

Form ADV, Part 2A: Firm Brochure  
Three Corner Global Investors LP

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This Form ADV, Part 2A (the “**Brochure**”) provides information about the qualifications and business practices of Three Corner Global Investors LP (the “**Firm**” or “**TCG**”). If you have any questions about the contents of the Brochure, please contact us at (212) 294-4400. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about TCG also is available on the SEC’s website at <http://www.adviserinfo.sec.gov>. Although TCG may refer to itself as a “registered investment adviser” or describe itself as being “registered,” this registration with the SEC does not imply a certain level of skill or training.

## **Item 2: Material Changes**

This amendment to the Brochure, previously dated May 2013, is being submitted in conjunction with the Firm's obligation to update its Form ADV to indicate its continued eligibility to remain registered with the SEC by virtue of having regulatory assets under management of \$100 million or more. Please refer to Item 4 for the Firm's current regulatory assets under management.

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## Item 4: Advisory Business

### A. Description of the Firm

Three Corner Global Investors LP is a newly formed Delaware limited partnership that serves as an investment manager and provides discretionary investment advisory services to Three Corner Offshore L/S Fund Ltd. (the “**Offshore Fund**”) and Three Corner L/S Fund LP (the “**Domestic Fund**”) each of which invests substantially all of its assets, directly or indirectly, through Three Corner Master L/S Fund LP (the “**Master Fund**” and together with the Offshore Fund and Domestic Fund, the “**Funds**” or “**Clients**”). The Funds are pooled investment vehicles whose principal investment objective is to achieve attractive levels of risk-adjusted capital appreciation. An affiliate of TCG serves as the general partner of the Domestic Fund and Master Fund. TCG was formed in December 2012 by Gunnar Overstrom who is the principal owner of TCG.

The Funds are offered only to investors who are both “accredited investors” and “qualified clients,” as those terms are defined in the Securities Act of 1933, as amended (the “**Securities Act**”) and the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”).

### B. Description of Advisory Services

TCG provides investment advice in the form of research and analysis and directs the investment policies and strategies of the Funds, including acquiring long positions and short positions using primarily both equity securities and, more opportunistically, credit securities of financial services, business services, real estate, industrial, consumer discretionary and consumer staples issuers.

### C. Customized Advisory Services

TCG utilizes the same investment strategy for all of its Funds. However, it may tailor its advisory services to the specific needs of its Clients when deemed necessary or as required by the Funds’ governing documents. TCG has full discretion to make investment decisions on behalf of the Funds. Investment advice is provided directly to each Fund in accordance with its investment objectives.

### D. Wrap Fee Programs

The Firm does not participate in wrap fee programs.

### E. Assets Under Management

TCG manages on a discretionary basis approximately \$182.3 million in regulatory assets under management.

## Item 5: Fees and Compensation

### A. Management Fees

Pursuant to the terms of the investment management agreement with the Funds, TCG is entitled to receive as compensation for its advisory services a management fee (“**Management Fee**”) based on the net assets of the Funds. In addition, an affiliate of TCG is entitled to a performance-based incentive allocation which is further described further in Item 6.

While TCG’s policy is that its fees are not negotiable, TCG reserves the right to waive, reduce or calculate differently its Management Fee for certain investors in its sole discretion. In particular, certain affiliates or employees of TCG that are investors in the Funds do not pay management fees.

While TCG does not ordinarily expect to earn other fees or income (“**Ancillary Fees**”) from services provided or related to portfolio investments or in connection with portfolio investments or prospective portfolio investments, such as, without limitation, advisory fees, due diligence fees, structuring fees, servicing fees, directors’ fees, break-up fees or any similar fees, such Ancillary Fees will not reduce the performance based incentive allocation or Management Fee.

### B. Timing of Fee Payments

Management Fees are paid quarterly in advance and may be deducted from the Funds’ assets and to the extent that an incentive allocation based on investment performance is earned, the Master Fund will reallocate from each series capital account to the capital account of the General Partner of the Master Fund at the end of each fiscal year.

