will typically be a complex capital structure, and thus subject to the greatest risk of loss.

Risks of Derivative Instruments. The Managed Account may engage in a variety of derivative transactions. All derivative instruments, including options, forward contracts and swap contracts involve risks different from, and, in certain cases, greater than the risks presented by more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of derivatives.

Market Risk. This is the general risk attendant to all investments that the value of a particular investment will change in a way detrimental to the Managed Account's interests.

Management Risk. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument, but also of the derivative itself. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into and the ability to assess the risk that a derivative adds to the Managed Account's portfolio.

Counterparty Credit Risk. This is the risk that a loss may be sustained by the Managed Account as a result of the failure of the other party to a derivative (usually referred to as a "counterparty") to comply with the terms of the derivative contract. The credit risk for exchange-traded derivatives is generally less than for over-the-counter derivatives, because the clearing house, which is the issuer or counterparty to each exchange-traded derivative, provides additional protections in the event of non-performance by the counterparty. For operational reasons, the Managed Account may allow a prime broker to retain possession of collateral. To the extent the Managed Account allows a prime broker or any over-the-counter derivative counterparty to retain possession of any collateral, the Managed Account may be treated as an unsecured creditor of such counterparty in the event of the counterparty's insolvency.

Documentation Risk. Many derivative instruments also have documentation risk. Because the contract for each over-the-counter derivative transaction is individually negotiated with a specific counterparty, there exists the risk that the parties may interpret contractual terms (e.g., the definition of default) differently when the Managed Account seeks to enforce its contractual rights. If that occurs, the cost and unpredictability of the legal proceedings required for the Managed Account to enforce its contractual rights may lead the Managed Account to decide not to pursue its claims against the counterparty.

Liquidity Risk. Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many over-the-counter derivatives or the credit markets), it may not be possible to initiate a transaction or liquidate a position at an advantageous price. Less liquid derivatives may also fall more in price than other securities during market falls.

Leverage Risk. Because many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, rate or index may result in a loss substantially greater than the amount invested in the derivative itself. In the case of swaps, the risk of loss generally is related to a notional principal amount, even if the parties have not made any initial investment. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment.

Counterparty Risk. Certain markets in which the Managed Account may effect transactions are “over-the-counter” or “interdealer” markets, and may also include unregulated private markets. The participants in such markets typically are not subject to the same level of credit evaluation and regulatory oversight as are members of “exchange-based” markets. This exposes the investor to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Managed Account to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Managed Account has concentrated its transactions with a single or small group of counterparties. The Managed Account may also be exposed to similar risks with respect to non-U.S. brokers in jurisdictions where there are delayed settlement periods. The Managed Account is not restricted from dealing with any particular counterparty or from concentrating any or all transactions with one counterparty. The ability of the Managed Account to transact business with any one of a number of counterparties, the lack of any meaningful and independent evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Managed Account. Similar risks also arise in connection with derivative instruments and brokerage arrangements that the Managed Account may put in place. (See “Investment Risks-Risks of Derivative Instruments-Counterparty Credit Risk” and “Investment Risks-Custodial Risk.”)

Swaps. The Managed Account utilizes swaps and other derivative transactions to some degree where it believes it will further the objectives of the Managed Account. Notional amounts of swap transactions are not subject to any limitations, and swap contracts may expose the Managed Account to unlimited risk of loss. Swaps may be used as an alternative to futures contracts. To the extent the Managed Account invests in repos, swaps, forwards, futures, options and other “synthetic” or derivative instruments, counterparty exposures can develop and the Managed Account takes the risk of nonperformance by the other party on the contract. This risk may differ materially from those entailed in exchange-traded transactions which generally are supported by guarantees of clearing organizations, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. In the international securities markets, the existence of less mature settlement structures and systems can result in settlement default and exposure to counterparty credits.

Futures and Related Options. The Adviser may buy and sell futures contracts and related options on behalf of the Managed Account. A futures contract is an agreement between two parties to buy and sell a specific quantity of a commodity (including a securities index or an interest-bearing security) for a set price at a future date. The Managed Account may also buy and sell call and put options on futures or on securities indexes in addition to or as an alternative to purchasing or selling futures contracts, or, to the extent permitted by applicable law, to earn additional income.

