

Item 1. Cover Page

BROCHURE

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This brochure provides information about the qualifications and business practices of Adelphi Capital LLP (“Adelphi” or the “Firm”).

If you have any questions about the contents of this brochure please contact us at +44 (0) 20 7070 3100 or ir@adelphi-capital.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

This brochure does not constitute an offer to sell or solicitation of an offer to buy any securities.

Item 2. Material Changes

This Brochure dated 25 July 2014 contains no material changes since the last annual update of Adelphi's Brochure dated 30 June 2014. The following material changes have been made since the previous annual update of this Brochure dated 7 June 2013:

- Disclosure has been added to reflect the fact that Adelphi launched a Cayman Islands domiciled Master Fund (Adelphi Europe Long Only Master Fund Limited) and associated Feeder Fund (Adelphi Europe Long Only Feeder Fund Limited) in January 2014.
- Item 4 has been updated to reflect the regulatory assets under management of Adelphi's Funds and Separately Managed Accounts as of 31 May 2014.
- The way certain disclosure is phrased throughout document has been updated.

Please note that this summary of material changes discusses only those material changes that have occurred since the last annual update of Adelphi's Form ADV Part 2A. We encourage you to read this brochure in its entirety and to call us with any questions you may have.

Important note about this Brochure

This Brochure is not:

- an offer or agreement to provide advisory services to any person,
- an offer to sell interests (or a solicitation of an offer to purchase interests) in any Fund,
- a complete discussion of the features, risks or conflicts associated with any Fund or Advisory Service,
- to be relied on in determining whether to invest or establish an advisory relationship.

As required by the Investment Advisers Act of 1940, as amended (the “Advisers Act”), Adelphi provides this Brochure to current and prospective clients and may also, in its discretion, provide this Brochure to current or prospective investors in an Adelphi Fund, together with other relevant offering materials (such as subscription agreements, offering memoranda, operating agreements or advisory contracts), prior to, or in connection with, such persons’ establishment or consideration of an investment advisory relationship with Adelphi or an investment in an Adelphi Fund. Additionally, this Brochure is available through the Securities and Exchange Commission’s (“SEC’s”) Investment Adviser Public Disclosure website.

Although this publicly available Brochure describes the investment advisory services and products of Adelphi, all persons who receive this Brochure should be aware that it is designed solely to provide information about Adelphi as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in relevant offering materials. In addition, more complete information about each Adelphi Fund, as well as Adelphi’s investment advisory services, is included in relevant offering materials, which may be provided to current and eligible prospective clients or investors only by Adelphi or an Administrator or Placement Agent.

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Item 4. Advisory Business

a) Background

Adelphi Capital LLP (“Adelphi” or the “Firm”) is an English limited liability partnership which is authorized and regulated in the United Kingdom by the Financial Conduct Authority (the “FCA”). The business was founded in 1997 by Roderick Jack and Marcel Jongen.

b) Advisory services

The Firm provides investment advice on a discretionary basis to onshore and offshore private investment funds (each, a “Fund”, and, together, the “Funds”) that are offered to high net worth, financially sophisticated, individual and institutional investors. Certain Adelphi Funds are organized as part of a “master-feeder” structure pursuant to which one or more domestic and offshore funds (“feeder funds”) invest all or substantially all of their assets in, and conduct their investment activities through, a single Master Fund.

Adelphi Management Limited (the “Manager”), a Guernsey limited company, acts as manager or general partner to the Funds (as applicable). The Manager and the Funds have appointed Adelphi Capital LLP to provide discretionary investment management services to the Funds.

Adelphi also provides discretionary investment advisory services to separately managed account clients (the “Separately Managed Accounts”). Typically, the Separately Managed Accounts are managed according to strategies that are similar to those of the Funds, but they may be subject to express investment restrictions or other special terms that do not apply to the Funds. These special terms are subject to negotiation on a client-by-client basis. In the past, such Separately Managed Accounts have included an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (“ERISA”). At the date of this document Adelphi does not provide discretionary investment advisory services to an ERISA SMA, however it is possible that Adelphi may take on such an account in the future. If Adelphi takes on such an ERISA account, it will ensure that it is a qualified professional asset manager (“QPAM”) with respect to such account and will only engage in transactions for such account to the extent permitted by ERISA and the applicable interpretive guidance issued thereunder.