### C. Additional Fees and Expenses

Investors in the Funds will not only bear TCG’s fees, but also other fees and expenses of the Funds which are more fully outlined in the private offering and/or governing documents of each Fund. Such expenses shall generally include, without limitation, the Management Fee; investment expenses (such as brokerage commissions, expenses relating to short sales, clearing and settlement charges, custodial fees, bank service fees and interest expenses, proxy solicitation expenses, voting service providers); investment-related travel expenses, professional or consulting fees relating to investments or portfolio management; expenses associated with research and brokerage services; fees and expenses relating to software tools, programs or other technology utilized in managing the Funds; administrative expenses; legal expenses; external accounting and valuation expenses; audit and tax preparation expenses; costs related to errors and omissions insurance for the General Partner and the Firm; costs associated with reporting

and distribution of information to investors; entity-level taxes; corporate licensing; expenses related to preparing and making regulatory and compliance filings (including Form PF) associated with the Funds and their investment activities; organizational expenses; expenses incurred in connection with the offering and sale of the Interests and other similar expenses related to the Funds; indemnification expenses; and extraordinary expenses.

#### D. Pre-Paid Fees

Where Management Fees are paid in advance, they will be prorated for any subscription or redemption by an investor that is effective other than as of the first or last day, respectively, of a fiscal quarter.

#### E. Employee Compensation for Sales of Securities

Neither TCG nor any of its supervised persons accepts compensation for the sale of securities or other investment products.

## Item 6: Performance-Based Fees

The general partner (the “**General Partner**”) of the Master Fund receives a performance-based incentive allocation in connection with the management of the Master Fund, calculated annually on the basis of unrealized appreciation of the Master Fund’s portfolio.

This incentive allocation may give rise to potential conflicts of interest, including, but not limited to, the incentive to make investments that are riskier or more speculative than would be the case in the absence of such fees; the incentive to provide biased valuations; the incentive to time investments so as to maximize the incentive allocation rather than the return of the Funds.



## **Item 7: Types of Clients**

The Firm provides advisory services to pooled investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended.

The minimum investment in each Fund is generally \$5 million, although the Firm maintains discretion to individually waive, increase or reduce the minimum investment required. Investors in the Funds include high net worth individuals, fund of hedge funds, trusts, financial institutions, U.S. and non-U.S. corporations and other institutional investors.

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

### A. Methods of Analysis

The Funds' principal investment objective is to achieve attractive levels of risk-adjusted capital appreciation. Security selection is based on significant domain expertise and a rigorous, fundamentally driven research process.

While TCG will examine all industry sectors for attractive investment opportunities, it expects to focus its research efforts initially on the financial services, business services, real estate, industrial, consumer discretionary and consumer staples sectors. The Firm will invest in markets across the globe, including in developed, emerging and selected "frontier" economies, including companies of small, mid and large capitalization (collectively, the "**Core Investable Universe**").

Under the guidance and control of the Portfolio Manager who has final authority over all portfolio decisions, TCG employs a carefully constructed and disciplined investment process. The investment process is divided into five stages: sourcing, framing, researching, investing and managing.

**Sourcing** - TCG sources ideas primarily from its Core Investable Universe. It seeks to focus only on those opportunities where it believes it can earn attractive risk-adjusted returns.

**Framing** - TCG categorizes the nature of the sourced investment idea and determines whether the idea merits further research time and effort and places most potential investment ideas in one of three categories: secular opportunities, cyclical opportunities, or company specific/idiosyncratic opportunities.

**Researching** – During the research stage, TCG focuses on rigorous, fundamental company-specific analysis with the goal of producing primary, valued-added research.

**Investing** - When and if the research case is validated, an idea is evaluated as a potential investment. In the investment stage, TCG quantifies the potential returns available in both favorable and adverse cases.

**Managing** - Investments are added and/or removed from the portfolio in the managing stage. Potential and existing long and short ideas are regularly evaluated based on their absolute level of expected return, reward vs. risk cases, expected return horizon and estimated volatility of results over the expected return horizon. Positions are initially sized and subsequently managed based, in part, on this analysis.

## B. - C. Risk of Loss

Investing in the Funds involves significant risk that investors must be prepared to bear. The risks inherent to the strategies employed by the Firm, including those listed below, are described in further detail in the respective Fund's offering documents.