The use of futures and options involves certain special risks. Futures and options transactions involve costs and may result in losses. Certain risks arise because of the possibility of imperfect correlations between movements in the prices of futures and options and movements in the prices of the underlying securities, securities index, currencies or other commodities or of the securities or currencies in the Managed Account's portfolio which are the subject of the hedge (to the extent the Managed Account uses futures and options for hedging purposes). The successful use of futures and options further depends on the Adviser's ability to forecast market or interest rate movements correctly. Other risks arise from the Managed Account's potential inability to close out its futures or options positions, and there can be no assurance that a liquid secondary market will exist for any futures contract or option at a particular time. The use of futures and options for purposes other than hedging is regarded as speculative. Certain regulatory requirements may also limit the Managed Account's ability to engage in futures and options transactions.

Short Sales. The Adviser makes short sales of investment securities on behalf of the Managed Account. In a short sale, the seller sells a security that it does not own, typically a security borrowed from a broker or dealer. Because the seller remains liable to return the underlying security that it borrowed from the broker or dealer, the seller must purchase the security prior to the date on which delivery to the broker or dealer is required. The making of short sales exposes the Managed Account to the risk of liability for the market value of the security that is sold, which is an unlimited risk due to the lack of an upper limit on the price to which a security may rise. In addition, there can be no assurance that securities necessary to cover a short position will be available for purchase or that securities will be available to be borrowed by the Managed Account at reasonable costs. If a request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, and the Managed Account may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short.

The SEC has in the past adopted interim rules requiring reporting of all short positions above a certain de minimis threshold. In addition, other non-U.S. jurisdictions where the Managed Account may trade have adopted reporting requirements. If the Managed Account's short positions or its strategy become generally known, it could have a significant effect on the Adviser's ability to implement its investment strategy. In particular, it would make it more likely that other investors could cause a "short squeeze" in the securities held short by the Managed Account forcing the Managed Account to cover its positions at a loss. Such reporting requirements may also limit the Adviser's ability to access management and other personnel at certain companies where the Adviser seeks to take a short position. In addition, if other investors engage in copycat behavior by taking positions in the same issuers as the Managed Account, the cost of borrowing securities to sell short could increase drastically and the availability of such securities to the Managed Account could decrease drastically. Such events could make the Managed Account unable to execute its investment strategy. The SEC has adopted restrictions on the short sale of securities which fall more than 10 percent in a given day (referred to as the "circuit breaker" or "modified uptick rule"). If the SEC were to adopt additional restrictions on short sales, such restrictions could restrict the Managed Account's ability to engage in short sales in certain circumstances, and the Managed Account may be unable to execute its investment strategy as a result.

The SEC and regulatory authorities in other jurisdictions may adopt bans on short sales of certain securities in response to market events. Bans on short selling may make it impossible for the Managed Account to execute certain investment strategies and may have a material adverse effect on the Managed Account's ability to generate returns. In addition, engaging in short selling may increase the risk of the Managed Account becoming subject to government investigation.

Lack of Liquidity in Markets. The markets for many securities and other investments are thinly traded from time to time. This lack of liquidity and market depth could disadvantage the Managed Account, both in the realization of the prices which are quoted and in the execution of orders at desired prices or in desired quantities. Also, domestic and international securities exchanges and the SEC and other regulatory authorities have authority to suspend trading in a particular security without notice.

Concentration of Investments. The Managed Account's assets may not be diversified. Any such non-diversification would increase the risk of loss to the Managed Account if there was a decline in the market value of any security or sector in which the Managed Account had invested a large percentage of its assets. Investment in a non-diversified fund will generally entail greater risks than investments in a diversified fund.

Currency Risk. The investments of the Managed Account that are not denominated in the U.S. dollar are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Officials in foreign countries may from time to time take actions in respect of their currencies that could significantly affect the value of the Managed Account's assets denominated in those currencies or the liquidity of such investments. A foreign government may also limit the convertibility or repatriation of its currency or assets denominated in that currency. The Managed Account may, but is not required to, invest in foreign currencies, foreign currency futures contracts and options thereon, forward foreign currency exchange contracts, or any combination thereof for hedging purposes, but there can be no assurance that such strategies will be implemented, or if implemented, will be effective.

Investment in Small Companies. There is no limitation on the size or operating experience of the companies in which the Managed Account may invest. Some small companies in which the Managed Account may invest may lack management depth or the ability to generate internally or obtain externally the funds necessary for growth. Companies with new products or services could sustain significant losses if projected markets do not materialize. Further, such companies may have, or may develop, only a regional market for products or services and may be adversely affected by purely local events. Such companies may be small factors in their industries and may face intense competition from larger companies and entail a greater risk than investment in larger companies.

