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FIRM BROCHURE FOR U.S. CLIENTS

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This brochure provides information about the qualifications and business practices of S.W. Mitchell Capital LLP. If you have any questions about the contents of this brochure, please contact us by phone at +44 20 7290 3580. 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 regulatory authority.

S.W. Mitchell Capital LLP is registered with the SEC as an investment adviser and may describe itself as being a “registered investment adviser” or an “RIA”. You should be aware that such registration does not imply a certain level of skill or training.

Additional information about S.W. Mitchell Capital LLP is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Not Applicable.

Item 3 – Table of Contents

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Item 4 – Advisory Business

S.W. Mitchell Capital LLP (“**S.W. Mitchell Capital**” or “**we**”) was founded in April 2005 as a limited liability partnership incorporated in England and Wales (registered no. OC312953) and has its principal place of business and registered office at Princes House, 38 Jermyn Street, London, SW1Y 6DN United Kingdom. Stuart Mitchell is the principal owner of, and controls,

S.W. Mitchell Capital. S.W. Mitchell Capital is authorized and regulated in the United Kingdom by the UK Financial Conduct Authority (the “FCA”).

S.W. Mitchell Capital provides investment management services and will perform, on behalf of its clients, other investment related duties and functions as may be agreed upon with the client. The specific services provided and fees charged by S.W. Mitchell Capital to a particular client depend upon the investment objectives and restrictions of the client, as set forth in the documents governing S.W. Mitchell Capital’s agreement with the client. Item 8 includes additional detail about our strategies, investments and related risks. S.W. Mitchell Capital currently advises a range of different clients, including both private accounts and private funds.

Private Accounts

S.W. Mitchell Capital provides investment supervisory services and discretionary portfolio management to corporations, pension plans and non-profit organizations (“**Private Accounts**”). S.W. Mitchell Capital consults with, and formulates an investment program for each Private Account, and complies with limitations and guidelines established by each client, if any. This investment management program is set out in each respective Private Account’s investment management agreement (each, an “**Investment Management Agreement**”). In the event of any inconsistency between this brochure (the “**Brochure**”) and a Private Account’s Investment Management Agreement, the Investment Management Agreement shall control.

Funds

S.W. Mitchell Capital currently provides discretionary investment advice to private investment funds and other non-U.S. funds (collectively “**Funds**”). The investments of each Fund are managed in accordance with the Fund’s investment objectives, strategies and guidelines and are not tailored to any particular investor in the Fund (“**Investor**”) nor may any Investor direct a Fund’s investments. The investment objectives, strategies and guidelines are set out in each respective Fund’s offering memoranda, organizational, governing and other related documents (together, the “**Governing Documents**”). In the event of any inconsistency between this Brochure and a Fund’s Governing Documents, the Governing Documents shall control. S.W. Mitchell Capital does not provide individualized investment advice to the Investors; therefore, Investors should consider whether a particular Fund meets their investment objectives and risk tolerance.

As of October 31, 2014 we managed approximately \$1.7 billion of client assets, all of which is on a discretionary basis. These amounts were determined based upon the aggregate net asset value of the Funds and discretionary Private Accounts as of such date.

Item 5 – Fees and Compensation

Private Accounts

Fees for the management of Private Accounts are generally based on an annual percentage of each account's assets under management and performance fees.

The currently effective general fee schedule for S.W. Mitchell Capital is:

Asset-Based Fee: a management fee at an annual rate of 0.3% to 1% based upon net asset value

Performance Fee: 10% to 20% of the absolute excess return or the excess return relative to a prescribed benchmark

S.W. Mitchell Capital reserves the right, in its sole discretion, to negotiate and charge different fees for certain accounts based on the client's particular needs and other factors unique to the client's particular circumstances.

Fees are computed and payable quarterly in arrears, based on either the market value on the last business day of each quarter after advisory services are rendered or the average monthly net asset value. Initial fees are calculated based upon the number of days in the quarterly period that the account came under S.W. Mitchell Capital's management. All subsequent quarters are billed for the full quarter. If clients terminate the relationship prior to the end of the quarter, the fee is prorated for the number of days prior to termination.