**Risk of Loss.** No guarantee or representation is made that the Funds' investment program, including, without limitation, the Funds' investment objective, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. *No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. Past investment results of the investment professionals of the Firm are not necessarily indicative of their future performance.*

**Long/Short.** The success of the Funds' long/short investment strategy depends upon TCG's ability to identify and purchase securities that are undervalued and identify and sell short securities that are overvalued. The identification of investment opportunities in the implementation of the Funds' long/short investment strategies is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. In the event that the perceived opportunities underlying the Funds' positions were to fail to converge toward, or were to diverge further from values expected by the Firm, the Funds may incur a loss. In the event of market disruptions, significant losses can be incurred which may force the Funds to close out one or more positions. Furthermore, the valuation models used to determine whether a position presents an attractive opportunity consistent with the Firm's long/short strategies may become outdated and inaccurate as market conditions change.

**Short Selling.** The success of the Funds' short selling investment strategy depends upon the Firm's ability to identify and sell short Securities that are overvalued. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Funds of buying those securities to cover the short position. There can be no assurance that the Funds will be able to maintain the ability to borrow securities sold short. In such cases, the Funds can be "bought in" (*i.e.*, forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Short strategies can also be implemented synthetically through various instruments and be used with respect to indices or in the over-the-counter market and with respect to futures and other instruments. In some cases of synthetic short sales, there is no floating supply of an underlying instrument with which to cover or close out a short position and the Funds may be entirely dependent on the willingness of over-the-counter market makers to quote prices at which the synthetic short position may be unwound. There can be no assurance that such market makers will be willing to make such quotes. Short strategies can also be implemented on a leveraged

basis. Lastly, even though the Funds secure a “good borrow” of the security sold short at the time of execution, the lending institution may recall the lent security at any time, thereby forcing the Funds to purchase the security at the then-prevailing market price, which may be higher than the price at which such security was originally sold short by the Funds.

**General Economic and Market Conditions.** The success of the Funds’ activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Funds’ investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of the prices and the liquidity of the Funds’ investments. Volatility or illiquidity could impair the Funds’ profitability or result in losses. The Funds may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets.

**Current Economic Conditions in European Countries.** Certain European countries, including Greece, Ireland, Italy, Portugal and Spain, are currently experiencing varying degrees of financial distress. Risks from the debt crisis in Europe could result in a disruption of the financial markets, which could have a detrimental impact on global economic conditions. Recently, contagion fears have expanded to Spain and Italy, and credit spreads widened further in European peripheral countries and European banks. There remains considerable uncertainty as to future developments in the European debt crisis and the impact on global financial markets. A significant deterioration of the European debt crisis could result in material reductions in the value of sovereign debt and other asset classes, disruptions in capital markets, widening of credit spreads, loss of investor confidence in the financial services industry, a slowdown in global economic activity, and other adverse developments that could negatively impact the performance of the Funds.

**Short-Term Market Considerations.** The Firm’s trading decisions may be made on the basis of short-term market considerations, and the portfolio turnover rate could result in significant trading related expenses.

**Leverage and Borrowing.** It is not currently expected that the Funds will employ financial leverage to buy additional long positions or borrow against the Funds’ long portfolio in order to purchase additional long positions. However, in the event that the Funds do so, the following risk factors may apply.

*Leverage for Investment Purposes.* The use of leverage will allow the Funds to make additional investments, thereby increasing its exposure to assets, such that its total assets may be greater than its capital. However, leverage will also magnify the volatility of changes in the value of the Funds’ portfolio. The effect of the use of leverage by the Funds in a market that moves adversely to its investments could result in substantial losses to the Funds, which would be greater than if the Funds were not leveraged.

*Borrowing for Cash Management Purposes.* The Funds have the authority to borrow for cash management purposes, such as to satisfy withdrawal requests. The rates at and terms on which the Funds can borrow will affect the operating results of the Funds.

*Collateral.* The instruments and borrowings utilized by the Funds to leverage investments may be collateralized by all or a portion of the Funds' portfolio. Accordingly, the Funds may pledge their securities in order to borrow or otherwise obtain leverage for investment or other purposes. Should the securities pledged to brokers to secure the Funds' margin accounts decline in value, the Funds could be subject to a "margin call", pursuant to which the Funds must either deposit additional funds or securities with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The banks and dealers that provide financing to the Funds can apply essentially discretionary margin, "haircut", financing and collateral valuation policies. Changes by counterparties in any of the foregoing may result in large margin calls, loss of financing and forced liquidations of positions at disadvantageous prices. Lenders that provide other types of asset-based or secured financing to the Funds may have similar rights. There can be no assurance that the Funds will be able to secure or maintain adequate financing.