Investment in Non-U.S. Securities. The Managed Account may invest in non-U.S. securities. Such investments may be subject to a greater risk than U.S. investments due to non-U.S. economic, political and legal developments, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), expropriation of assets or nationalization, imposition of taxes on dividends, interest payments, or capital gains, the need for approval by government or other authorities to make investments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities and other factors beyond the control of the Adviser. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive accounting, reporting or disclosure requirements than U.S. issuers. The securities markets of some countries in which the Managed Account may invest have substantially less volume than those in the United States, and securities of certain companies in these countries are less liquid and more volatile than securities of comparable U.S.

companies. Accordingly, these markets may be subject to greater influence by adverse events generally affecting the market, and by large investors trading significant blocks of securities, than is usual in the United States. Brokerage commissions and other transaction costs on securities exchanges in non-U.S. countries are generally higher than in the United States. Non-U.S. securities settlements may in some instances be subject to delays and related administrative uncertainties. In some countries there are restrictions on investments or investors such that the only practicable way for the Managed Account to invest in such markets is by entering into swaps or other derivative transactions with its prime brokers or others. Such transactions involve counterparty risks which are not present in the case of direct investments and which may not be controllable by the Adviser.

Market Disruption and Geopolitical Risk. The Managed Account is subject to the risk that war, terrorism, and related geopolitical events may lead to increased short-term market volatility and have adverse long-term effects on the U.S. and world economies and markets generally, as well as adverse effects on issuers of securities and the value of the Managed Account's investments. War, terrorism, and related geopolitical events have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and non-U.S. economies and markets generally. Those events as well as other changes in U.S. and non-U.S. economic and political conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of the Managed Account's investments. At such times, the Managed Account exposure to a number of other risks described elsewhere in this section can increase.

Portfolio Turnover. The Managed Account has not placed any limit on the rate of portfolio turnover, and portfolio securities may be sold without regard to the time they have been held when, in the opinion of the Adviser, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate, may act to reduce the Managed Account's investment gains, or create a loss for investors and may result in taxable costs for investors depending on the tax provisions applicable to such investors.

Other Instruments and Future Developments. The Managed Account may take advantage of opportunities in the area of swaps, options on various underlying instruments and swaptions and certain other customized "synthetic" or derivative investments in the future. In addition, the Managed Account may take advantage of opportunities with respect to certain other "synthetic" or derivative instruments which are not presently contemplated for use by the Managed Account or which are currently not available, but which may be developed to the extent such opportunities are both consistent with the Managed Account's investment objective and legally permissible for the Managed Account. Special risks may apply to the Managed Account's investments in the future.

Cash and Other Investments. The Managed Account may invest all or a portion of its assets in cash or cash items for investment purposes, pending other investments or as provision of margin for futures or forward contracts. These cash items must be of high quality at the time of investment and may include a number of money market instruments such as negotiable or non-negotiable securities issued by or short-term deposits with the U.S. and non-U.S. governments and agencies or instrumentalities thereof, bankers' acceptances, high quality commercial paper, repurchase agreements, bank certificates of deposit, and short-term debt securities of U.S. or non-U.S. issuers deemed to be creditworthy by the Adviser. A Managed Account may also hold interests in investment vehicles that hold cash or cash items. While investments in cash items generally involve relatively low risk levels, they may produce lower than expected returns, and could result in losses. Investments in cash items and money market funds may also provide less liquidity than anticipated by the Managed Account at the time of investment.

Liquidity Risk. The Managed Account may invest in assets and derivatives which it may not be able to readily sell or dispose of, including securities whose disposition is restricted by securities laws. The Managed Account's ability to sell assets or derivatives may be adversely affected by various factors, including limited trading volume, lack of a market maker, or legal restrictions. Other instruments, and in particular, caps, floors, collars and certain other derivatives, may also have varying liquidity and/or pricing availability. Short sales are particularly subject to liquidity risk because the Managed Account's purchase of securities or currencies to close out a short position can itself cause the price of the securities or currencies to rise further, thereby exacerbating the loss. It is also possible that an exchange or governmental authority may suspend or restrict trading on an exchange or in particular securities or other instruments traded on the exchange. It may not always be possible to execute a buy or sell order at the desired price or to liquidate an open position, either due to market conditions on exchanges or due to the operation of daily price fluctuation limits (the maximum permitted fluctuation in the price of a futures or options contract during any trading day) or "circuit breakers."