The Funds and Separately Managed Accounts are collectively referred to herein as “clients.”

c) Principal investment strategies

Adelphi manages private investment vehicles that specialize in investments in Europe. Adelphi manages two fundamentally focused equity long/short strategies: Adelphi Europe and Adelphi Emerging Europe. The flagship strategy Adelphi Europe was launched in 1997, and a long only version of the strategy, Adelphi Europe Long Only, was introduced as a separate strategy at the end of 2007.

d) Tailored advice and client-imposed restrictions

Each Fund managed by Adelphi has its own investment objectives, strategies and restrictions. Certain Funds may focus on a narrow investment strategy while others may pursue a broader investment strategy. The Firm prepares offering materials with respect to each Fund that contain more detailed information, including a description of the investment objective and strategy or strategies employed and related restrictions.

While the Separately Managed Accounts may be reasonably tailored based on the individual needs of a client, as agreed to with the Firm, Adelphi Funds will not be tailored to meet the individualized investment needs of any particular Fund investor. An investment in an Adelphi Fund does not create a client-adviser relationship between the Firm and an Investor. Further discussion of the strategies, investments and risks associated with each Fund or separate account is included in the offering documents for each client.

Clients and investors must consider whether a particular Fund or advisory relationship is appropriate to their own circumstances based on all relevant factors including, but not limited to, the client's or investor's own investment objectives, liquidity requirements, tax situation and risk tolerance. Prospective clients and investors are strongly encouraged to undertake appropriate due diligence, including but not limited to a review of relevant offering materials for the Funds and the additional details about Adelphi's investment strategies, methods of analysis and related risks in Item 8 of this Brochure, before making an investment decision.

e) Wrap free disclosure

Not applicable.

f) Assets under management

As of 31 May 2014, the Firm had approximately \$2.6 billion of regulatory assets under management. The Firm does not manage any assets on a non-discretionary basis.

Item 5. Fees & Compensation

a) Asset based compensation

The Firm receives a management fee from certain Funds based on net assets under management, typically ranging from 1% to 2% annually (the "Management Fee"). Investment management fees are charged monthly or weekly in arrears based on the total market value of the assets in the client account (prior to the accrual of that month or week's investment management fee and any performance/incentive fee, and including net unrealised appreciation or depreciation of investments and cash, cash equivalents and accrued interest) on the last day of the month or week. Additionally, the Firm receives performance-based compensation as set out in the offering documents for each Fund (the "Performance Fee").

If a new client account is established during a month or week or a client makes an addition to its account during a month or week, the investment management fee (where applicable) will be pro rated accordingly. If a client's investment management agreement is terminated or a withdrawal is made from a client account during a month or week, the investment management fee payable will be calculated based on the value of the assets on the termination date or withdrawal date and pro rated for the period during the month or week in which the investment management arrangement was in effect or such amount was in the account. The Firm, in its sole discretion, may waive or reduce the Management Fee and/or the Performance Fee or amend any other restrictions with regard to investors that are employees or affiliates of the Firm, and relatives of such persons. Within each share class, no external investor has ever had preferential fee or liquidity arrangements in any Firm product since inception.

For the Separately Managed Accounts, Adelphi generally receives a combination of asset-based and performance-based fees. For Separately Managed Accounts that are managed according to strategies similar to particular Funds, the asset and performance-based fees charged are generally the same as the fees and allocations charged or assessed to those Funds.

Neither the Firm nor any of its employees or affiliates accepts additional compensation for the sale of securities or other services or other investment services or products.

b) Billing

Fees are deducted from the Funds after authorization by Adelphi and third party approval from the Administrator. Separately Managed Account clients are billed for fees incurred.

c) Other expenses and fees

Clients are responsible for and do incur other expenses separate and apart from the Firm's management and performance based fees. These expenses typically include custodial charges, brokerage fees and other transaction costs, commissions and related costs, interest expenses, taxes, duties and other governmental charges, transfer and registration fees or similar expenses,

costs associated with foreign exchange transactions, other portfolio expenses, and/or expenses associated with the investment vehicle in which assets are invested.

As noted above, the feeder funds invest substantially all of their assets in the Master Fund through a “master-feeder” structure. Each feeder fund will indirectly bear the administrative and other expenses of such Master Fund pro rata based on its interest in the Master Fund.

d) Sales based compensation

This is not applicable. Neither the Adviser nor any of its employees or affiliates accepts additional compensation for the sale of securities or other services or other investment services or products.

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

As stated in Item 5, the Firm charges all clients fees based on a share of capital gains on capital appreciation of the client's assets under management. The Performance Fee is charged by the Firm (or its affiliate) in compliance with Rule 205-3 under the Advisers Act. The Firm, in its sole discretion, may waive or reduce the Management Fee and/or the Performance Fee or amend any other restrictions with regard to investors that are employees or affiliates of the Firm, or relatives of such persons.

