

CANNAE ADVISORS LLC

Part 2A of Form ADV

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This Brochure (the “Brochure”) provides information about the qualifications and business practices of Cannae Advisors LLC (“Cannae”). If you have any questions about the contents of this Brochure, please contact Cannae’s Chief Compliance Officer at (203) 861-8405. Registration with the SEC does not imply a certain level of skill or training. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about Cannae is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES AND GENERAL INFORMATION

None.

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ITEM 4 – ADVISORY BUSINESS

Cannae was founded in 2008 as a Connecticut limited liability company by Jonathan Daniel Seymour. Cannae is owned and controlled by Mr. Seymour.

Cannae provides discretionary investment advice to a managed account (“Managed Account”) in a private investment fund (the “Fund”) pursuant to the terms, guidelines and restrictions provided in an investment management agreement (“IMA”) with the Fund. As of the date of this Brochure, Cannae’s investment advisory services are provided exclusively to the Fund; Cannae is not currently seeking to raise additional capital or obtain new clients.

The Managed Account’s gross market value cannot exceed \$450 million without prior approval from the Fund’s general partner. As of July 31, 2014 the Managed Account’s gross market value was approximately \$178.6 million.

ITEM 5 – FEES AND COMPENSATION

Our management fee is paid monthly in advance and is based on our annual operating expense budget determined through negotiations with the Fund’s general partner.

We are also entitled to receive an annual performance fee (subject to a hurdle rate and high water mark) calculated based on net trading profits (after the deduction of losses carried forward from the previous year, if any) as of the end of each calendar year. The performance fee is calculated by the Fund’s administrator and approved by the general partner – we neither calculate the performance fee, nor authorize its payment.

Other fees and expenses borne by the Managed Account include a pro rata share of the Fund’s administration fees and expenses as well as any transaction or investment fees or expenses related to the Managed Account’s activities.

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

Performance-based fees can provide an incentive to take excessive risks. However, the Fund’s general partner (who is not affiliated with Cannae and does not receive a performance-based fee) is the Fund’s risk manager and monitors the Managed Account’s trading and investment activity daily. Per the IMA, the trading discretion granted to Cannae is subject to the general partner’s general direction concerning matters of risk and Cannae therefore cannot act independently with respect to decisions on the amount of investment risk taken in the Managed Account.

Performance-based fees can also create an incentive to overvalue assets, thereby inflating net trading profits through unrealized appreciation. However, Cannae has no authority to value the Managed Account’s assets; it is the general partner (who is not affiliated with Cannae and does not receive a

performance-based fee) that is responsible for the final determinations on the valuation of the Managed Account's positions.

Our investment advisory services are provided exclusively to the Fund through the Managed Account, therefore we do not have any favouritism related conflicts with respect to the receipt of performance based fees.

ITEM 7 – TYPES OF CLIENTS

Cannae provides investment advice exclusively to the Fund through the Managed Account.

Interests in the Fund, and the Fund itself, are not registered under the U.S. Securities Act of 1933, as amended and are excepted from the definition of an "investment company" under Section 3(c)(7) of the Investment Company Act of 1940, as amended. Accordingly, interests in the Fund are offered exclusively to investors satisfying the applicable eligibility and suitability requirements either in private placement transactions within the United States or in offshore transactions. Investors in the Funds are also Qualified Eligible Persons as defined in the Commodity Exchange Act.

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

We seek to identify relative value investment opportunities in credit markets. Investments are selected on the basis of our belief that they are incorrectly priced relative to other securities based on fundamental and quantitative research. We also make opportunistic investments in structured notes and hedge the Managed Account's exposures to the risks specific to a particular investment and the credit markets generally.

Instruments traded may include but are not limited to: stocks, bonds, debt instruments (investment and non-investment grade), high yield bonds, loans, futures, derivatives, structured notes, asset backed securities, convertible and preferred securities, and warrants and other rights to purchase shares, collateralized debt and loan obligations, bank debt, floating rate notes or any other types of financial instruments unless otherwise prohibited in the IMA. Derivative instruments may include: credit derivatives, options, exchange-traded or over-the-counter derivatives, swaps (including basket swaps, equity swaps, credit default swaps, contracts for difference and total return swaps) as well as deliverable and non-deliverable forward contracts.