Clients may be billed for advisory fees incurred. If authorized by the client, fees may be billed directly to a client's account and paid from that account by the client's custodian.

S.W. Mitchell Capital's Investment Management Agreements are mutually revocable without penalty. Such termination must be effected by written notice; the Investment Management Agreements may require up to ninety days' written notice prior to termination. There is no requirement for prepayment of fees, and in the event of termination, any outstanding fees are charged on a pro-rata basis.

Funds

S. W. Mitchell Capital's investment management services include implementing the investment objectives of a Fund, determining appropriate asset allocation across the Fund's investment strategies, placing trades for execution with third-party brokers, and monitoring existing and prospective investments in light of each Fund's objectives and risk parameters. Investors receive

quarterly or semi-annual statements from the Fund including a performance report (which will usually be sent monthly). Funds may also send Investors information for tax reporting purposes. Currently, S. W. Mitchell Capital charges Funds a fee based in part on the Fund's assets under management and in part on the performance of the Fund. Fees, including performance fees, are negotiable and Funds established in the future may pay a fee higher or lower than that described herein based on the unique circumstances of such future Funds. Fees charged by the Funds to Investors may vary and may be subject to waiver and/or negotiation. It is possible that different Investors will pay different management or performance fees through investment in different share classes in the Funds. Fees generally are paid monthly or quarterly in arrears. In certain cases, performance fees may be paid annually in arrears. Each Fund's advisory fees are described in detail in its offering memorandum.

The currently effective general fee schedule for S. W. Mitchell Capital is:

Management Fee - a management fee at an annual rate of 1% based upon average net asset value

Performance Fee - 20% of absolute excess return or excess return relative to a prescribed index

Current Funds may utilize multiple class or similar structures pursuant to which the management fees for certain classes are discounted ("**Discounted Classes**"). Discounted Classes may be available to certain groups (such as directors, officers and employees of S. W. Mitchell Capital).

Expenses

Private Account clients will incur certain expenses such as (i) investment expenses (e.g., brokerage commissions, interest expense, dividends on securities sold short), (ii) expenses related to legal, accounting, auditing and tax preparation, and (iii) administration fees associated with the maintenance of the Private Accounts. Similarly, each Fund, and thus Fund Investors indirectly, will incur all expenses incidental to the Fund's operations and business. These include, but are not limited to: (i) investment expenses (e.g., brokerage commissions, interest expense, dividends on securities sold short), (ii) expenses related to legal, accounting, auditing and tax preparation, (iii) directors' fees, (iv) administration fees and (v) organizational expenses.

S.W. Mitchell Capital does not charge any additional transaction costs, however Private Account clients and the Funds, and thus Fund Investors indirectly, will incur brokerage and other transaction costs. Item 12 includes additional detail about brokerage costs.

Item 6 – Performance-Based Fees and Side-By-Side Management

As described in Item 5 (Fees and Compensation) above, S.W. Mitchell Capital receives compensation from the Private Accounts and the Funds in the form of performance-based allocations. This performance-based allocation may create a potential conflict of interest in that it may create an incentive for S.W. Mitchell Capital to make investments that are riskier or more speculative than would be the case in the absence of this compensation. In addition, while many of the Private Accounts and the Funds are subject to a performance-based allocation, S.W. Mitchell Capital may have an incentive to favor those Private Accounts and Funds whose fees are higher or where S.W. Mitchell Capital or its personnel have other pecuniary interests. S.W. Mitchell Capital recognizes that it must act in the best interest of its Private Account clients, Funds and Investors. Further, S.W. Mitchell Capital recognizes that it must treat all Private Accounts and Funds fairly and must refrain from favoring one over another.

The management fee and the performance-based allocation both depend on the value of the Private Accounts' / Funds' investments. In certain cases where a security is accurately valued, a Private Account or Fund may not ultimately realize the value upon which a performance-based allocation was charged upon its ultimate sale due to subsequent market movements. With respect to the Funds, the Fund's directors are entitled to exercise their reasonable judgment in determining the value of the Funds' investments. Absent bad faith or manifest error, these valuation determinations are conclusive and binding on all Investors.