The Firm and its investment personnel provide investment management services to multiple portfolios for multiple clients. The Firm (or a related person of the Firm) is generally paid performance-based compensation by its clients. In addition, the Firm's investment personnel are typically compensated on a basis that includes a performance-based component. Certain client accounts may have higher asset-based fees or more favorable performance-based compensation arrangements than other accounts. When the Firm and its investment personnel manage more than one client account, a potential conflict exists for one client account to be favored over another client account. The Firm and its investment personnel may have a greater incentive to favour client accounts that pay the Firm (or its related person and, indirectly, their respective portfolio manager) performance-based compensation or higher fees.

The Firm is aware of, and has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts, including accounts with multiple fee arrangements, and the allocation of investment opportunities. The Firm's procedures relating to the allocation of investment opportunities require the Firm to attempt to allocate them in a manner that is in the best interests of all the client accounts involved and the Firm will, in general, allocate investment opportunities believed to be appropriate for more than one client account between such client accounts on a pro rata basis in proportion to the relative net worth of each. The Firm evaluates for each client account a variety of factors which may be relevant in determining whether a particular situation or strategy is appropriate and feasible for the client account at a particular time, including the nature of the investment opportunity taken in the context of the other investment or regulatory limitations on the client account and the transaction costs involved. Periodically, the Firm prepares a schedule comparing allocations between advisory accounts within the same strategy, for review by its directors of the Firm.

Performance-based compensation may create an incentive for the Firm to make investments that are riskier or more speculative than would be the case in the absence of the performance-based compensation. In addition, the performance on which performance-based compensation is calculated will include unrealized appreciation and depreciation of investments that may not ultimately be realized.

Item 7. Types of Clients

The Firm provides investment advisory services to certain private investment funds (the “Funds”) organized as limited partnerships, limited liability companies, or other legal entities. The Funds qualify for exemption from the definition of an investment company under the Investment Company Act of 1940, as amended (the “Investment Company Act”) under Section 3(c) (1) or Section 3(c) (7) of the Investment Company Act, and the Adviser offers interests to Investors pursuant to Regulation D under the Securities Act of 1933, as amended (the “Securities Act”).

With respect to any Fund, any initial and additional subscription minimums are disclosed in the Funds’ offering documents although the Funds’ directors have the right to accept a lesser amount. The Funds will offer their interests or shares only to persons who meet certain qualifications. Each U.S. Investor (taxable or tax-exempt) in a Fund (onshore or offshore) must be an “Accredited Investor” within the meaning of the Securities Act and a “Qualified Purchaser” within the meaning of the Investment Company Act. Non-U.S. investors in any U.S. organized (onshore) Fund must also be “Qualified Purchasers” and “Accredited Investors”. The fact that an Investor may meet the regulatory requirements to be eligible to invest in a Fund, however, does not necessarily mean that such an Investor is a suitable Investor in such Fund. The Firm has adopted subscription procedures that are intended to ensure that it has a reasonable belief that Investors who are accepted into a particular Fund are both eligible and suitable to invest in such a Fund. The Funds are privately offered in reliance upon exemptions from the registration requirements of the Securities Act; accordingly investment in the Funds is not open to the general public.

The Firm’s Separately Managed Accounts generally include high net worth individuals, pension or profit-sharing plans, and other institutions. The minimum investment for managed accounts is US\$100m, subject to individual negotiation.

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

a) Methods of analysis and investment strategies

The descriptions set forth in this Brochure are of specific advisory services that Adelphi offers to its clients, and investment strategies pursued and investments made by Adelphi on behalf of its clients, and should not be understood to limit in any way Adelphi's investment activities. The following is a summary only, a full description of the investment limitations and the risk associated with such strategies and methods is included in each Fund's offering documents. There can be no assurance that the investment objectives of any client will be achieved.

The Firm utilizes a variety of methods and strategies to make investment decisions and recommendations. The Firm's investment philosophy aims to deliver absolute long-term capital appreciation through a rigorous process of fundamental research. There are currently three fundamental strategies:

i) **Adelphi Europe**

This investment strategy is based on the belief that European equity markets can, from time to time, be inefficient in pricing individual securities and that superior returns can be generated by exploiting imperfect information and analysis in the market. Great importance is given to the selection of individual securities whereby the Firm will seek to compensate for market imperfections primarily by using direct first-hand research and analysis. The investment strategy is achieved by investing on a long and short basis primarily in the listed equity securities of European companies and by managing the Company's market and currency exposure to reduce risk or increase returns from time to time.

ii) **Adelphi Europe Long Only**

This investment strategy shares many of the key features of the Adelphi Europe investment strategy. The main difference is that this investment strategy is achieved by investing primarily on a long only basis. In January 2014 Adelphi launched a new long only master Fund (Adelphi Europe Long Only Master Fund Limited) and associated feeder fund (Adelphi Europe Long Only Fund Limited) to complement the existing long only Adelphi European Select Equity (UCITS) Fund.