If we cannot identify attractive investment opportunities because they are either not available or because we are wrong in our value assessment, the Managed Account's performance may be adversely impacted.

Alternative investment strategies are speculative and involve a high degree of risk, including, without limitation, risks associated with limited diversification, leverage, interest rates, currencies, volatility, tracking risks in hedged positions, security borrowing risks in short sales, credit deterioration or default

risks, operational risks, counterparty risk and other risks inherent in the Managed Account's investment activities and financial instruments traded. The use of leverage can magnify the impact of adverse market moves to which the Managed Account may be subject. Investments may be materially affected by conditions in the financial markets and overall economic conditions occurring globally or in particular countries or markets in which the Managed Account invests. There may be risks that are not monitored or controlled by us and risks that may be greater than forecasted, especially in unusual market conditions. Information used to manage risks may not be accurate, complete or current, or misinterpreted by us.

Investment Risk: Inherent in any alternative investment strategy is the risk of total loss of capital. We cannot predict, measure or hedge all market, or other risks inherent in our investment strategies. We may choose, or may determine that it is economically appropriate to not hedge certain risks. The profitability of our investment strategies depends to a great extent on our ability to correctly assess the future course of price movements of securities and other investments. There can be no assurance that we will be able to accurately predict price movements. The performance of any investment is subject to numerous factors which we cannot predict or control. These factors include a wide range of economic, political, competitive and other conditions (including acts of terrorism and war) that may affect investments in general or in specific industries or companies. Market volatility may cause performance to fluctuate substantially over time.

We may not accurately predict what the exit strategy will ultimately be for any given position. Exit strategies which appear to be viable when an investment is initiated may be precluded due to economic, legal, political or other factors.

Competition: There is currently, and will likely be, competition for investment opportunities with other investors having investment objectives and strategies like those of the Managed Account. Performance may be adversely impacted if competition prevents or hinders the Managed Account's ability to participate in certain investment opportunities.

Execution, Market and Liquidity Risk: We may trade in markets that are volatile and which may become illiquid. Closing positions may be difficult if there is a significant decrease in trading volume or increase in price volatility. Orders may not be executed timely or efficiently in periods of market distress due to various circumstances including liquidity and market restrictions.

At times, the fixed income markets have experienced significant falloffs in liquidity. While such events may sometimes be attributable to changes in interest rates or other factors, the cause is not always apparent. During periods of market illiquidity, we may not be able to close out positions or may only be able to do so at unfavourable prices. This liquidity risk could adversely impact the performance of the Managed Account and may be difficult or impossible to hedge against. We may also invest in financial instruments that are not publicly traded and may not be able to readily dispose of such instruments and, in some cases, may be contractually prohibited from disposing of such securities for a specified period of time.

The prices of securities can be highly volatile. Price movements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events. Although market volatility can create trading opportunities, too much volatility may create additional risks that may impact our ability to put on and maintain effective hedges. It can cause the correlation between long positions and hedges to diverge, with the hedge having the opposite effect of that intended.

Securities of Non-U.S. Companies: Investments in securities of non-U.S. issuers have a range of risks which may include expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, political or social instability, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding securities of non-U.S. issuers, and non-U.S. issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to, or as uniform as, those of U.S. issuers. There may also be less government supervision and regulation of exchanges, brokers and issuers than there is in the U.S., and we may have greater difficulty taking appropriate legal action in non-U.S. courts. Non-U.S. markets also have different clearance and settlement procedures which in some markets have at times failed to keep pace with the volume of transactions, creating substantial delays and settlement failures that could adversely affect the Managed Account's performance. Transaction costs of investing in non-U.S. securities markets may be higher than in the U.S., and securities denominated or whose prices are quoted in non-U.S. currencies also pose currency exchange risks (including blockage, devaluation and non-exchangeability).

