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This brochure provides information about the qualifications and business practices of QRF Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (713) 452-2200. 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 QRF Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: MATERIAL CHANGES

This Brochure is intended to provide potential and existing clients with an overview of QRF Advisors, LLC. Dates and dollar figures have been updated, but otherwise no material changes have been made to QRF Advisors, LLC's Brochure since the last annual update filed March 28, 2013.

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ITEM 4: ADVISORY BUSINESS

Firm Description

QRF Advisors, LLC (the “Firm,” “we” or “our”), formerly Quantum Resources Advisors, LLC, was established in 2011 in connection with the operations of Quantum Resources A1, LP, Quantum Resources B, LP, and Quantum Resources C, LP (collectively the “QR Fund” or the “Fund”). Ownership of the Firm is held by our sole member, Quantum Resources Management, LLC, and the Firm is principally owned indirectly by Wil Van Loh and his spouse, Toby Neugebauer and his spouse and Alexis Cranberg.

Advisory Services

The Firm’s sole clients¹ are the entities comprising the QR Fund, and our advisory services are tailored to the investment strategy of the QR Fund. The QR Fund’s primary investment objective is to acquire, explore, develop, enhance and exploit mature oil and gas properties. Since our primary focus is to provide services to the Fund, a substantial portion of this document’s content relates to the QR Fund.

The Fund

The Fund is comprised of three limited partnerships to which capital has been committed by their investors, all of which are (i) “accredited investors” within the meaning of the Securities Act of 1933, as amended, and (ii) “qualified purchasers” within the meaning of the Investment Company Act of 1940, as amended. The Fund’s investment program focuses on the acquisition of cash flow producing oil and gas properties primarily located in North America through asset or corporate acquisitions. Interests in the QR Fund were offered pursuant to the respective QR Funds’ limited partnership agreements and definitive offering documentation (the “Definitive Documentation”), each of which contains additional details regarding the operations of the QR Fund, including details regarding the risks of an investment in the QR Fund.

The Fund has been structured to accommodate the differing objectives of tax-exempt and taxable U.S. investors by offering interests in the following limited partnerships:

- Quantum Resources A1, LP: Quantum Resources A1, LP, a Delaware limited partnership, provides opportunities to invest in oil and gas properties, including without limitation, working interests, royalty interests, nonparticipating royalty interests and mineral interests. A working interest in oil and gas properties refers to the rights granted in an oil and gas lease to explore for, develop and produce oil and gas from land and includes the full costs of those operations. Royalty interests in oil and gas properties refers to the rights to revenues generated from oil and gas leases which are not burdened with certain of the costs related to

¹ “Client” means any account or fund for which QRF Advisors, LLC provides investment advice and/or places trades on a discretionary or nondiscretionary basis. The investors and other persons who invest in such funds or accounts are generally referred to herein as “investors.” Unless otherwise expressly stated herein, “clients” do not include “investors.”

those operations. Mineral interests entitle the owner to participate in the oil and gas development through a direct ownership interest in the minerals when there is no oil and gas lease involved.

- Quantum Resources B, LP: Quantum Resources B, LP, a Delaware limited partnership, provides opportunities to invest in net profits interests for tax-exempt investors alongside Quantum Resources A1, LP. A net profits interest refers to a fraction or percentage of the net profits from the operation of an oil and gas lease or leases that is carved out of the working interest. Quantum Resources B, LP does not utilize debt to leverage limited partner's investments.
- Quantum Resources C, LP: Quantum Resources C, LP provides opportunities to invest in net profit interests for tax-exempt investors alongside Quantum Resources A1, LP. Quantum Resources C, LP does not utilize debt to leverage limited partner's investments but has a preferred equity component owned by an affiliate of the QR Fund's general partner.

To date, the investors in the QR Fund have contributed 99% of their aggregate committed capital, exclusive of re-callable capital.

Side Letters

We or our affiliates may also enter into side letters or other writings with specific investors which have the effect of establishing rights under, or altering or supplementing, the terms of Definitive Documentation, in respect of the investor to whom such letter or writing is addressed. Any rights established, or any terms altered or supplemented, will govern only that investor and not the QR Fund as a whole. These side letters may impose restrictions on participation in certain investments or types of investments made by the QR Fund in accordance with the excuse provisions of the Definitive Documentation, and may also provide benefits to certain investors in the QR Fund not provided to investors in the QR Fund generally (for example, access to information, ability to transfer interests in the QR Fund or compliance with specified investment policies, laws or regulations). We will not enter into a particular side letter if we determine that the provisions contained in such side letter would be disruptive to the QR Fund or its investment program.