*Costs.* Borrowings will be subject to interest, transaction and other costs, and other types of leverage also involve transaction and other costs. Any such costs may or may not be recovered by the return on the Funds' portfolio.

**Diversification and Concentration.** TCG may select investments that are concentrated in a limited number or types of securities. This limited diversification may result in the concentration of risk, which, in turn, could expose the Funds to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in such securities.

**Lending of Portfolio Securities.** The Funds may lend securities on a collateralized and an uncollateralized basis from its portfolio to creditworthy securities firms and financial institutions. While a securities loan is outstanding, the Funds will continue to receive the equivalent of the interest or dividends paid by the issuer on the securities, as well as interest on the investment of the collateral or a fee from the borrower. The risks in lending securities, as with other extensions of credit, include potential defaults by the borrower (including, without limitation, a default in its obligation to return the securities to the Funds or their obligation to pay fees and other amounts in respect of the lending arrangement) and the counterparty credit risk related to the borrower (including, without limitation, a bankruptcy of the borrower). Such risks may be mitigated in collateralized securities lending arrangements but such arrangements are subject to other risks (such as possible delay in receiving additional collateral, depreciation in the value of the collateral, possible loss of rights in the collateral and possible defaults by the issuers of the collateral) and may not fully protect the Funds in all circumstances. For instance, if a borrower became insolvent, the bankruptcy court or the relevant court or administrator may challenge the security interest of the Funds in the collateral. Also, a rapid and substantial depreciation in the value of the collateral that occurs prior to the insolvency of the borrower may limit the ability of

the Funds to fully recover on its claims against the borrower under the collateralized securities lending arrangement.

**Fundamental Analysis.** Certain trading decisions made by TCG may be based on fundamental analysis. Data on which fundamental analysis relies may be inaccurate or may be generally available to other market participants. To the extent that any such data are inaccurate or that other market participants have developed, based on such data, trading strategies similar to the Funds' trading strategies, the Funds may not be able to realize their investment goals. In addition, fundamental market information is subject to interpretation. To the extent that the Firm misinterprets the meaning of certain data, the Funds may incur losses.

**Analytical Model.** The Funds will employ certain strategies which depend upon the reliability, accuracy and analysis of TCG's analytical models. To the extent such models (or the assumptions underlying them) do not prove to be correct, the Funds may not perform as anticipated, which could result in substantial losses. All models ultimately depend upon the judgment of the Firm and the assumptions embedded in them. To the extent that with respect to any investment, the judgment or assumptions are incorrect, the Funds can suffer losses.

**Small- and Medium- Capitalization Companies.** Investments in securities of smaller-capitalization companies involve higher risks in some respects than do investments in securities of larger "blue-chip" companies. For example, prices of securities of small-capitalization and even medium-capitalization companies are often more volatile than prices of securities of large-capitalization companies and may not be based on standard pricing models that are applicable to securities of large-capitalization companies. Furthermore, the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) may be higher than for larger, "blue-chip" companies. Finally, due to thin trading in the securities of some small-capitalization companies, an investment in those companies may be illiquid.

**Equity Securities.** The value of equity securities of public and private, listed and unlisted companies and equity derivatives generally varies with the performance of the issuer and movements in the equity markets. As a result, the Funds may suffer losses if it invests in equity instruments of issuers whose performance diverges from TCG's expectations or if equity markets generally move in a single direction and the Funds has not hedged against such a general move. The Funds also may be exposed to risks that issuers will not fulfill contractual obligations such as, in the case of convertible securities or private placements, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

**Debt Securities.** Debt securities of all types of issuers may have speculative characteristics, regardless of whether they are rated. The issuers of such instruments (including sovereign issuers) may face significant ongoing uncertainties and exposure to adverse conditions that may

undermine the issuer's ability to make timely payment of interest and principal in accordance with the terms of the obligations.

**Derivative Instruments.** Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk. Derivatives traded over-the-counter may not have an authoritative source of valuation and the models used to value such derivatives is subject to change. The regulatory and tax environment for derivative instruments in which the Funds may participate is evolving, and changes in the regulation or taxation of such securities may have a material adverse effect on the Funds.