A portion of the assets in which the Funds invest may, at any time or from time to time, be illiquid, thinly traded or otherwise difficult to value. As a result, S.W. Mitchell Capital has established valuation policies and procedures to mitigate the conflicts and potential for material pricing discrepancies in respect of Fund assets and to assure that assets are valued in good faith. Under these procedures, assets held by or on behalf of a Fund are valued as described in the relevant Fund's Governing Documents or, in the absence of specific and stated valuation procedures, at fair or market value.

S.W. Mitchell Capital may provide discretionary management services to one or more separately managed accounts or funds in the future that employ a similar trading strategy and which may have different fee arrangements than those of currently existing Private Accounts or Funds. Such accounts may create additional conflicts of interest for S.W. Mitchell Capital. Investment opportunities are generally allocated among clients with similar investment strategies pro rata based on amount of assets.

S.W. Mitchell Capital, its employees, affiliates or their related persons may also invest directly in any one, some or all of the Funds. The fact that S.W. Mitchell Capital, its employees, affiliates or their related persons have a financial ownership interest in the Funds creates a potential

conflict in that it could cause S.W. Mitchell Capital to make different investment decisions than if they did not have such a financial ownership interest. Further, S.W. Mitchell Capital or its affiliates charge the Private Accounts and Funds fees based on a percentage of assets under management and receive allocations based on performance. The management fee is payable without regard to the overall success or income earned by the Private Accounts and Funds and therefore may create an incentive on the part of S.W. Mitchell Capital to raise or otherwise increase assets under management to a higher level than would be the case if S.W. Mitchell Capital were receiving a lower or no management fee. The receipt of performance-based allocations by S.W. Mitchell Capital or its affiliates may create an incentive for S.W. Mitchell Capital to make investments for the Private Accounts or Funds that are riskier or more speculative than it otherwise would.

Furthermore, S.W. Mitchell Capital and its affiliates are not restricted from forming additional private accounts or investment funds, from entering into other investment advisory relationships, or from engaging in other business activities, even though such activities may be in competition with the existing Funds and Private Accounts and/or may involve substantial time and resources of S.W. Mitchell Capital. These activities could be viewed as creating a conflict of interest in that the time and effort of the members of S.W. Mitchell Capital and its affiliates are not devoted exclusively to the business of the existing advisory clients, but are allocated between the business of the existing advisory clients and the management of the monies of future accounts and funds managed by S.W. Mitchell Capital. S.W. Mitchell Capital uses its best judgment to be fair and equitable to all advisory clients over time to minimize this conflict of interest.

Item 7 – Types of Clients

We provide discretionary portfolio management services to Private Accounts. In addition, we provide discretionary investment management services to the Funds.

Our Private Account clients may include corporations, pension plans and non-profit organizations. The types of Fund Investors include the following: pension and profit sharing plans; trusts, foundations, endowments, funds of hedge funds (whether organized as partnerships, corporations or other entity types), high net worth individuals and family offices.

The minimum investment for Private Accounts is generally \$5 million. However, S.W. Mitchell Capital reserves the right, in its sole discretion, to reduce the minimum requirement for certain Private Accounts under certain circumstances. The minimum initial investment for a Fund Investor is \$100,000. This minimum may be reduced or waived by the Directors of the Funds, subject to any applicable statutory minimums.

Fund Investors also need to meet additional requirements set forth in a Fund's Governing Documents, including the subscription agreement.

This Brochure will be provided to current or prospective Private Account clients prior to or in connection with such consideration or execution of an investment in a Private Account, and to the Funds, and will subsequently be provided periodically to each Private Account client and Fund. Private Account clients and other recipients should be aware that while this Brochure may include information about the Private Accounts and Funds, as necessary or appropriate, it should not be considered to represent a complete discussion of the features, risks or conflicts associated with any Private Account or Fund. More complete information about each Private Account is included in that Private Account's Investment Management Agreement and about each Fund is included in the Fund's Governing Documents, which may be provided to current and eligible prospective Fund Investors only by S.W. Mitchell Capital or another authorized party.