Client Assets Under Management

As of December 31, 2013 we had \$790,875,040 of assets under management. The Firm manages these assets on a discretionary basis subject to the Definitive Documentation. The Firm does not participate in wrap fee programs.

ITEM 5: FEES AND COMPENSATION

This brochure will be delivered only to “qualified purchasers” as defined in the Investment Company Act of 1940, as amended. Accordingly, no fee table is included in this brochure.

Expenses

The Fund pays all expenses associated with managing the Fund’s oil and gas properties and partnerships, including the general and administrative costs of the Firm allocable to the Fund (subject to certain limitations with respect to the expenses of the senior executive officers) and third-party consulting costs. In addition, the Fund is also subject to customary expenses, including fees, costs and expenses related to the purchase, holding and sale of investments, expenses of any administrators, custodians, counsel and accountants (including audit fees), any insurance, indemnity or litigation expenses, and any taxes, fees or other governmental charges levied against the Fund investment vehicle, and expenses arising in connection with the formation, launch and closings of the Fund (as described in, and subject to limits on such organizational expenses as set forth in, the Definitive Documentation).

Given the nature of the Fund’s investment program, we do not usually transact through broker-dealers. Therefore, investors in the Fund do not generally incur brokerage costs. A discussion of our brokerage practices may be found under the caption “Brokerage Practices” in this brochure.

How Fees are Billed

Management fees are payable quarterly by the Fund. Management fees are paid by capital contributions from investors made pursuant to capital call notices delivered by the Fund’s general partner, or are paid out of cash otherwise distributable to the investors, including when an investment of the Fund is sold and the proceeds are distributed to investors.

“Carried interest” or performance fees are assessed periodically according to the Fund’s governing documents, and in the discretion of such Fund’s general partner. In addition, our affiliates also receive a 2% interest in any assets acquired by the Fund. These fees are paid out of cash otherwise distributable to investors.

Refunds for Fees Charged in Advance

Investors in the Fund agree to commit a certain amount of capital to the Fund in advance of our performance of any investment advisory functions. Fees assessed against the funds are paid to us, in advance, from these amounts as described above. Upon termination of the investment advisory agreement with the Fund, we will return to the Fund any paid but unearned portion of the management fee. In general, such fees are pro-rated from the date of termination to the end of the period to which the advance fee applied.

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

As described in the Definitive Documentation, our affiliates are entitled to receive incentive compensation after the limited partners receive a defined return on their invested capital, as well as a 2% incentive compensation at the investment level (i.e., before any distributions are made to the Fund). All such performance fee arrangements are intended to comply with Rule 205-3 under the Investment Advisers Act of 1940.

Performance fee arrangements create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. We have designed and implemented procedures to procure that all clients are treated fairly in the allocation of investment opportunities, and to prevent this potential conflict of interest from influencing the allocation of investment opportunities among or between our clients. Under no circumstances may we or any of our affiliates allocate investment opportunities based on anticipated compensation or profits to ourselves or any of our affiliates or employees.

The Firm does not manage accounts that are not charged a performance fee.

ITEM 7: TYPES OF CLIENTS

The Firm's sole client is the Fund. We offered interests in the QR Fund only to qualified investors, typically institutional investors and eligible high-net-worth individuals.

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

Methods of Analysis

The Firm uses multiple forms of analysis to make investment decisions. These include, but are not limited to the following:

- *Focusing on understanding the valuation of collateral throughout the commodity price cycle.* In making each investment decision, the Firm analyzes the value of the underlying assets under a variety of pricing regimes and draws on its industry experience to gauge the potential for performance improvement.
- *Utilizing relationships with energy industry participants.* The Firm utilizes its extensive relationships with energy industry leaders and experts. This provides: (i) access to proprietary insight from such experts which enables the Firm to conduct a more thorough due diligence process and helps isolate investment risks than the Firm would otherwise be able to do without these relationships and (ii) a consistent flow of proprietary investment opportunities.
- *Analysis of conventional development investment opportunities.* The Firm continually evaluates investment opportunities arising when oil and gas producing companies focusing on resource driven assets elect to divest their conventional assets to raise cash for their capital intensive drilling programs.