Developing or Emerging Markets: Any of our investment strategies may be executed in developing or emerging markets. In addition to the risks for securities of non-U.S. companies, developing or emerging markets may be more likely than developed markets to experience periods of illiquidity, market disruptions, political instability, economic distress, social instability, rule changes, restrictions on capital movement, etc.

Debt Securities: The Managed Account may invest in debt securities, bonds, or other fixed income securities and loan instruments of U.S. and non-U.S. sovereign and corporate issuers that pay fixed, variable, or floating rates of interest. The value of fixed income securities and loans in which the Managed Account may invest can change in response to fluctuations in interest rates and/or to perceptions of creditworthiness, political stability or soundness of economic policies. These fluctuations may be more acute with respect to high yield and distressed issuers. The value of fixed income securities can also be impacted by dealer and market liquidity, particularly in periods of significant financial market stress.

Evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparisons across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads used to value securities. A major economic recession could severely disrupt the market for debt

securities and may have an adverse impact on the value of securities. In addition, it is likely that an economic downturn will increase defaults by issuers who are become unable repay principal and interest on their debt securities.

At times, the fixed income markets have experienced significant falloffs in liquidity. While such events may sometimes be attributable to changes in interest rates or other factors, the cause is not always apparent. During periods of market illiquidity, we may not be able to close out positions or may only be able to do so at unfavourable prices. This liquidity risk could adversely impact the performance of the Managed Account and may be difficult or impossible to hedge against.

Distressed and High Yield Securities: We may invest in “below investment grade” securities and obligations of issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Among the risks inherent in investments in troubled companies is the fact that it may be difficult to obtain information as to the true condition of the issuers. These investments may also be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and the bankruptcy court’s power to disallow, reduce, subordinate or disenfranchise particular claims. Debt securities of troubled companies may not pay interest or dividends, whether inherently or by reason of default, whereas healthier issuers typically will pay interest or dividends on their debt securities.

We may also invest in bonds of issuers that do not have publicly traded equity securities, making it more difficult to hedge the risks associated with such investments.

Asset-Backed Securities (“ABS”): We invest in ABS backed by pools of a variety of assets, including, for example: auto loans, equipment leases and servicer advances. ABS typically include the obligations of a number of different parties and use credit enhancement techniques such as subordination, guarantees or preference rights. Each type of ABS also entails unique risks depending on the type of assets involved and the legal structure used. The value of an ABS is affected by changes in the market's perception of the assets backing the security and the creditworthiness of the servicing agent for the loan pool, the originator of the loans or the financial institution providing any credit enhancement, as well as by the expiration of any credit enhancement. ABS are subject to interest rate risk and, to a lesser degree, prepayment risk. ABS may not have the benefit of a security interest in the related collateral. Even if an ABS is secured by the securities' underlying loans, upon the occurrence of an event of default, the holders of the ABS may be unable to liquidate the underlying loans for an amount sufficient to pay all amounts due on the ABS. In addition, the underlying loans may not be secured by collateral however, even if an underlying loan is secured by collateral, the value of the collateral may depreciate more quickly than the amortization of the underlying loan. Therefore, if a borrower defaults on an underlying loan, there is a risk that recoveries on repossessed collateral may not be sufficient to pay the underlying loan in full. In these cases, the related ABS may suffer losses, the risks being mitigated or increased depending upon the ranking in the issuer's capital structure of such asset-backed securities. The risk of

investing in asset-backed securities is ultimately dependent upon payment of the underlying consumer loans or other receivables by the debtors, and investors in ABS are less likely to benefit from recoveries on any collateral if consumers default on the loan.