**Undervalued Securities.** The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Funds' investments may not adequately compensate for the business and financial risks assumed.

**Expense Allocation.** The Funds' expenses, other than the Management Fee and any expenses which the General Partner or similar managing body determines in its sole discretion should be allocated to a particular investor, will generally be charged to all investors on a *pro rata* basis. To the extent that expenses to be borne by the Funds are paid by the General Partner or the Firm, the Funds will reimburse such party for such expenses. Expenses incurred for the Funds will be allocated among the Funds in proportion to the size of the investment made by each, or in such other fair and equitable manner.

**Item 9: Disciplinary Information**

TCG is not aware of any legal or disciplinary events that are material to the evaluation of its advisory business or the integrity of its management.



## Item 10: Other Financial Industry Activities and Affiliations

### A. Broker Dealer Registration

Neither TCG nor any of its management persons is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

### B. Futures and Commodities Registration

Neither TCG nor any of its management persons is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of any of the foregoing entities.

### C. Financial Industry Affiliations

TCG has created a strategic relationship with Corsair Capital LLC (“**Corsair**”), whereby Corsair is a minority owner of the Firm and General Partner, and the Portfolio Manager is a minority owner of Corsair. TCG believes that this relationship will provide it with certain benefits and opportunities, such as access to Corsair’s broad network and research flow, which should benefit its idea generation and investment research process. TCG does not anticipate that the investment activities of Corsair will typically compete or conflict with those of the Funds or have a material adverse effect on the Funds or its ability to carry out its investment program. Corsair advises private equity funds which principally focus on a limited number of private control and significant minority investments in the financial services sector, while the Funds focuses on non-control, liquid market investments across multiple sectors, as described in Item 8 herein. However, certain conflicts and restrictions on the Funds’ activities may result from TCG’s relationship with Corsair. In the event that a conflict of interest arises, TCG will attempt to minimize any adverse effect on the Funds and resolve such conflict in a fair and equitable manner. Corsair is not responsible for the day to day management of TCG or any investment decision of the Funds nor is Corsair a fiduciary to TCG’s Funds and investors.

To identify and address potential conflicts of interest, as well as comply with applicable legal, regulatory and contractual requirements, TCG and Corsair have each implemented certain policies and procedures (including information barriers and separate restricted securities trading lists) which are designed to permit meaningful interactions between the two firms while managing the risk of the Funds being limited in, or precluded from, pursuing certain investment opportunities. As a result, the Funds will not necessarily be restricted from transacting in securities of an issuer if Corsair possesses material non-public information about the issuer. However, to avoid any appearance of impropriety, TCG’s restricted securities trading list will include all portfolio companies owned by Corsair funds and all companies on which a Corsair

employee maintains a board seat. TCG may also include other issuers on its restricted securities trading list, in its sole discretion, including any issuers about which TCG obtains material non-public information. TCG believes that its restricted securities trading list will not have a material impact on the Funds' investment activities or opportunities.

While TCG will seek to avoid, it may from time to time receive material non-public information with respect to an issuer of publicly traded securities. In such circumstances, and in other circumstances in TCG's sole discretion, the issuer will be added to its restricted securities trading list and the Funds will be restricted from buying or selling securities issued by, or financial instruments referenced to, such issuers until the material non-public information known to TCG becomes public or is no longer material and the issuer is removed from TCG's restricted securities trading list. This may result in the Funds being prohibited for a period of time from (i) unwinding a position in an issuer, (ii) establishing an initial position or taking any greater position in an issuer, and (iii) pursuing other investment opportunities related to an issuer.

#### D. Recommendation of Investment Advisers

TCG does not recommend or select other investment advisers for its Clients.

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

### A. Code of Ethics

TCG recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its Clients; (ii) its long-term business interests are best served by adherence to the principle that the interest of Clients come first; and (iii) it has a fiduciary duty to its Clients to act in or not opposed to the best interests of the Clients.

Pursuant to this, TCG has adopted a Code of Ethics (the “**Code**”) to ensure that it fulfills its role as a fiduciary to its Clients. The Code obligates TCG and its related persons to put the interests of Clients before their own interests and to act honestly and fairly in all respects in their dealings with Clients. TCG’s personnel are also required to comply with applicable provisions of federal securities laws and make prompt reports of any actual or suspected violations of such laws by TCG or its related persons.