Investment Strategies

The Fund's primary investment strategies are:

- Acquisition of direct interests in producing oil and gas properties, including working interests, royalty interests or net profit interests in those properties, with a focus on properties with a significant percentage of proved producing reserves;
- Exploration and development of oil and gas rights acquired by the Fund.
- Acquisition of all or part of the outstanding securities of any entity that primarily owns properties of the type described above, including, without limitation, securities in QR Energy, LP, a publicly traded master limited partnership under common control with the Fund. See "Other Financial Industry Activities and Affiliations" for further details; and

Specific strategies include but are not limited to the following:

- Targeting larger acquisitions (generally \$150 million or greater, unless for example the asset has a strategic benefit such as a "bolt on" opportunity to existing assets or presents an entry opportunity into a new basin) of cash flow producing oil and gas assets and companies located in mature, onshore, North American geological basins;
- Improving the operational and financial performance of acquired properties;
- Making strategic add-on acquisitions in established core areas;
- Managing exposure to commodity prices through the use of commodity derivatives; and
- Utilizing leverage to help facilitate the property acquisitions.

Material Risks

The Firm does not guarantee the future performance of the Fund or any specific level of performance, or the performance of any investment decision or strategy that the Firm may use. Investment decisions we make for the Fund are subject to various credit, market, currency, economic, political and business risks. Making large commitments to single investments exacerbates these risks. Additionally, purchasing investments with leverage increases risk of loss to investors in the Fund. Investors are reminded that investing in oil and gas properties or securities may entail losses which the investors must be willing to bear.

As a result, an investment in the Fund involves a high degree of risk. Such risks include, but are not limited to, the following:

General Fund Risks

- *Dependence on key personnel.* We are dependent upon certain of our key management for conducting our affairs. The death, resignation or incapacity of any of these individuals could have a material adverse impact upon the business of the Firm and the Fund. Also, these personnel may have other business interests outside of the Fund to which they are expected to devote time and attention.
- *Illiquidity of limited partner interests.* Fund investors should be able and willing to own a substantially illiquid investment over an extended period of time. There is not now and will not be a public market for all of their investment interests. We cannot assure that the Fund will be able to liquidate a particular investment at the time and upon the terms it desires.
- *Use of leverage.* If the assets of the Fund are insufficient to service the leverage requirements or if an event of default occurs, the Fund may not be able to pay distributions. In the event of such a default, some investors could risk losing all or a portion of their entire investment.
- *Conflicts of interest.* The Fund's General Partner will bear all management responsibility for the operations of the Fund. Our principals assisting the General Partner in its discharge of this responsibility may and are expected to face conflicts of interest situations. In addition, the fact that the Fund's General Partner's compensation is based on the performance of the Fund may create an incentive for the General Partner to cause the Fund to make investments that are more speculative than would be the case in the absence of performance-based compensation. For additional detail, please see the Fund's Definitive Documentation.

In addition, the organizational structure of the Fund, which was put into place primarily to accommodate the tax considerations of the different types of investors in the Fund, requires that certain transactions involving conflicts of interest be entered into from time to time. For example, (i) Quantum Resources B, LP and Quantum Resources C, LP purchase net profits interests in properties owned by Quantum Resources A1, LP, and (ii) a Firm affiliate owns preferred equity interests in Quantum Resources C, LP and receive a return on such interests. Such matters are disclosed and authorized under the Definitive Documents.

- *No Participation in management.* Investors in the Fund will not have the right to participate in the management of the Fund. As a result, investors in the Fund have almost no control over their investments in the Fund and must rely entirely on the general partner with respect to the selection of investments and management of the Fund.
- *Defaults.* If an investor in the Fund fails to pay any portion of its capital commitment when due, and the contributions made by non-defaulting investors and borrowings by such fund are inadequate to cover the defaulted capital contribution, the Fund may be unable to pay its obligations when due, and its

ability to execute its investment strategy or to otherwise continue operations may be impaired. As a result, the Fund may be subjected to significant penalties that could materially adversely affect the returns to its investors (including non-defaulting investors). If an investor in the Fund defaults, it may be subject to various remedies as provided in the Definitive Documentation.