Collateralized Debt Obligations: We may invest in senior, subordinated and equity securities issued by issuers of collateralized debt obligations ("CDOs"). CDOs are subject to credit, liquidity and interest rate risks. A holder of CDO equity will typically have limited remedies available in the event of default. CDOs often invest in concentrated portfolios of assets thereby increasing the risks associated with any obligor or industry to which the CDO is exposed that would be the case if the portfolios were more diversified. The value of a CDO will generally fluctuate with, among other things, the financial condition of the obligors or issuers of the underlying portfolio of the CDO ("CDO Collateral"), general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. If distributions on and/or the realization of the CDO Collateral are insufficient to make payments on the CDO securities, no other assets will be available for payment of the deficiency; the issuer will generally have no obligation to make up a deficiency. CDO Collateral may include leveraged loans, high yield (generally unsecured) debt securities, asset-backed securities and other financial instruments (including derivatives), which often are rated below investment grade. The lower ratings of high yield securities and below investment grade loans reflect a greater possibility that adverse changes in the financial condition of an issuer or in general economic conditions or both may impair the ability of the related issuer or obligor to make payments of principal or interest.

Commercial Mortgage-Backed Securities ("CMBS"): CMBS are often structured so that a substantial portion of the loan principal is payable at maturity and repayment of the loan principal therefore depends upon the future availability of real estate financing from the existing or an alternative lender and/or upon the current value and salability of the real estate. Most commercial mortgage loans underlying CMBS are effectively nonrecourse obligations of the borrower, meaning that there is no recourse against the borrower's assets other than the collateral. If borrowers are not able or willing to refinance or dispose of encumbered property to pay the principal and interest owed on their mortgage loans, payments on the subordinated classes of the related CMBS are likely to be adversely affected

Collateralized Loan Obligations ("CLOs"): CLOs are limited recourse obligations of the issuer payable solely from the cash flow obligations of the underlying assets. CLO investors must rely solely on distributions of cash flows for the payment of principal and interest. If distributions of cash flows are insufficient to make full payment, no other assets are available from which to pay any deficiencies. If economic conditions are unfavourable, or a liquidity crisis persists, or there is not a sufficient volume of new CLO transactions or other sources of funding, the underlying loans may either be extended or the borrowers may default. This may negatively impact the value of existing CLOs, particularly lower-rated mezzanine tranches and subordinated tranches.

Subordinated Securities: We may invest in subordinated or residual ("first loss securities" or "equity tranches") securities of ABS, CDOs and CLOs. These securities, while offering significant return potential,

involve greater credit risk of default than the senior classes of the issue or series. First loss securities absorb all losses from default before any other class of securities is at risk, particularly if such securities have been issued with little or no credit enhancement or equity.

Loan Participations and Assignments: We may invest in corporate loans acquired through assignment or participations. There generally will not be any right to directly enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set-off against the borrower, nor will we have the right to object to certain changes to the loan agreement agreed to by the selling institution.

Prepayment Risk: The frequency at which prepayments (including voluntary prepayments by the obligors and liquidations due to default and foreclosures) occur on loans underlying certain investments will be affected by a variety of factors including the prevailing level of interest rates as well as economic, demographic, tax, social, legal and other factors. In general, "premium" financial instruments (financial instruments whose market values exceed their principal or par amounts) are adversely affected by faster than anticipated prepayments, and "discount" financial instruments (financial instruments whose principal or par amounts exceed their market values) are adversely affected by slower than anticipated prepayments.

Interest Rate Risk: Investments in fixed income securities are subject to interest rate risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than short-term securities. We may attempt to minimize the Managed Account's exposure to interest rate changes through the use of interest rate swaps, interest rate futures and/or interest rate options. However, there is no guarantee that we will be successful in fully mitigating the impact of interest rate changes.

"Widening" Risk: For reasons not necessarily attributable to any of the risks enumerated herein (for example, supply/demand imbalances or other market forces), the prices of the securities may decline substantially. In particular, purchasing assets at what may appear to be "undervalued" levels is no guarantee that the assets will not be trading at even more "undervalued" levels at a time of valuation or at the time of sale. It may not be possible to predict, or to hedge against "widening" risk.

Derivatives: Derivatives include futures, options, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to one or more underlying securities, financial indexes, currencies or other underlying asset. Derivatives allow an investor to hedge or speculate on the price movements of the underlying asset at a fraction of the cost of investing directly in the underlying asset. The value of a derivative depends largely on the price movements in the underlying asset and many of the risks applicable to the underlying asset are also applicable to the derivatives of that asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are inherently leveraged and create significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively

small adverse market movement can cause a loss greater than the original amount invested. Derivatives also have liquidity risk because there may not be a liquid market in which to close or dispose of outstanding derivatives contracts.