The Code addresses, among other things, the following:

- General standards of conduct for personnel;
- Requirements related to confidentiality;
- Pre-clearance of personal securities transactions of personnel and immediate family members; and
- Reporting of all personal securities transaction on at least a quarterly basis.

The Code is distributed at the time of hire and annually thereafter. On an annual basis, TCG requires all employees to certify that they are in compliance with the Code and attend an annual training session with respect to the Code.

Investors and prospective investors may obtain a copy of the Code upon request by contacting TCG at (212) 294-4400 or [ir@ThreeCornerGlobal.com](mailto:ir@ThreeCornerGlobal.com).

### B. Securities Recommendations

TCG and its related persons do not recommend to Clients, nor do they buy or sell on behalf of Clients, any securities that TCG or a related person has a material financial interest.

### C. Securities Trading by Employees

The Code generally prohibits personnel from initiating new investments in publicly-traded equity securities or other financial instruments that the Funds may invest but allows them to hold for

their own account securities or other financial instruments that were acquired prior to their employment by TCG. In certain limited circumstances and in conformity with the policies and procedures set forth in the Code, personnel may from time to time make personal investments in publicly traded equity securities or other financial instruments in which the Funds may invest. Such investments will be approved, in the case of liquid securities (i.e. exchange traded funds) where such investment is highly unlikely to affect the price or availability of any similar investment by the Funds. The foregoing transactions are subject to, and reported to the CCO who will consider the general guidelines above as well as any other relevant factors in order to decide whether to decline or approve any personal securities transaction.

#### D. Timing of Securities Recommendations

TCG and its related persons do not recommend to Clients, nor do they buy or sell on behalf of Clients, any securities at or about the same time that the same securities are bought or sold for its own or a related person's account.

## Item 12: Brokerage Practices

### A. Directed Brokerage and Soft Dollars

TCG has complete discretion in deciding which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions or markups and markdowns paid.

Portfolio transactions for the Funds will be allocated to brokers and dealers on the basis of numerous factors and not necessarily lowest pricing. Brokers and dealers may provide other services that are beneficial to TCG and/or certain accounts, but not beneficial to all accounts. Subject to best execution, in selecting brokers and dealers (including prime brokers) to execute transactions, provide financing and securities on loan, hold cash and short balances and provide other services, TCG may consider, among other factors that are deemed appropriate to consider under the circumstances, the following: the ability of the brokers and dealers to effect the transaction; the brokers' or dealers' facilities, reliability and financial responsibility; and the provision by the brokers of capital introduction, talent introduction, marketing assistance, consulting with respect to technology, operations and equipment, commitment of capital, access to company management and access to deal flow.

Accordingly, the commission rates (or dealer markups and markdowns arising in connection with riskless principal transactions) charged to the Funds by brokers or dealers in the foregoing circumstances may be higher than those charged by other brokers or dealers that may not offer such services. TCG need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost or spread. Generally, neither TCG nor the Funds separately compensates any broker or dealer for any of these other services.

If TCG decides, based on the factors set forth above, to execute over-the-counter transactions on an agency basis through Electronic Communications Networks ("ECNs"), it will also consider the following factors when choosing to use one ECN over another: the ease of use; the flexibility of the ECN compared to other ECNs; and the level of care and attention that will be given to smaller orders.

TCG maintains policies and procedures to review the quality of executions, including periodic reviews by its investment professionals.

From time to time, TCG may pay a broker-dealer commissions (or markups or markdowns with respect to certain types of riskless principal transactions) for effecting Fund transactions in excess of that which another broker-dealer might have charged for effecting the transaction in recognition of the value of the brokerage and research services provided by the broker-dealer. TCG will effect such transactions, and receive such brokerage and research services, only to the extent that they fall within the safe harbor provided by Section 28(e) of the Exchange Act and

subject to prevailing guidance provided by the SEC regarding Section 28(e). TCG believes it is important to its investment decision-making processes to have access to independent research.