- *Indemnification.* The Fund generally indemnifies its general partner, management company, and the partners, employees and agents of each, for certain liabilities incurred. Such indemnification obligations are payable from the Fund's assets, including the investors' unpaid commitments. If the Fund's assets are insufficient, the fund may recall distributions previously made to investors, subject to certain limitations.

Investment Risks

- *Investments concentrated in one sector.* The Fund focuses exclusively on the oil & gas sector. The Fund's actual returns will be subject to numerous factors, including volatile crude oil and natural gas prices to the extent not hedged, governmental regulation, competitiveness of alternative fuels, and consumer needs and preferences.
- *Volatility of oil and gas prices and markets.* The profitability of the Fund's investments are substantially dependent on prevailing prices for oil and natural gas. The volume of oil and gas produced and the prices obtainable therefor will be affected by market factors beyond the Fund's control. Such factors include the extent of domestic production, the level of imports of foreign oil and gas, the general level of market demand on a regional, national and worldwide basis, domestic and foreign economic conditions that determine levels of industrial production, political events in foreign oil-producing regions and variations in governmental regulations and tax laws or the imposition of new governmental requirements upon the energy industry. Prices for oil and gas are subject to wide fluctuation in response to relatively minor changes in supply of and demand for oil and gas, market uncertainty and a variety of additional factors that are beyond the control of the Fund. A substantial and prolonged decline in oil and gas prices could have a material adverse effect on the Fund.
- *Drilling and engineering risks.* The revenues and operating results of the Fund are dependent upon the success of the Fund's exploitation, development, and drilling activities. These oil and gas activities involve numerous risks, including the risk that no commercially productive oil or natural gas reservoirs will be encountered. The timing and cost of drilling, completing, and operating wells is often uncertain, and drilling operations may be curtailed, delayed, or canceled as a result of a variety of factors, including unexpected drilling conditions, pressure or irregularities in formations, equipment failures or accidents, adverse weather conditions, compliance with governmental requirements, and shortages or delays in the availability of drilling rigs and the delivery of equipment.
- *Operational hazards and unforeseen interruptions.* There are a variety of operating risks inherent in the Fund's wells, gathering systems, pipelines, natural

gas processing plants and other facilities, such as leaks, explosions, mechanical problems and natural disasters, all of which could cause substantial financial losses. Any of these or other similar occurrences could result in the disruption of the Fund's operations, substantial repair costs, personal injury or loss of human life, significant damage to property, environmental pollution, impairment of our operations and substantial revenue losses. The location of the Fund's wells, gathering systems, pipelines, natural gas processing plants and other facilities near populated areas, including residential areas, commercial business centers and industrial sites, could significantly increase the level of damages resulting from these risks.

- *Hedging.* The Fund's hedging transactions expose it to risk of financial loss if a counterparty fails to perform under a derivative contract. Disruptions in the financial markets could lead to sudden changes in a counterparty's liquidity, which could impair their ability to perform under the terms of the derivative contract. The Firm is unable to predict sudden changes in a counterparty's creditworthiness or ability to perform under contracts with the Fund. Even if the Firm does accurately predict sudden changes, the Firm's ability to mitigate that risk may be limited depending upon market conditions.
- *Competition.* The oil and natural gas industry is intensely competitive with respect to acquiring prospects and productive properties, marketing oil and natural gas and securing equipment and trained personnel. Many of the Firm's competitors are large independent oil and natural gas companies that possess and employ financial, technical and personnel resources of substantially greater size than the Firm's. Those companies may be able to develop and acquire more properties than the Fund's financial or personnel resources permit.
- *Investments concentrated in QRE.* A significant portion of the Fund's investments is held in QR Energy, LP, which exposes the Fund to risks associated with QR Energy, LP. A complete description of the risks associated with an investment in the securities of QR Energy, LP may be found in QR Energy, LP's public filings.
- *Foreign investment risks.* The Fund may invest in assets in foreign countries subject to limitations set out in the Definitive Documentation. These investments are subject to additional risks not involved in domestic investments.
- *Complex federal, state, local and other laws and regulations.* The oil and gas industry is subject to extensive regulation under a wide range of United States federal and state statutes, rules, orders and regulations. If the Fund has operations abroad, it will be subject to the laws and regulations of the country in which it is doing business. These regulations may have a significant adverse impact on the financial condition, prospects and profitability of the Fund.