The prices of derivative instruments are highly volatile. Payments made pursuant to swap agreements may also be highly volatile. Price movements of futures and options contracts and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs, and government policies, and national and international political and economic events and policies. In addition, the Managed Account's assets are also subject to the risk of failure of any of the exchanges on which its positions trade or of its clearinghouses or counterparties. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the swap counterparty. If a counterparty defaults under a swap agreement, the value of the swap transactions will decline, perhaps to zero.

Hedging Transactions: The success of hedging transactions strategy depends, in part, on our ability to correctly assess the degree of correlation between the performance of the instruments used to hedge risks and the performance of the securities or risks being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a hedge will also be subject to our ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While hedging transactions may be entered into with the intent to reduce risk, transactions may result in lower overall performance than if hedging transactions were not entered into. For a variety of reasons, we may not seek to establish a perfect correlation between the hedging instruments utilized and the securities being hedged. An imperfect correlation may prevent the Managed Account from achieving the intended hedge or expose the Managed Account to risk of loss.

Short Selling: Short selling involves selling securities that are not owned and borrowing them for delivery to the purchaser with an obligation to replace borrowed securities at a later date. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could increase without limit, thus increasing the cost to the Managed Account of buying those securities to cover the short position. There is no assurance that a borrowed security will not be recalled and that the Managed Account will not be "bought in" (ie. forced to repurchase securities in the open market to return them to the lender). Furthermore, the securities necessary to cover a short position may not be available for purchase, and purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. The securities borrowed to effect the short sale may be recalled by the lender of those securities at any time, thus forcing the Managed Account to purchase the securities and close out the short position at a loss.

Short sale transactions have been subject to increased regulatory scrutiny including the imposition of restriction on short selling certain securities and reporting requirements. Our ability to execute a short sale may be materially adversely impacted by temporary and/or new permanent rules, interpretations, prohibitions and restrictions adopted in response to these adverse events. Temporary restrictions

and/or prohibitions on short selling activity may be imposed by regulatory authorities with little or no advance notice and may impact prior, current and future trading activities.

Regulatory authorities may also impose restrictions that adversely affect our ability to borrow certain securities in connection with short sale transactions. In addition, traditional lenders of securities might be less likely to lend securities under certain market conditions. As a result, we may not be able to effectively pursue a short selling strategy due to the limited supply of securities available for borrowing.

Leverage and Financing Risk: Leverage used by the Managed Account is controlled by the Fund's general partner. While leverage presents opportunities for increasing total return, it has the effect of potentially increasing losses as well. Further, if the securities pledged to brokers to secure margin accounts decline in value, the Managed Account could be subject to a "margin call," pursuant to which the Managed Account must either deposit additional funds or securities with the brokers, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of the Fund's assets, we may be forced to liquidate the Managed Account to raise money for the Fund to satisfy its margin requirements. The forced liquidation of all or a portion of the Managed Account at distressed prices could result in significant losses to the Managed Account.

Change in Margin Terms: In the absence of specific agreements, margin arrangements are generally subject to change or revocation by the lender. The lender may demand an increase in the collateral, including requiring collateral equal to the full amount of the borrowings, and, if the Managed Account is unable to provide additional collateral, the lender could liquidate the Managed Account's assets held by the lender to satisfy the Managed Account's obligations. A forced liquidation could have extremely adverse consequences, which may be exacerbated in the event that these changes or revocations are imposed suddenly or by multiple lenders. In periods of market stress lenders or counterparties may attempt to increase margin levels. A simultaneous, broad-based increase in margin affecting hedge funds generally will adversely impact the investments held in the Managed Account by decreasing demand and increasing supply through forced liquidations of those or similar investments.

Limited Diversification: The Managed Account may become concentrated in a single issuer, industry, market or sector. Limited diversification may cause greater volatility than would otherwise be the case, and could expose the Managed Account to losses disproportionate to market movements. Even if we attempt to control risks through diversification, different assets may become correlated in unexpected ways, with the result being that the Managed Account becomes exposed to unforeseen risks.