Custodial Risk. The Managed Account's prime brokers will have custody of the Managed Account's securities, cash, distributions and rights accruing to the Managed Account's securities accounts. SEC rules require the prime brokers to maintain physical possession and control of fully paid securities held in the Managed Account's account and to establish certain reserves for the benefit of customers. However, subject to these limitations, the prime brokers generally have the ability to loan, pledge, and rehypothecate the securities in the Managed Account's account, as is typical market practice, and may have insufficient assets to meet all of its obligations to customers in the event of an insolvency of the prime brokers. In such an event, the Managed Account would typically not have a right to recover its securities held by the prime brokers, but would rather have only an unsecured claim against the prime brokers and participate pro rata with other customers of the prime brokers in the proceeds of the sale of customer securities. Also, even if the prime brokers do have sufficient assets to meet all customer claims, there could be a delay before the Managed Account receives assets to satisfy its claims. In order to manage the risks associated with prime broker insolvency, the Managed Account may establish relationships with multiple prime brokers. However, there can be no assurance that the Managed Account will be able to establish or maintain such relationships. In addition, the Managed Account may not be able to identify potential solvency concerns with respect to the Managed Account's prime brokers or to transfer assets from one prime broker to another prime broker in a timely manner.

The prime brokers may hold the Managed Account's securities through third parties such as clearing corporations, other brokers or banks. In addition, the Managed Account may hold securities, cash and other assets directly with banks or other third parties not associated with the prime brokers. As a result, the Managed Account may be subject to credit risk with respect to such third parties as well as with respect to the prime brokers. In addition, certain of the Managed Account's assets may be held by non-U.S. affiliates of the Managed Account's prime brokers and entities other than the prime brokers. Assets held by such non-U.S. affiliates may be subject to legal regimes that provide fewer or different investment protections than the U.S.

Other Possible Risks

There is no assurance that the above list is complete or that there are not other risks that may exist now or may arise in the future.

ITEM 9. DISCIPLINARY INFORMATION

Item 9 is not applicable to the Adviser, as it has no reportable material legal or disciplinary events.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither the Adviser nor any of its management persons is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or associated person of any of the foregoing entities. Neither the Adviser nor any of its management persons has a related person among any of the categories enumerated in Item 10(C) of Form ADV Part 2A. Finally, the Adviser does not recommend or select other investment advisers for its clients for which the Adviser receives compensation directly or indirectly from those advisers that creates a material conflict of interest, nor does the Adviser have other business relationships with advisers that create material conflicts of interest.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

The Adviser intends to adopt a Code of Ethics (the “Code of Ethics”) that states that it is generally improper for the Adviser or employees or certain other persons covered by the Code of Ethics (as used in this Item 11.A, “employees”) to use for their own benefit (or the benefit of anyone other than a client) information about the Adviser’s trading or investment recommendations for a client or take advantage of investment opportunities that would otherwise be available for a client. The Code of Ethics will require all employees to comply with applicable U.S. federal securities laws at all times. The Code of Ethics will prohibit personal trading in certain securities if the employee has actual knowledge that the security is being considered for purchase or sale for the Adviser’s clients, certain short-term trading and short sales in certain securities. The Code of Ethics also includes a 5-day blackout period designed to prevent front-running and various other activities that create conflicts with the interests of clients.

The Code of Ethics will outline written policies regarding personal trading in any brokerage or trading account in which an employee, or any member of such employee’s immediate family, has any direct or indirect control or beneficial ownership. The personal trading policies adopted by the Adviser generally restrict personal trading of certain securities and require employees to seek pre-approval prior to trading in certain securities. An employee is required to disclose all of his or her personal account holdings to the Adviser upon employment. Employees must provide certain monthly securities holdings reports and, subject to certain exemptions, employees of the Adviser must provide the Adviser with contemporaneous duplicate copies of all transaction confirmation statements and account statements.

The Code of Ethics requires the chief compliance officer to regularly monitor all trading activity in personal accounts to determine whether all personal trading activity in its employees’ accounts is consistent with the requirements set forth in the Code of Ethics and does not otherwise indicate any improper trading activities. Employees are required to immediately report any violation of the Adviser’s personal trading policies to the chief compliance officer.

This summary of the Code of Ethics is qualified in its entirety by the Code of Ethics of the Adviser, which is available to clients and prospective clients upon request sent to cschecter@schectercap.com.