The foregoing is not a comprehensive list of all risks associated with an investment in the Fund. A more comprehensive description of risks is included in the Fund's private placement memorandum, which should be reviewed closely by each prospective investor in the Fund.

ITEM 9: DISCIPLINARY INFORMATION AND LITIGATION

Neither the Firm, our affiliates nor any of our professionals have been the subject of any legal or disciplinary finding of an investment-related nature that would be material to the business of the Firm. Certain of the Firm's affiliates and management persons, however, have been named in private civil actions alleging, among other things, violations of investment-related issues in connection with the operation of entities unrelated to the Firm or the Funds.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

General

We provide investment advisory services to, and serve as sponsor of, affiliated investment partnerships, limited liability companies and their general partners or managing members, as applicable. In accordance with our internal policies and procedures, as well as the governing documents of the Fund, we seek to allocate investment opportunities among our clients in a fair and equitable manner. Under no circumstances may we or an affiliate allocate investment opportunities based on anticipated compensation or profits to us or any of our affiliates or employees.

Neither the Firm nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. In addition, neither the Firm nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities. In addition, the Firm does not recommend or select other investment advisers for its clients.

Related Advisory Firms

Quantum Advisers, LLC and QEM Advisers, LLC, both investment advisory firms separately registered under the Investment Advisers Act of 1940, are related parties to us. These firms provide investment advisory services in respect of unrelated funds, and these firms are operated on an independent basis from the Firm.

It is intended that Quantum Resources Advisors, LLC, an investment advisory firm under common supervision and control with us, will advise successor funds to the Fund. The Firm (as the filing adviser) and Quantum Resources Advisors, LLC (as the relying adviser) collectively conduct a single advisory business, and they are together filing a single Form ADV.

QR Energy, LP

In December 2010, QR Energy, LP ("QRE"), a master limited partnership, completed its initial public offering ("IPO"). QRE's general partner, QRE GP, LLC, is controlled by an affiliate of the Firm. QRE has entered into a services agreement with an affiliate of the Firm, which affiliate also provide services in respect of the Fund's investments.

Concurrently with and following the IPO, QRE purchased assets of the Fund. These purchases (and potential similar ones in the future) present potential conflicts of interest. As a result, the Firm takes steps to help mitigate these potential conflicts of interest, which may include obtaining the approval of the Advisory Committee of the Fund for transactions between the Fund and QRE. In addition, for transactions between the Fund and QRE that occur after the IPO, the independent directors of QRE approve the price and terms of the transaction on behalf of the unitholders of QRE. It is possible that the Fund and QRE compete to acquire the same oil and gas properties, which could create a potential conflict of interest. The Firm will ensure that both the Fund and QRE are represented fairly in any potential oil and gas property acquisitions where both parties have an interest.

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

Code of Ethics

The Firm has adopted a Code of Ethics which describes the general standards of conduct that the Firm expects of all Firm advisory personnel (collectively referred to as "Advisory Personnel"). In addition, all of our personnel, including our operating personnel (each of whom is not involved in our advisory operations) are subject to QRE GP, LLC's Corporate Code of Business Conduct and Ethics, which applies across the Firm and its affiliates. The Firm and its affiliates maintain an information barrier designed to prevent operating personnel from having access to the Firm's investment information, which is intended to be only accessible by Advisory Employees.

Failure to uphold the Code of Ethics may result in disciplinary sanctions, including termination of their employment with the Firm. Any client or prospective client may request a copy of the Firm's Code of Ethics, which will be provided at no cost.

The following basic principles guide all aspects of the Firm's advisory business and represent the minimum requirements to which the Firm expects Advisory Personnel to adhere:

- Clients' interests come before Advisory Personnel's personal interests and before the Firm's interests.
- The Firm must fully disclose all material facts about conflicts of which we are aware between the Firm, our Advisory Personnel's interests on the one hand and clients' interests on the other, and comply with the Firm's policies and procedures for mitigating such conflicts.
- The Firm and our Advisory Personnel must not take inappropriate advantage of their positions of trust with or responsibility to clients.
- The Firm and our Advisory Personnel must always comply with all applicable securities laws.