In no event should this Brochure be considered to be an offer of, or agreement to provide, advisory services directly to any recipient. It is also not an offer of interests or shares in a Fund or relied upon in determining whether to invest. Rather, this Brochure is designed solely to provide information about S.W. Mitchell Capital for the purpose of compliance with certain obligations under the U.S. Investment Advisers Act of 1940, as amended (the “**Advisers Act**”) and, as such, responds to relevant regulatory requirements under the Advisers Act, which may differ from the information provided in a Private Account's Investment Management Agreement or a Fund's Governing Documents. **To the extent that there is any conflict between discussions herein and similar or related discussions in any of the Investment Management Agreements or Governing Documents, the Investment Management Agreements or Governing Documents, as applicable, shall control.**

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

There is no guarantee that any particular strategy will be effective or yield particular results or levels of return. Investing in securities involves the risk of loss that Private Account clients and Fund Investors should be prepared to bear. Private Account clients and Fund Investors could lose some or all of their investment. Private Accounts and Funds are not necessarily diversified and are not intended to represent a complete investment solution for clients or Fund Investors. We expect that clients and Fund Investors maintain assets other than those advised by or invested through us. Clients and Fund Investors are responsible for appropriately diversifying their investments to mitigate risk of loss.

Investment Objective and Policy

The investment objective of each Private Account is agreed separately between S.W. Mitchell Capital and each Private Account client.

The primary investment objective of the Funds advised by S.W. Mitchell Capital is to generate absolute returns primarily by investing both long and short in European equity securities. Subject to applicable law and the terms of Private Account Investment Management Agreements

and Fund Governing Documents, S.W. Mitchell Capital has maximum flexibility to invest in all securities and instruments, including (but not limited to) listed and unlisted equities, debt securities, options, warrants, convertibles and other derivative instruments.

We believe that European stock markets are inefficient and that substantial value can be created by employing fundamentally driven company research. We intend to visit extensively potential investee companies and will favor what we believe to be the best quality growth companies where we believe management has embraced the philosophy of maximizing shareholder value. We will also seek opportunities amongst those companies which are restructuring their operations in order to realize shareholder value and will aim to create value by selling short shares of companies where we believe the business outlook is deteriorating and where we believe valuation anomalies exist.

The portfolio of investments will aim to be relatively concentrated and will seek to maximize the value of our research. We will also seek to employ various hedging techniques with the aim of managing short term volatility.

Our investment policies may involve the use of frequent trading resulting in increase brokerage and other transaction costs.

Risk of Loss

Certain Risk Factors

General

Our investment strategies carry a high degree of risk including, but not limited to, the risks referred to below. No assurance can be given that investors will realize a profit on their investment or a level of return comparable to that of other managers or relevant market benchmarks. Moreover, investors may lose some or all of their investment. The risks referred to below are not intended as a full or detailed discussion of all of the risks associated with our investment strategies and prospective Private Account clients and Fund Investors should read this entire Brochure and all relevant offering materials carefully as well as consult with their professional advisors before making an investment.

The material risks involved in connection with an investment in our Private Accounts or Funds include:

Investment-Related Risks

Investment and Trading Risks in General - All securities investments present a risk of loss of capital. We believe that our investment policies moderate this risk through a careful selection of securities and other financial instruments. Our investment policies may, however, utilize such

investment techniques as option transactions, margin transactions, short sales and futures and forward contracts which practices can, in certain circumstances, increase any losses. While we believe that our investment strategies and research reduce risk, no assurance can be given that such strategies will be successful. Additionally, the use of certain hedging and risk mitigation strategies may reduce the return potential for an account.

Liquidity of Small and Mid Cap Securities - Small and mid cap issuers generally have lower daily trading volume than issuers with larger capitalization. This lower trading volume may affect the ability of investors in these issuers to build, or reduce, the size of a position in a short time frame. In addition, it may sometimes be difficult to obtain price quotes in significant size for stocks of such small and mid cap issuers. Investments in small and mid cap issuers typically involve a higher degree of business and financial risk and can result in substantial losses due to special risk factors. For example, such issuers are typically subject to a greater degree of change in earnings and business prospects than are issuers with larger market capitalisations.