Conflicts of Interest

The material reportable conflicts of interest encountered by the Managed Account include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by the Managed Account. Other conflicts may be disclosed throughout this brochure, which should be

read in its entirety. The Adviser has adopted policies and procedures to address and mitigate conflicts of interest, including those described below.

Transactions with Affiliates. Currently, the Managed Account is the sole client of the Adviser executing portfolio transactions. However, the Adviser may in the future organize funds or manage investment funds or separately managed accounts (collectively, “Related Funds”). Although other Related Funds may pursue investment objectives that are similar to the Managed Account, and investments will generally be allocated proportionately to each of the Managed Account and the Related Funds with similar investment objectives, the portfolios of the Managed Account and such other Related Funds may differ as a result of purchases and redemptions being made at different times and in different amounts, as well as because of different tax and regulatory considerations. The Managed Account may enter into “rebalancing” transactions with other Related Funds that have the same investment objectives as the Managed Account when contributions or withdrawals of capital to or from either the Managed Account or the other Related Funds change the ratio of Managed Account assets to the assets of other Related Funds. The purpose of any such rebalancing transactions would be to bring each Related Fund’s exposure to a commonly held investment into line with each Related Fund’s percentage of total equity under management. The Managed Account could be a purchaser or a seller in such rebalancing transactions. All “rebalancing” transactions: (i) would be effected for cash consideration at the current fair value of the particular securities, (ii) would not involve restricted securities or securities for which market quotations are not readily available, and (iii) if executed through a broker, generally would not involve any brokerage commission fee (except for customary transfer fees and brokerage fees for transactions involving U.S. options or certain non-U.S. equities or where some or all of a position is in a swap) or other remuneration.

Personal Trading. The Adviser maintains compliance policies and procedures, including personal trading policies, which are designed to reduce potential conflicts of interest. (See “Code of Ethics” above).

ITEM 12. BROKERAGE PRACTICES

Brokerage Policy and Procedures

It is the Adviser’s policy to execute portfolio transactions for client accounts in the best interests of clients, including to seek to obtain “best execution” of each and every transaction made by the Adviser for a client’s account (except where the Adviser does not have the authority to select the broker or dealer or to negotiate the price or commission). The term “best execution” means seeking the best price and execution for a security in the marketplace as well as ensuring that, in executing client transactions, clients do not incur unnecessary brokerage costs and charges. The Adviser is not obligated to obtain the lowest possible commission cost, but rather, should determine whether the transaction represents the best qualitative execution for clients. The Adviser has adopted procedures to help it apply this policy.

Carl Schecter will be responsible for monitoring client accounts for compliance with the Adviser’s policy on best execution. The Adviser also evaluates, and seeks to resolve, any conflicts of interest that it may have in selecting brokers to execute client transactions.

Selection of Broker-Dealers

Subject to the consent of the owner of the Managed Account with respect to the choice of brokers generally, the Adviser is solely responsible for choosing the broker or brokers used for each securities transaction for the Managed Account. In negotiating commission rates and selecting broker/dealers, the Adviser will take into account the financial stability and reputation of the particular broker/dealer, the ability to achieve prompt and reliable executions at favorable prices, the operational efficiency with which transactions are effected and the brokerage and research services provided by such broker/dealer,

among other factors. Since commission rates are generally negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable.

Research and Other Soft Dollar Benefits

The Adviser believes that valuable brokerage and research services can be provided to the Funds by brokerage firms effecting transactions for the Funds. Accordingly, the Adviser does not intend to seek lower brokerage commissions to the extent that doing so might detract from the provision of such brokerage and research services. Brokerage and research services may either be obtained from brokerage firms or paid for by brokerage firms and may include, but are not limited to, written information and analyses concerning specific securities, companies or sectors; news, quotation, statistics and pricing services, as well as discussions with research personnel and consultants; and software, data bases and other technical and telecommunications services and equipment utilized in the investment management process and consulting fees in connection with investigating and monitoring potential and existing investments. Research services may be proprietary research (created or developed by the broker-dealer) and research created or developed by a third party. Research services, whether obtained by the use of commissions arising from the Managed Account's portfolio transactions or paid for by the Adviser and charged to the Managed Account as described above, may be used by the Adviser for the benefit of other separate accounts or funds that may be organized or managed by the Adviser in the future. In formulating and implementing its policies with regards the use of commissions or "soft dollars" it is the Adviser's intent to stay within the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended.