Trade Error Risk: Transactions may be executed erroneously on terms other than those intended. For example, a transaction may be executed in the wrong asset, for the wrong quantity or price, to buy when we intended to sell, to sell when we intend to buy, or by reason of a technological or administrative error. Except to the extent otherwise required by law, the Managed Account will generally bear the losses or costs of trade errors, unless it is determined that the error was caused by gross negligence.

General Political, Economic, Legal, Tax, and other Regulatory Risks: The Managed Account's investments may be adversely affected by changes in economic conditions or political events, such as a stock market break, acts of terrorism, the outbreak of hostilities involving the United States, the death of a major political figure, a serious pandemic, or a natural disaster, among many others. Additional factors, such as changes in federal or state tax laws, federal or state securities laws, bank regulatory policies or accounting standards, rulemaking, adjudicatory or other activities of governmental or quasi-governmental bodies, agencies, and regulatory organizations may make the Managed Account's strategies less effective and/or less attractive. Laws and regulations, particularly those involving taxation, investment and trade, applicable to the Managed Account's activities can change quickly and unpredictably, and may at any time be amended, modified, repealed or replaced in a manner adverse to the interests of the Managed Account.

The SEC, other regulators, and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies, the extent to which this would affect the Managed Account is unknowable.

DISCLAIMER

The information included in this ITEM 8 does not include every potential risk associated with our investment strategies. Investing in securities involves risk of loss, possibly a total loss of invested capital, that investors should be prepared to bear.

There is no guarantee that the Managed Account's investment program, including, without limitation, its investment objectives, strategies, or risk monitoring goals will be successful. Investment results may vary substantially over time. The Managed Account's investments are speculative and involve a high degree of risk. There may be risks which cannot be monitored or controlled, and risks that may be greater than forecasted, especially in unusual market conditions.

ITEM 9 – DISCIPLINARY INFORMATION

None.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

None.

ITEM 11 – CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended, we have adopted a Code of Ethics and an Employee Investment Policy that establishes various procedures with respect to investment transactions in accounts in which employees of Cannae or related persons (such as members of their immediate household) have a beneficial interest or accounts over which an employee has investment discretion.

The foundation of the Code of Ethics is based on the underlying principles that:

- Employees must at all times place the interests of our clients first;
- Employees must at all times comply with all applicable federal securities laws; and
- Employees should not take inappropriate advantage of their position at Cannae.

Our Code of Ethics requires employees to provide the Chief Compliance Officer with initial and annual holdings reports (excluding accounts holding certain securities or discretionary accounts) and quarterly transactions reports. Employees are also generally prohibited from participating in initial public offerings and executing transactions in issuers included on the Restricted List, employees must also receive approval prior to investing in any private placement. The Chief Compliance Officer reviews violations of the Code of Ethics to determine appropriate remedial action, including, but not limited to, financial penalties, suspension or termination of employment, and reporting to appropriate regulatory authorities.

All of our employees must direct their brokers to send duplicate brokerage statements to the Chief Compliance Officer. These records are used to monitor compliance with the foregoing policies.

These policies apply to any personal transactions involving equity, debt, options, or futures. They do not apply to transactions involving government securities, open-end mutual funds, money market funds, or other instruments which afford an investor no discretion over individual securities.

Cannae's Code of Ethics is available to clients upon request.

ITEM 12 – BROKERAGE PRACTICES

The Fund's general partner reviews, approves and monitors the prime brokers, executing brokers-dealers and counterparties used by Cannae. Executing broker-dealers and counterparties are chosen from those that have been reviewed and approved by the general partner.

In placing transactions for the Managed Account, we seek to obtain "best execution," meaning that we generally seek execution of securities transactions in such a manner that the Managed Account's total costs or proceeds are most favorable under the circumstances. Accordingly, in seeking best execution, we take into consideration the price of a security offered by the broker-dealer, as well as the broker-dealer's full range and quality of services including, among other things, its facilities, reliability and financial responsibility, execution capability, commission rates, responsiveness to us, brokerage and research services provided to us (*e.g.*, research ideas, analysis, and investment strategies), special execution and block positioning capabilities, clearance, and settlement and custodial services.