This strategy aims to provide Shareholders with above average out-performance of its benchmark index, namely the MSCI Daily Net TR Europe Euro Index.

iii) **Adelphi Emerging Europe**

This investment strategy is based on the belief that equity markets in Emerging Europe, North Africa and the Middle East can from time to time be inefficient in pricing individual securities and that superior returns can be generated by exploiting imperfect information and analysis in the market. The Firm believes that inefficient pricing is likely to be more prevalent for Emerging European, North African and Middle Eastern equities than with

Western European stocks where these stocks are subject to a greater level of research. Great importance is given to the selection of individual securities whereby the Firm will seek to compensate for market imperfections primarily by using direct first-hand research and analysis.

The Firm will seek to achieve its objectives whilst operating within investment guidelines of each Fund which, in respect of the hedge funds, are more flexible than those generally associated with collective investment vehicles.

The Firm employs the following investment strategies, where appropriate, given the investment guidelines of each client account:

Equity

The Firm's equity strategy focuses on the selection of equities, with a focus on liquid securities. The majority of the portfolio is invested in mid to large cap equities.

Short Selling (not applicable for Adelphi Europe Long Only)

In a short sale transaction, the Firm sells a security it does not own in anticipation that the market price of that security will decline. The Firm sells short those stocks that have been identified as potentially overvalued or where it is believed that a company has structural problems. The Firm also makes short sales as a form of hedging to offset potential declines in long positions in similar securities, and in order to maintain flexibility.

Derivative Trading

The Firm trades both exchange-traded and over-the counter derivatives, including, but not limited to, futures, forwards, swaps, put and call options and contracts for differences, as part of its investment program and for hedging purposes. The Firm may also sell covered and uncovered derivatives on securities and other assets.

Fixed income and debt securities

The Firm may invest in fixed income and debt securities where permitted by the Fund documentation.

Hedging

The Firm utilises a variety of financial instruments such as forward foreign exchange contracts, derivatives and options for risk management purposes.

Leverage

Leverage involves the borrowing of funds from prime brokerage firms, banks or other institutions in order to be able to increase the amount of capital available for marketable securities investments. The Firm's investment strategies typically utilise limited leverage.

b) Material risks associated with investment strategies

For more information about the risks of each Fund that the Firm manages, please see the offering documents for that particular Fund. No assurance can be given that Shareholders will realise a profit on their investment. Moreover, Shareholders may lose some or all of their investment. The risks referred to below do not purport to be exhaustive and potential investors should review the relevant Fund offering documents carefully and in their entirety and consult with their professional advisers before making an application for shares.

Equity Securities

The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term. Different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geo-political risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Short Selling Risk

The Firm's investment program may include the sale of securities short and, in certain circumstances, this strategy can substantially increase the impact of adverse price movements. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase.

Use of Leverage and Derivative Instruments

The Fund's use of borrowing, leverage and derivative instruments, results in certain additional risks. Leveraged investments will increase the loss to investors of any depreciation in the value of investments whilst a relatively small price movement in a leveraged instrument may result in a substantial loss. Derivative instruments are highly volatile and expose investors to a high risk of loss.

Concentration of Investments

Although the Firm will endeavour to diversify the portfolios of its Funds in accordance with the investment policies and restrictions set out above, the Funds may hold a few, relatively large positions in securities in relation to the capital of the Funds. Consequently, a loss in any such position could result in significant losses to the Funds and a proportionately higher reduction in the Net Asset Value of the Fund than if the Funds' capital had been spread among a wider number of positions.

Currency Risk

Investments acquired by the Company may be in a wide range of currencies. Although the Firm may seek to manage the Company's foreign exchange positions, there is no assurance that this can be performed effectively. The Firm may, in its discretion, endeavour to enter in to foreign exchange hedging transactions, there is no guarantee that any such foreign exchange hedging transactions can be performed effectively, in whole or in part.

Potential Illiquidity of Exchange Traded and OTC Instruments

It may not always be possible for the Funds to execute a buy or sell order on exchanges at the desired price or to liquidate an open position either due to market conditions or due to the operation of daily price fluctuation limits. If trading on an exchange is suspended or restricted, the Fund may not be able to execute trades or close out positions on terms which the Firm believes are desirable. In addition, investment in OTC instruments will be subject to the liquidity of such instruments which may impact their valuation.