Business, Legal, Tax and Other Regulatory Risks - Legal, tax, and regulatory changes, as well as judicial decisions, could adversely affect a Private Account or Fund, us and/or the investment strategies we use. The regulatory environment continues to evolve. Changes in applicable regulations may adversely affect the value of the investments of a Private Account or Fund and our ability to implement the investment strategy of a Private Account or Fund (including the use of short positions, derivatives and leverage). The financial services industry generally and the activities of private investment funds (such as a Fund) and their investment advisers, in particular, have been the subject of increasing legislative and regulatory scrutiny. Such scrutiny may increase the legal, compliance, administrative and other related burdens and costs of a Private Account, a Fund or us as well as regulatory oversight or involvement or result in ambiguity or conflict among legal or regulatory schemes applicable to a Private Account, a Fund or us. In addition, securities and futures markets are subject to extensive statutes, regulations and margin requirements. Various regulators and exchanges may be authorised to take extraordinary actions in the event of market emergencies. The regulation of derivative transactions and entities that engage in such transactions is an evolving area of law and is subject to further development and modification by governmental and judicial action. There can be no assurances that a Private Account, a Fund or we will not in the future be subject to regulatory review or discipline. The effects of any regulatory changes or developments on a Private Account or Fund may affect the manner in which it is managed and may be substantial and adverse.

Trading in Options – We may purchase and sell (“write”) options on securities, currencies and commodities on a variety of commodities and securities exchanges and over-the-counter markets. The seller (“writer”) of a put or call option which is uncovered (*i.e.* the writer has effectively a long or a short position in the underlying security, currency or commodity) assumes the risk (which theoretically may be unlimited) of a decrease or increase in the market price of the underlying security, currency or commodity below or above the sales or purchase price.

Trading in futures and options is a highly specialized activity and although it may increase total return it may also entail significantly greater than ordinary investment risk. There can be no assurance that a given exposure will be hedged at any given time or, even if the exposure is hedged, that such hedge will be effective.

Exchange-Traded Futures Contracts and Options on Futures Contracts – We may invest in futures and related options.

The use of futures contracts and options on futures contracts will present the same types of volatility and leverage risks associated with transactions in derivative instruments generally (see below). In addition, such transactions present a number of risks which might not be associated with the purchase and sale of other types of investment products.

Prior to exercise or expiration, a futures or option position can be terminated only by entering into an offsetting transaction. This requires a liquid secondary market on the exchange on which the original position was established. While we will enter into futures and option positions only if, in our judgment, there appears to be a liquid secondary market for such instruments, there can be no assurance that such a market will exist for any particular contract at any point in time. In that event, it might not be possible to establish or liquidate a position.

The ability to utilize futures or options on futures to hedge exposure to certain positions or as a surrogate for investments in instruments or markets will depend on the degree of correlation between the value of the instrument or market being hedged, or to which exposure is sought and the value of the futures or option contract. Because the instrument underlying a futures contract or option traded by a Private Account or Fund will often be different from the instrument or market being hedged or to which exposure is sought, the correlation risk could be significant and could result in substantial losses to the Private Account or Fund. The use of futures and options involves the risk that changes in the value of the underlying instrument will not be fully reflected in the value of the futures contract or option.

European Economic Risks – European Union (“EU”) Member States and European businesses and financial institutions and counterparties are currently being affected, some adversely, by severe political and economic difficulties and concerns, including in relation to Sovereign and non Sovereign funding and debt. European, International Monetary Fund and bilateral emergency funding arrangements have already been extended and/or are contemplated in respect of EU Member States and European based financial institutions.

These developments have had a negative effect in political terms and also in economic terms. Financial markets, investor sentiment and credit ratings of institutions and Member States have already been adversely affected and may continue to do so. In addition, investment activity has been affected, as has the willingness of financial institutions to extend credit and to obtain funding.

Member States within the Eurozone, and certain other EU Member States, are in ongoing discussions with a view to agreeing stricter financial disciplines. However, it remains unclear whether agreement on these matters will be reached, and even if reached, whether adequate measures will be adopted in the short to medium term.