When the Adviser uses brokerage commissions to obtain research or other products or services, the Adviser receives a benefit because the Adviser does not have to produce or pay for such research, products or services. The Adviser may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than in the Adviser's clients interest in receiving most favorable execution.

Directed Brokerage

The Adviser generally does not have client directed brokerage arrangements, although it intends to establish policies and procedures in the case of such arrangements. Use of directed brokerage arrangements may deprive a client of benefits that might otherwise be obtained by "bunching" the client's order with orders for other Adviser client accounts and may result in the client's paying a higher commission rate, receiving less favorable execution than if the Adviser had discretion to select the broker or negotiate the commission rate, or orders being placed at different times and potentially after orders are placed for clients who have not implemented directed brokerage arrangements.

Aggregation of Orders

Currently, the Managed Account is the sole client of the Adviser executing portfolio transactions. However, the Adviser may in the future organize Related Funds (investment funds (including parallel funds for employees of the Adviser or parallel funds designed for other purposes)) or manage other separately managed accounts that may either co-invest with the Managed Account or follow an investment program similar to or different from the Managed Account's program. Purchase and sale orders generally will be combined for Related Funds with each entity paying its pro rata share of the total commission and paying or receiving its pro rata share of the total cost or sales proceeds. From the standpoint of Managed Account, simultaneous identical portfolio transactions for the Managed Account and the other Related Funds may decrease the prices received, and increase the prices required to be paid, by the Managed Account for its portfolio sales and purchases.

The Adviser will not be obligated to place all transactions on a “bunched” basis, and in determining whether or not to “bunch” orders the Adviser will rely on the judgment of certain of its trading personnel as to what course of action is likely to be fair and in the best interests of the relevant accounts on an overall basis. That is, the Adviser will seek to avoid putting any client account at an advantage or disadvantage compared to the Adviser’s other client accounts that are buying or selling the same security. Each client participating in a “bunched” order will participate at the same price as all other participants, and all transaction costs on the order will be allocated *pro rata* to all participating clients.

ITEM 13. REVIEW OF ACCOUNTS

Oversight and Monitoring

The Adviser provides continuous advisory services for the Managed Account. The portfolio investments of each Fund are primarily reviewed by Carl Schecter.

Reporting

The Adviser provides reports with respect to the Managed Account in accordance with the Management Agreement.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

The Adviser does not receive any economic benefit from someone who is not a client for providing investment advice or other advisory services to its clients, nor does the Advisor compensate any person for client referrals.

ITEM 15. CUSTODY

Item 15 is not applicable to the Adviser.

ITEM 16. INVESTMENT DISCRETION

The Adviser provides investment advice directly to the Managed Account pursuant to the Management Agreement. Powers of attorney and any restrictions on the Adviser authority are set forth pursuant to the Management Agreement.

ITEM 17. VOTING CLIENT SECURITIES

The Adviser intends to adopt voting policies and procedures that are designed to ensure that in cases where the Adviser votes proxies with respect to the Managed Account’s securities, such proxies are voted in the best interest of the Managed Account, and in so doing, the Adviser will maximize the economic value of the investments made by the Managed Account. It is the general policy of the Adviser to vote or give consent on all matters presented to security holders in any vote, and the Adviser’s policies and procedures will be designed with that in mind. However, the Adviser reserves the right to abstain on any particular vote or otherwise withhold its vote or consent on any matter if, in the judgment of Carl Schecter

or the relevant Adviser investment professional, the costs associated with voting such vote outweigh the benefits to the relevant clients or if the circumstances make such an abstention or withholding otherwise advisable and in the best interests of the relevant Fund. Additionally, the owner of the Managed Account may instruct the Adviser in writing not to vote with respect to any particular vote.

This summary of the Adviser's voting policies and procedures is qualified in its entirety by the Adviser's voting policies and procedures. The Adviser will make information regarding how proxies were voted available upon request to any client and a copy of the Adviser's voting policies and procedures is available to any client upon request sent to cschecter@schectercap.com.

ITEM 18. FINANCIAL INFORMATION

Item 18.A is not applicable to the Adviser, as it does not require or solicit prepayment of fees six months or more in advance.

In response to Item 18.B, the Adviser is not currently aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to the Managed Account.

Item 18.C is not applicable to the Adviser, as it has not been subject to a bankruptcy petition during the past ten years.

ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Item 19 is not applicable to the Adviser as it is not registered with any State securities authority.