Market Risk

The investments of the Funds are subject to normal market fluctuations and there can be no assurances that appreciation will occur. The price of shares can go down as well as up and investors may not realise their initial investment.

Lack of Liquidity in Small and Mid Capitalisation Shares

The Funds may invest in shares which are illiquid due to their capital size and which can only be purchased or sold on the basis of a significant bid/offer spread on the pricing of the shares. Consequently, the Funds may suffer losses as a result of these factors.

Options

Purchasing put and call options, as well as writing such options, are highly specialized activities and entail greater than ordinary investment risks. Because option premiums paid or received by an investor will be small in relation to the market value of the investments underlying the options, buying and selling put and call options can result in large amounts of leverage. As a result, the leverage offered by trading in options could cause an investor's asset value to be subject to more frequent and wider fluctuations than would be the case if the investor did not invest in options.

Upon the exercise of a put option written by an investor on securities, the investor may suffer a loss equal to the difference between the price at which the investor is required to purchase the underlying securities and their market value at the time of the option exercise, less the premium received from writing the option. Upon the exercise of a call option on securities written by the investor, the investor may suffer a loss equal to the excess of the market value of the securities at the time of the option's exercise over the investor's acquisition cost of the securities, less the premium received from writing the option.

No assurance can be given that the Firm will be able to effect closing transactions at a time when it wishes to do so. If the Firm cannot enter into a closing transaction, the Firm may be required to hold securities that it might otherwise have sold, in which case it would continue to be at market risk on the securities and could have higher transaction costs, including brokerage commissions, upon the sale of securities.

Futures Contracts

The use of futures is a highly specialized activity which involves investment strategies and risks different from those associated with ordinary portfolio securities transactions, and there can be no guarantee that their use will increase the Funds' returns or not cause the Funds to sustain large losses.

Emerging Market General Risks

The Firm is likely to invest in markets which are less developed than for example the mature stock markets of western countries. Investment in emerging markets involves various risk factors and considerations which may not be associated with investing in more developed markets. These factors could result in losses to the investment strategies and include the following:

Market Illiquidity and Volatility

By comparison with more developed securities markets, most emerging countries securities markets are smaller, less liquid and more volatile. Whilst the Firm will endeavour to invest in positions that are readily realisable, market conditions can change such that in disposing of certain investments to meet liquidity needs or in light of adverse developments affecting a particular investment or its issuer, the Firm may find it necessary to dispose of securities at unfavourable prices or to retain securities that it would otherwise sell.

Political and Economic Factors

Emerging market countries are at an early stage of institutional and economic development and may experience significant economic imbalances and financial instability. Political uncertainties and market dislocations may disrupt or undermine equity values. Military action and coups d'état may be more likely to occur. Adverse government policies, or intervention, taxation, restrictions on foreign investment and on currency convertibility and repatriation, including expropriation, nationalization or confiscation or other developments in the laws and regulations of emerging

market countries in which investments are made could result in substantial losses to the investment strategies.

Tax and Other Legal Factors

The political environments in which the Firm trades may be fluid and unpredictable and this may result in sudden adverse changes in tax treatment or other laws or regulations affecting investments. In addition settlement, clearing and registration procedures as well as the national legal and accounting infrastructure may be underdeveloped enhancing the risks of error, fraud, or legal challenges and reducing the degree of investor protection.

Item 9. Disciplinary Information

The Firm and its supervised persons have not been involved in any legal or disciplinary events that are material to a client's or potential client's evaluation of our advisory business or the integrity of the Firm's management.

a) Criminal or civil action

None

b) Administrative proceeding

None

c) Self-regulatory organization (SRO) proceeding

None

Item 10. Other Financial Industry Activities & Affiliations

a) Registered Broker-Dealer or Registered Representative

Not Applicable. Neither Adelphi 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.

b) FCM, CPO, CTA or Associated Person

Not applicable. Neither Adelphi nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of such entities.

c) Material Business Relationships with Certain Related Persons

Adelphi Management Limited serves as the general partner or manager of the Funds and is an investment advisor registered in Guernsey. Adelphi Management Limited has delegated the investment advisory services it provides fully to Adelphi Capital LLP.

The Firm does not engage in any other financial activity other than that described in this brochure and Form ADV Part 1A.

d) Recommendation and Selection of Other Investment Advisers

Not applicable.

e) Use of Service Providers Whose Affiliates Invest in Certain Adelphi Funds

The Adviser has selected service providers to the private investment funds managed by the Adviser and also recommended service providers to the private fund Directors for their consideration, and anticipates that it will continue to do so in the future. In certain cases these service providers or their affiliates have invested in the private investment funds or recommended the Adviser's private funds as investments. The Adviser may have an incentive to select or recommend service providers who have made such investments or recommendations. To address this conflict the Adviser has adopted procedures with respect to the selection or recommendation of service providers and also periodically monitors service providers to assess whether they are providing the specified services.