Also, consistent with Section 28(e), research products or services obtained with “soft dollars” generated by the Fund may be used by TCG to service one or more other accounts (e.g., investment funds, separately managed accounts, proprietary accounts or other investment vehicles to which TCG may in the future provide investment management services) including accounts that may not have paid for the soft dollar benefits. TCG does not seek to allocate soft dollar benefits to accounts in proportion to the soft dollar credits the accounts generate. Where a product or service obtained with soft dollars provides both research and non-research assistance to TCG (*i.e.*, a “mixed use” item), TCG will make a good faith allocation of the cost which may be paid for with soft dollars. In making good faith allocations of costs between administrative benefits and research and brokerage services, a conflict of interest may exist by reason of TCG’s allocation of the costs of such benefits and services between those that primarily benefit TCG and those that primarily benefit Funds.

When TCG uses brokerage commissions (or markups or markdowns) generated by the Funds to obtain research or other products or services, TCG receives a benefit because it does not have to produce or pay for such products or services. TCG may have an incentive to select or recommend a broker-dealer based on TCG’s interest in receiving research or other products or services, rather than on a Fund’s interest in receiving most favorable execution.

At least annually, TCG considers the amount and nature of research and research services provided by broker-dealers, as well as the extent to which such services are relied upon, and attempts to allocate a portion of the brokerage business of the Funds on the basis of that consideration. Broker-dealers sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocation, but can (and often does) exceed the suggested level, because total brokerage is allocated on the basis of all of the considerations described above. In no case will TCG make binding commitments as to the level of brokerage commissions it will allocate to a broker-dealer, nor will it commit to pay cash if any informal targets are not met. A broker-dealer is not excluded from receiving business because it has not been identified as providing research products or services.

From time to time, brokers (including the prime brokers) may assist the Funds in raising additional funds from investors. Additionally, brokers may provide capital introduction and marketing assistance services, and representatives of TCG may speak at conferences and programs sponsored by the brokers, for investors interested in investing in private investment funds. Through such events, prospective investors in the Funds may encounter representatives of TCG. Brokers may also provide other services, including, without limitation, consulting services relating to technology and office space. Although neither TCG nor the Funds compensates brokers for such assistance, events or services, or for any investments ultimately made by prospective investors attending such events, such activities may influence TCG in deciding whether to use such broker in connection with brokerage, financing and other activities of the Funds. Subject to its obligation to seek best execution, TCG may consider referrals of investors to the Funds in determining its selection of brokers. However, TCG will not commit to an investor or a broker to allocate a particular amount of brokerage in any such situation.

Additional costs could be incurred in connection with the Funds' non-U.S. investment activities. Non-U.S. brokerage commissions generally are higher than in the United States. Increased custodian costs as well as administrative difficulties (such as the applicability of non-U.S. laws to non-U.S. custodians in various circumstances, including bankruptcy, ability to recover lost assets, expropriation, nationalization and record access) may be associated with the maintenance of assets in non-U.S. jurisdictions.

The Funds' investment program emphasizes active management of the Funds' portfolio. Consequently, the Funds' portfolio turnover and brokerage commission expenses may exceed those of other investment entities of comparable size.

#### B. Aggregation and Allocation of Investments

TCG's Clients are organized in a "master-feeder" structure and only one Client (i.e., the Master Fund) will make portfolio investments. Accordingly, TCG will not need to aggregate the purchase or sale of securities among its Clients or face trade allocation issues.

The Funds may on occasion experience errors with respect to trades made on its behalf. TCG generally will endeavor to detect trade errors prior to settlement and correct and/or mitigate them in an expeditious manner. To the extent an error is caused by a counterparty, such as a broker-dealer, TCG will seek to recover any losses associated with such error from the counterparty. TCG and its affiliates and personnel will generally not be liable to the Funds for any act or omission, absent bad faith, gross negligence, willful misconduct or actual fraud and the Funds will generally be required to indemnify such persons against any losses they may incur by reason of any act or omission related to the Funds, absent bad faith, gross negligence, willful misconduct or actual fraud. As a result of these provisions, the Funds (and not TCG) will benefit from any gains resulting from trade errors and will be responsible for any losses (including additional trading costs) resulting from trade errors and similar human errors, absent bad faith, gross negligence, willful misconduct or actual fraud. TCG will offset any such net gains and net losses resulting from trade errors and, in the case of new losses for whom TCG is responsible under relevant exculpation provisions, TCG will reimburse the Funds of the Master Fund, as applicable, for such net losses.