In addition, all Advisory Personnel must comply with three specific areas where employee conduct has the potential to adversely affect the client: misuse of confidential information; personal securities trading and outside business activities.

Misuse of Nonpublic Information

Advisory Personnel are subject to the Firm's Code of Ethics, which contains a policy against the misuse of nonpublic information. In addition, all personnel – including operations personnel – are subject to the restrictions on misuse of nonpublic information contained in QRE GP, LLC's Corporate Code of Business Conduct and Ethics. In general, our personnel may not convey nonpublic information nor depend upon it in placing personal securities trades.

Personal Securities Trading

In addition to the information barrier procedures described above, the Firm prohibits all Advisory Personnel from personal trading in individual securities or options on individual securities which are listed on the Firm's "Restricted List." Participating in IPOs or private placements requires pre-approval from the CCO.

Advisory Personnel are required to submit monthly statements of securities holdings and transactions directly from the broker or financial institution. These are monitored and subjected to periodic testing by our Compliance Team.

Outside Business Activities

Prior to engaging in any outside business activities, Advisory Personnel are required to receive pre-clearance from the Firm's Chief Compliance Officer. If any are deemed to be in conflict with clients, Advisory Personnel may be directed to cease such activity.

Participation or Interest in Client Transactions

We provide ongoing portfolio management and investment advisory services for the Fund. Investment decisions are made by the Management Committee, with any investment greater than \$10,000,000 requiring Board approval. The Management Committee is responsible for monitoring and managing the Fund's investment portfolio in accordance with its particular investment objectives, limitations and guidelines, and as set forth in the Definitive Documents. We also restrict principal transactions and other affiliated transactions in accordance with SEC requirements, in which we or our personnel may have interests that are not aligned with the interests of one or more of our clients.

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliate, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Because we are not a registered broker-dealer, and are not controlled by, under common control with, or otherwise affiliated with a registered broker-dealer, the potential conflict of interest created by agency cross transactions is mitigated.

Client cross transactions occur where an adviser executes a securities transaction between two (or more) of its managed client accounts. Cross transactions may benefit clients because they can avoid transaction fees that might otherwise apply had the buy and the sell transaction been exposed to potential market transaction fees. However, they also can create conflicts of interest because, by not exposing such buy and sell transactions to market forces, clients may not receive the benefits of best price, or an adviser might seek to prop up the performance of one fund by selling under-performing assets to another fund in order, for example, to earn higher fees in the aggregate.

It is our policy not to execute any principal transactions for client accounts unless the Management Committee deem the transaction to be in the best interest of a particular client, and both our clients and our Chief Compliance Officer give prior consent, and the transaction complies with SEC requirements. Client cross transactions are restricted under the Firm's policies and procedures, and may require the consent of the client in certain cases.

ITEM 12: BROKERAGE PRACTICES

Selection of Broker-Dealers

The Firm generally does not regularly or frequently trade public securities, and generally conducts transactions on a case by case, negotiated basis. However, the Fund may trade public securities through a broker providing supply of securities of interest to the Fund.

Selection of the broker would be on a case by case basis and would largely depend upon a broker/dealer's ability to provide best execution, as well as an adequate supply of the security in interest at terms the Firm deems to be in the best interest of the Fund. This may involve the evaluation of factors in addition to commission costs and execution prices.

Research and Other Soft Dollar Benefits

Given the nature of the investments made by the Fund, we do not typically make investments in listed companies. As a result, we do not have any soft dollar arrangements in place that would require us to give any specified amount of brokerage to any broker-dealer, and it is our policy to not accept any soft dollar benefits. We may receive unsolicited research from brokers, dealers and banks through which we execute portfolio trades or hold accounts. In circumstances in which we use such research, the quality and ability to receive research may factor into the selection of brokers, dealers and banks executing portfolio trades. Even in these cases, the broker-dealer's ability to achieve superior execution for our clients remains the primary factor influencing the selection of a broker-dealer.

Brokerage for Client Referrals

To the extent the Firm engages in selecting or recommending broker-dealers, such decisions are made as described above, and not in consideration of whether the Firm or a related person receives client referrals from a broker-dealer or a third party.