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

a) Code of Ethics

The Firm 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 interests of clients come first; and (iii) it has a fiduciary duty to its clients to act solely for their benefit. All personnel of the Firm must put the interests of the Firm's clients before their own personal interests and must act honestly and fairly in all respects in dealings with clients. All personnel of the Firm must also comply with all federal securities laws.

Clients or prospective clients may obtain a copy of the Code of Ethics by contacting the Chief Compliance Officer by e-mail at tyler@adelphi-capital.com or by telephone at +44 (0) 20 7070 3100.

b) Participation or Interests in Client Transactions

The Firm has established strict procedures intended to limit conflicts of interest in cases where the Firm, a related person or any of their employees, buys or sells securities recommended by the Firm to its clients. Adelphi principals and certain employees generally invest some of their personal assets in the Funds, and therefore hold indirect interests in the same underlying securities as other investors in the Funds. In addition, Adelphi principals and employees may hold positions in, and sell for their own accounts (although only after pre-clearance) in the same securities that the Firm buys and sells for the Funds.

Personal Trading

The Firm has adopted a Code of Ethics pursuant to Rule 204A-1 of the Advisers Act that limits the ability of Adelphi personnel to trade in securities for their personal accounts and requires all personnel to pre-clear certain personal securities transactions with the Chief Compliance Officer. Among other requirements, the Code of Ethics requires all personnel to report certain of their personal securities transactions and holdings to the Firm, and the Chief Compliance Officer is required to review such reports. All transactions in reportable securities by access persons must be disclosed on at least a quarterly basis, within 30 days of the end of each calendar quarter.

All non-exempted personal account transactions must be pre-approved by a member of the Executive Committee. Such approvals are valid for 24 hours, and will then lapse and fresh approval is required. Access Persons are required to provide copies of relevant contract notes to the Chief Compliance Officer.

c) Investment in Securities Recommended to Clients

The Firm's Supervised Persons are specifically prohibited from using their knowledge about pending transactions or investments currently being considered for personal profit, including by purchasing or selling such securities directly or indirectly. Further, as noted above, all Access Persons (as defined in the Code, and which includes Supervised Persons meeting certain further criteria) must submit quarterly transactions reports detailing personal securities transactions. Such reports will be reviewed by the Chief Compliance Officer or their designee to ensure compliance with the Code.

d) Investment in Securities at or about the Same Time Recommended to Clients

See Part 11(c) above.

Item 12. Brokerage Practices

a) Selection of Broker-Dealers

The Firm has no obligation to deal with any particular broker-dealer in the execution of transactions in portfolio securities. In selecting broker-dealers with whom to place orders for purchases and sales of securities on behalf of our clients, the Firm's primary objective is to obtain best price and execution – that is, prompt, errorless, execution of orders at the most favorable prices reasonably obtainable. When determining the relative importance of the execution factors (see below) the Firm will take into account the following execution criteria:

- the characteristics of the Client including the categorisation of the Client as professional;
- the characteristics of the Client order (if there is a Client order);
- the characteristics of financial instruments that are the subject of that Client order;
- the characteristics of the execution venues or brokers to which that order can be directed.

The Firm will use its knowledge, experience and judgment to execute trades on behalf of its clients taking into consideration a range of different factors that include not just price, but also the costs incurred in the transaction, the research requirements of its business, the need for timely execution, the liquidity of the market, the prevailing market conditions, the size of the order and the nature of the financial transaction, including whether it is executed on a regulated market or over-the-counter.

It is the policy and practice of Adelphi to strive for the best price and execution that are competitive in relation to the value of the transaction ("best execution"). In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the overall best qualitative execution, taking into consideration the full range of a broker-dealer's services.

The Firm's commitment to provide its clients with Best Execution does not mean that it owes its clients any fiduciary responsibilities over and above the specific regulatory obligations placed upon it or as may be otherwise contracted between the Firm and its clients.

b) Soft-Dollar Arrangements

Adelphi may select a broker-dealer in recognition of the value of various services or products, beyond transaction execution, that such broker-dealer provides where, considering all relevant factors, it believes the broker-dealer can provide best execution. The amount of compensation paid to such broker-dealer may be higher than what another, equally capable broker-dealer might charge. Selecting a broker-dealer in recognition of the provision of services or products other than transaction execution is known as paying for those services or products with "soft dollars."