We periodically review the broker-dealers used as well as the commissions paid to evaluate best-execution.

- *SOFT DOLLAR USAGE*

In selecting brokers and dealers to effect portfolio transactions we may consider factors as we deem appropriate (and consistent with our obligation to seek best execution) to consider under the circumstances, which may include one or more of the following:

- reliability;
- reputation;
- experience in the industry;
- financial stability;
- capital commitment;
- efficiency in executing and clearing transactions;
- confidentiality of trading activity;
- provision of Products and Services (defined below);
- idea generation;
- competitive rates; and
- general responsiveness.

Products and Services constituting “research” may be in any form (*e.g.*, written, oral or on-line) and may include, without limitation:

- traditional research reports analyzing the performance of a particular company or stock, market, company and financial data;
- market, economic, political and financial information (including studies and forecasts);
- statistical information;
- data on the pricing and availability of securities; and
- seminars and conferences relating to the investment in securities or containing analyses of issuers, industries, securities, economic factors and trends and portfolio strategy.

Products and Services constituting “brokerage” may include, without limitation:

- clearance services;
- settlement services; and
- custody services.

To the extent that the Managed Account’s commissions are used to acquire Products and Services through the use of “soft dollars,” Products and Services received will be of the type contemplated by Section 28(e) of the U.S. Securities Exchange Act of 1934 (that is, “research” and “brokerage”), although transactions may or may not otherwise comply with the provisions of Section 28(e) (*e.g.*, may relate to transactions in instruments other than securities).

Soft dollar arrangements generally arise when an investment adviser obtains products and services, other than securities execution, from a broker-dealer in return for directing client securities transactions to the broker-dealer. Soft dollar arrangements may pose a conflict of interest for Cannae in that such arrangements allow Cannae to pay with brokerage commissions, expenses that would otherwise be borne by Cannae. In the event that Cannae uses brokerage commissions (or markups or markdowns) to obtain research or other products or services, Cannae could receive a benefit because it would not have to produce or pay for the research, products or services.

It is currently Cannae's policy not to use soft dollars. However, Cannae enters into securities transactions with broker-dealers that provide, as part of their bundled services, Cannae with access to research and research-related services. Cannae may have an incentive to select a broker based on Cannae's interest in receiving the research or other products or services offered by such broker.

- **TRADE ERRORS**

The Managed Account (and not Cannae) will bear the cost of any losses (and reap the benefits of any gains) resulting from trading errors and similar human errors, absent gross negligence or intentional misconduct. Trade errors might include, for example, keystroke errors that occur when entering trades into an electronic trading system or typographical or drafting errors related to derivatives contracts or similar agreements.

ITEM 13 – REVIEW OF ACCOUNTS

The Managed Account's transactions, positions and cash balances are reviewed on a daily basis by Cannae and the general partner.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Not applicable. We are not currently seeking new clients or to raise capital.

ITEM 15 – CUSTODY

We do not exercise custody (and are prohibited under the IMA from exercising custody) over the Managed Account's assets.

ITEM 16 – INVESTMENT DISCRETION

The IMA sets forth certain guidelines or restrictions related to our investment activities, which may be modified from time-to-time in consultation with the general partner. In addition, the general partner may impose restrictions on our ability to invest in certain securities or types of securities.

ITEM 17 – VOTING CLIENT SECURITIES

As a general practice, we do not intend to vote proxies but will make such decision on a case-by-case basis. Prior to voting a proxy, we will make a determination, in our opinion, as to what vote if any, is in the best interest of the Fund. We maintain a written record of each proxy vote on each occasion a proxy is voted.

Upon request from a client via phone or telephone, we will provide such client with a copy of our proxy voting policies and procedures and/or a record of all proxy votes cast on behalf of that client.

ITEM 18 – FINANCIAL INFORMATION

At this time, Cannae has no information to report that is applicable to this ITEM 18.