Directed Brokerage

In the limited occasions when we do require the services of a broker-dealer, we generally have the authority to select the broker-dealer our clients will use. Not all advisers require this. Where advisers are permitted to direct brokerage, they may be unable to achieve most favorable execution of client transactions, and this practice may cost clients more money.

Aggregation of Orders of Securities for Client Accounts

Given the nature of the investments made by the Fund, we do not typically make investments in publicly traded companies. We do not routinely aggregate the purchase or sale of securities for various client accounts. However, when the Fund conduct trading through a broker-dealer, we will seek to aggregate orders whenever practicable and cost efficient.

ITEM 13: REVIEW OF ACCOUNTS

Review of Accounts

Our investment team professionals and operations professionals review the operations of the Fund on a periodic basis. These professionals monitor operations, overall performance, financial performance and strategic direction of investment. In addition, the Management Committee perform periodic comprehensive reviews of the Fund's investments.

Reports

The Firm will make available to each limited partner of the Fund reports containing (i) annual audited financial statements, (ii) quarterly unaudited estimates of the Fund's investment performance and (iii) quarterly unaudited estimates of the balance of each limited partner's capital account. The Firm may provide partners with more frequent reports.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

We or our affiliates may, from time to time, enter into arrangements in which third parties will assist in the capital raising efforts of one or more of our funds in exchange for a fee (such person, a "placement agent"). The fee paid to such a placement agent may be calculated as a percentage of funds raised by the placement agent, as specifically negotiated between us and the placement agent and memorialized in a written agreement. We or our affiliates will not engage a placement agent that is not duly registered as a broker-dealer with FINRA in the United States. These types of arrangements are disclosed in the relevant private offering materials of each fund.

ITEM 15: CUSTODY

We will not take or maintain physical custody of any client funds or securities, and will, in accordance with the Investment Advisers Act of 1940, conduct all business operations in such a way that all client funds or securities will be preserved in the safekeeping of independent “qualified custodians.” Our clients’ custodians will generally be banks, trust companies or broker-dealers unaffiliated with us.

For those clients for which we are deemed to have custody of client funds or securities within the meaning of the Investment Advisers Act of 1940, these clients (and, where applicable, their investors) receive audited financial statements from us within 120 days of the end of each fiscal year. Consequently, our clients (and, where applicable, their investors) will not receive statements directly from the qualified custodian of client funds or securities.

ITEM 16: INVESTMENT DISCRETION

In accordance with the terms and conditions of the Definitive Documentation, the Firm or its affiliates generally has discretionary authority to determine, without obtaining specific consent from the Fund or its investors, the securities and the amounts to be bought or sold on behalf of the Fund, and to perform the day-to-day investment operations of the Fund.

ITEM 17: VOTING CLIENT SECURITIES

Although our investment program does not typically involve publicly-traded securities, where such securities are involved, we believe our policies and procedures are reasonably designed to ensure that proxies are voted in the best interests of clients and to recognize and resolve any material conflicts of interest that may arise in the course of such voting. The Firm’s Executive Committee votes proxies in accordance with our proxy voting guidelines, unless ownership of securities is subject to a voting agreement or shareholders’ agreement, in which case any such voting or shareholders’ agreement will control in the event of a conflict between the terms of such agreement and our proxy voting guidelines.

Our general policy is to vote proxy proposals, amendments, consents or resolutions relating to investments (collectively, “proxies”) in a manner that serves the best interest of the Fund, as determined by us in our discretion, taking into account relevant factors.

Our Chief Compliance Officer is responsible for monitoring compliance with our Proxy Voting Policies. Our Chief Compliance Officer also maintains a file or database of our proxy voting policies and procedures, as well as other records related to voting proxies for the Fund.

Investors in the Funds may request further information regarding our proxy voting policies and procedures, or how we have voted on specific proxies, from our Chief Compliance Officer, and our Chief Compliance Officer maintains a record of such requests.

ITEM 18: FINANCIAL INFORMATION

Since the Firm does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, there is no balance sheet included with this Brochure.

There is no financial condition that is reasonably likely to impair the Firm's ability to continue to meet our contractual commitments and provide services to our clients. The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.