Where the Firm does not negotiate "execution only" commission rates, the Funds may be deemed to be paying through the use of "soft dollars" for research services provided or paid for

by the broker which are included in the commission rate. The benefits provided by these services assist the Firm in the provision of an effective investment management service.

To date there has been no disclosed split with any counterparties between the amount of commission paid for execution and the amount paid for research. As such any notional split between these two will only represent an estimate by the Firm. As the investment process of the Firm is research driven, we perceive that the majority of commission is paid for research services. The Firm's trades generally pay a commission of 15 basis points. The Firm estimates that the minimum value that can be placed on execution is 5 basis points and as a result we estimate that the split of research and execution is approximately one third execution cost and two-thirds research services.

In selecting brokers or dealers to execute transactions, Adelphi need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Although customary, these arrangements present potential conflicts of interest in allocating securities transactional business to broker-dealers in exchange for soft dollar benefits, including an incentive to select a broker-dealer based on Adelphi's interest in receiving research or other products or services, rather than on the Funds' interest in receiving the most favorable execution.

Pursuant to Section 28(e) of the Securities Exchange Act of 1934, as amended, Adelphi may use soft dollars to acquire a variety of research and brokerage services and products from a broker-dealer, provided that the commissions paid are reasonable in light of the value of the brokerage and research products or services provided, as determined by Adelphi in good faith. Adelphi will limit the use of "soft dollars" to obtain research and brokerage services which constitute eligible research and brokerage within the meaning of Section 28(e). For these purposes, eligible "brokerage" services and products are those used to effect securities transactions for the Funds or to assist in effecting those transactions. Eligible "research" means services or products used to provide lawful and appropriate assistance to Adelphi in making investment decisions for the Funds.

The Firm chooses counterparties to transact investment transactions to ensure that the appropriate pools of liquidity are being accessed for each transaction. In addition counterparties are monitored for the quality of the research provided. In particular, emphasis is placed on the quality of stock research, the performance of research ideas and access to research analysts.

c) Brokerage for Client Referrals

The Firm does not consider, in selecting or recommending a broker dealer, whether the Firm or a related person receives client referrals from that broker-dealer.

d) Directed Brokerage

The Firm does not accept clients who require us to execute transactions through a specified broker-dealer. The Firm will use such broker-dealer(s) subject to our determination that said broker-dealer provides best execution of client transactions.

e) Aggregation (Bunching) of Trades

All Adelphi Europe and Adelphi Europe Long Only deals are allocated to the feeder funds and separately managed accounts on a pro rata basis, except where specific portfolio rebalancing is being undertaken. Whilst the long side of the Adelphi Europe portfolio and the Adelphi Europe Long Only portfolio will have common positions the weightings will naturally vary as one is a hedge fund product whilst the other is a long only product. Where funds require different target weights a pro rata allocation method may be used.

All Adelphi Emerging Europe deals are allocated across the Adelphi Emerging Europe funds on a *pari passu* basis, except where specific portfolio rebalancing is being undertaken. The trade order management system retains the current value of the funds together with the current position of the individual stocks within the portfolio and has an automated allocation method that ensures that all funds will have equal weightings in the stock being traded after the execution of the trade. The dealer will confirm the method of allocation after execution of all trades.

Where the Adelphi Europe, Adelphi Europe Long Only and/or Adelphi Emerging Europe strategies wish to trade the same stock, then deals are allocated across all funds on a *pari passu* basis. If one strategy has already started to trade the stock prior to the other strategy, then the trade will be closed, allocated and completed at the point when an order to trade the stock for the other strategy is received and a new trade will be instigated where the trade is then allocated on a pro rata basis across all the funds.

In some instances for regulatory reasons the Firm may be restricted from treating Clients on a *pari passu* basis (particularly in the case of IPOs and placements in certain jurisdictions).

Any completed orders (e.g. illiquid stock or IPO) where the amount of stock received is too small to be allocated pro rata may be allocated on a demonstrably fair basis by the fund manager who must record the basis of the allocation on the dealing ticket.

The Firm may effect transactions between discretionary client accounts for the purpose of rebalancing, but will only do so when they are executed through the market in order for the compliance obligations to be met. These cross transactions include rebalancing transactions that are undertaken so that, after withdrawals or contributions have occurred, the portfolio compositions of similarly managed accounts remain substantially similar. In addition, cross transactions are not always permitted for benefit plan or other similar accounts that are subject to ERISA. Allocation is monitored on an ongoing basis to ensure compliance with the Firm's policy.