## **Item 13: Review of Accounts**

### **A. – B. Review of Client Accounts**

The Firm's Portfolio Manager and other members of the trading/operations/accounting group monitor Client portfolios on an ongoing basis. This analysis may include a review of: the portfolio valuation, cash activity and margining. In addition, on a daily basis the Funds' administrator reconciles its knowledge of the Funds' cash activity, trading activity and securities positions with that of the Funds' prime brokers and custodians.

Members of the operations/accounting group review the books and records maintained by the administrator on a weekly and monthly basis to determine the reasonableness of the net asset values determined by the administrator. The CCO, the Chief Operating Officer and the Portfolio Manager will also monitor each Fund on an ongoing basis to ensure compliance with investment restrictions and guidelines.

### **C. Reporting to Investors**

Investors in the Funds receive monthly unaudited statements directly the Funds' independent administrator. Audited year-end financial statements are provided to investors annually.



## **Item 14: Client Referrals and Other Compensation**

### **A. Other Compensation**

TCG does not receive an economic benefit from a third party for providing investment advice or other advisory services to Clients.

### **B. Client Referrals**

At this time, TCG does not directly or indirectly compensate any third party for Client or investor referrals. If TCG determines to enter into such an arrangement in the future, this Item will be amended as appropriate.

## Item 15: Custody

While TCG may be deemed to have custody of Client funds and securities, it does not maintain physical custody of Client assets. All Client assets and securities are held at accounts maintained in their name with qualified custodians within the meaning of Rule 206(4)-2 under the Advisers Act (the “**Custody Rule**”).

TCG further complies with the Custody Rule by timely providing investors in the Funds with audited annual account statements of the Funds, prepared by an independent public accountant in accordance with generally accepted accounting principles. Investors in the Funds also receive monthly account statements directly from the Funds’ independent administrator.

## **Item 16: Investment Discretion**

TCG has discretionary investment authority to manage securities accounts on behalf of the Funds. Generally, this discretionary authority is provided in the applicable offering and/or governing documents of the Funds. TCG will buy and sell securities and other instruments for the Funds on a discretionary basis in a manner consistent with each Fund's stated investment objectives and restrictions.

## Item 17: Voting Client Securities

### A. Proxy Voting

TCG has adopted a proxy voting policy as required by the Advisers Act. The policy provides that the Firm will act in the best interests of our Clients when determining if and how to vote proxies of Client securities. In addition, TCG has retained Institutional Shareholder Services (“ISS”), a subsidiary of MSCI Inc., on behalf of the Funds to monitor proxy votes pertaining to portfolio securities, provide research and recommendations on such votes, cast such votes in accordance with our policies and maintain records with respect to such votes. Our general policy is to cast proxy votes (or abstain from casting a vote) in a manner that serves the best interests of the Funds as reflected in ISS’s shareholder value proxy voting guidelines. TCG may refrain from voting proxies with respect to securities it is otherwise eligible to vote that are not held in the Funds’ portfolios as of the deadline for casting such vote. As a matter of policy, TCG will refrain from voting proxies of portfolio securities residing in share blocking jurisdictions, that is, in jurisdictions which bar the trading of a security pending a proxy vote in which one has cast a vote.

TCG addresses conflicts of interest between itself and the Funds, to the extent any such conflicts exist, principally by relying on the proxy voting recommendations of ISS. However, TCG is not bound by those recommendations and may vote proxies contrary to ISS’s recommendations when TCG deems it in the best interests of the Funds to do so. In any event, to the extent such a conflict exists, TCG will always cause the Funds to vote proxies in a manner it believes to be in the best interests of the Funds.

TCG’s proxy voting policy and procedures are available for review. Please contact us at (212) 294-4400 or [ir@ThreeCornerGlobal.com](mailto:ir@ThreeCornerGlobal.com) if you have any questions or if you would like to review either of these documents.

**Item 18: Financial Information**

The Firm does not charge or solicit pre-payment of \$1200 in fees per Client six or more months in advance.

The Firm does not believe that there are any financial conditions reasonably likely to impair its ability to meet its contractual commitments to its Clients.

**Item 19: Requirements for State-Registered Advisers**

Not applicable.