Item 13. Review of Accounts

a) Periodic Client Account Reviews

The respective Portfolio Manager of each Fund reviews the holdings of that Fund on a daily basis. Each Portfolio Manager monitors holdings in light of the Fund's investment guidelines and restrictions, as well as trading activity, significant corporate events, significant economic and general business conditions, and other activities that may dictate a change in portfolio positions. In addition, through the auspices of the Chief Compliance Officer the Firm performs a regular review of portfolio holdings to ensure that transactions are within the parameters of client objectives. In addition, the Firm reviews client holdings on a periodic basis as a part of its deliberations in the selection of investment opportunities for the funds.

b) Client Reports

Investors in the Funds managed by the Firm receive monthly reports. The Administrator issues a monthly report to each investor providing details of shares held and the value of their holdings. The Firm issues monthly and quarterly newsletters to investors for the relevant Fund in which they invest.

Adelphi endeavors to send Audited Financial Statements to Fund investors within 120 days of the relevant Fund's financial year end.

Item 14. Client Referrals & Other Compensation

The Firm does not receive any economic benefit other than fees described above for providing investment advice and advisory services to the Funds or Separately Managed Accounts. In addition, the Firm does not engage any placement agents or compensate any person who is not a supervised person of Adelphi for soliciting investors for the Funds.

Item 15. Custody

The Firm does not retain custody of client assets. The Firm maintains all of the Funds' assets at a prime broker, custodial bank, or ISDA counterparty, all of whom are qualified custodians, as that term is defined under the custody rule under the Advisers Act. In addition, the Funds are audited annually and the relevant financial statements are distributed to all investors.

Where Firm is deemed to have custody of the assets of a separate account, the custodian(s) for such account will send to the client periodic account statements indicating the amounts of any funds or securities in the custodial account as of the end of the statement period and any transactions in the account during the statement period. Clients should review these statements carefully and should immediately contact the Firm if account statements are not received from the custodian on at least a quarterly basis. To the extent Adelphi, pursuant to the relevant advisory contract or otherwise, separately provides reports or account statements, Clients should compare Adelphi's statements carefully to the account statements received from the custodian. If there are any discrepancies between the account statements, please contact the Firm immediately.

Item 16. Investment Discretion

The Firm has complete investment discretion over the portfolios of the Funds. The Funds' offering documents set out the investment objectives, approach, strategies and restrictions of each Fund.

Separately Managed Account clients may impose reasonable restrictions, limitations or other requirements with respect to their individual accounts.

Unless otherwise instructed or directed by a discretionary client, the Firm has the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines), and (ii) the amount of securities to be purchased or sold for the client account. Because of the differences in client investment objectives and strategies, risk tolerances, tax status, structural and regulatory constraints and other criteria, there may be differences across clients in the invested positions and securities held across their accounts.

For each order given to the market, the intended allocation of the trade, which is based upon our allocation policy, is documented. If the allocation of the trade executed differs from the intended allocation, full records will be maintained.

The following specific factors will be considered: (i) client investment guidelines; (ii) restrictions placed on a client's portfolio by the client or by applicable law; (iii) size of the client account; (iv) existing size and average cost of the security in the client's account; and (v) account liquidity and timing of cash flows. Please refer to Item 12E for a more detailed description of the Firm's Allocation Policy.

Item 17. Voting Client Securities

a) Proxy Voting Authority

The Firm has adopted Proxy Voting Policies and Procedures pursuant to Rule 206(4)-6 of the Advisers Act designed to ensure that proxies are voted prudently and solely in the best interest of our clients. According to our policy, the Firm will generally vote via an appointed third party proxy voting service provider. Generally, all proxies are evaluated and voted on a case-by-case basis, considering a range of relevant factors. In all cases, the Firm will take the appropriate action that it believes will be most advantageous to its clients. In the event that a conflict of interest exists between management's recommendation and the Firm or its clients, the Firm will vote, with the assistance of the third party proxy voting service provider, in the manner which in its judgment and sole discretion is in the best interest of its clients.

b) Client Proxy Voting Authority

The Firm's voting policy is undertaken at all times in the best interests of clients and for their benefit. Where applicable, clients may obtain a copy of the Firm's proxy voting policies and procedures and information about how the Firm voted a client's proxies by contacting the Firm at tyler@adelphi-capital.com or by telephone at +44 (0)20 7070 3100.

Item 18. Financial Information

No financial events have occurred to the Firm that would negatively affect the financial viability of the Firm. There is no financial condition of the Firm that is reasonably likely to impair the Firm's ability to meet contractual commitments to clients.

a) Financial Disclosures

Not Applicable.

b) Material Financial Impairment

Not Applicable.

c) Bankruptcy Petitions

Not Applicable.