There are increasing concerns that one or more Member States within the Eurozone may not be able to meet their debt obligations or funding requirements. The depressed economic environment and cost of funding may cause short and medium term budget deficits to expand in these economies, further increasing the risk of default. A sovereign default is likely to have adverse consequences for the economy of the Member State and that of Europe and the wider world economy. The affect on creditors of a sovereign default is likely to be adverse.

The possibility of Member States that have adopted the Euro abandoning or being forced to withdraw from the Euro remains. It is difficult to predict the precise nature of the consequences of a Member State leaving the Euro as there has been no well-defined legal framework put in place in preparation for such an event. However, it is likely that any Euro-denominated assets or obligations that a Private Account or Fund acquired that are converted into a new national currency would suffer a significant reduction in value if the new national currency falls in value against the Euro or other currencies.

These economic developments and their consequences both in Europe and the wider world economy have significantly increased the risk of market disruption and governmental intervention in markets. Such disruption and intervention may result in unfavourable currency exchange rate fluctuations, restrictions on foreign investment, imposition of exchange control regulation by governments, trade balances and imbalances and social, economic or political instability.

Predicting the consequences of developments of this kind is difficult. Events affecting the Euro could result in either separate new national currencies, or a new single European currency, and consequently the redenomination of assets and liabilities currently denominated in Euro. In such circumstances, there would be a definite risk of a Private Account or Fund's Euro-denominated investments becoming difficult to value, which, coupled with the base currency of the accounts being the Euro, could potentially result in negative consequences for a Private Account or Fund including suspension of net asset value valuations and consequently of redemptions. If the redenomination of accounts, contracts and obligations becomes litigious, difficult conflict of laws questions are likely to arise.

Adverse developments of this nature may significantly affect the value of the investments of a Private Account or Fund, notwithstanding the Private Account's or Fund's objective to seek to achieve risk adjusted total rates of return independent of market movements. They may also affect the ability of the Private Account or Fund to transact business including with financial counterparties, to manage investment risk and to hedge currency and other risks affecting the

Private Account's or Fund's portfolio. Fluctuations in the exchange rate between the Euro and the U.S. dollar or other currencies could have a negative effect upon the performance of investments.

Currency – Investments in a Private Account or Fund will be issued and withdrawn/redeemed in Euro and U.S. Dollars. A substantial proportion or all of each Private Account's or Fund's assets may be invested in securities and other investments that are denominated in another currency. Accordingly, the value of a U.S. Dollar investment or, to a lesser extent, a Euro investment (as the case may be) may be affected favorably or unfavorably by fluctuations in exchange rates, notwithstanding any efforts made to hedge such fluctuations.

Short Sales - A short sale involves the sale of a security that a Private Account or Fund does not own in the expectation of purchasing the same security (or a security exchangeable therefor) at a later date at a lower price. To deliver to the buyer, the Private Account or Fund must borrow the security and later purchase the security to return to the lender. A short sale involves a risk of a theoretically unlimited increase in the market price of the security.

Structured Product Demand - A Fund may be attractive to structured product providers. Such providers may not apply the same investment criteria as other investors when deciding whether to purchase or sell investments in a Fund and certain features of those structured products, such as fixed maturity dates, may cause such providers to dispose of all or a significant portion of their investments at certain times, which will result in the liquidation of assets and may be detrimental to other investors.

Leverage, Interest Rates and Margin – We may borrow funds from brokerage firms, banks and other financial institutions in order to increase the amount of capital available for investment. Consequently, the level of interest rates at which we can borrow may affect the operating results of a Private Account or a Fund. In addition, we may in effect borrow funds through entry into repurchase agreements and may “leverage” its investment return with such instruments as forwards, futures, options and other derivative contracts.

The use of borrowing results in certain additional risks. For example, should the securities pledged to brokers to secure a margin account decline in value, the Private Account or Fund could be subject to a “margin call” and need to deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of the Private Account's or Fund's assets, the Private Account or Fund might not be able to liquidate assets quickly enough to pay off its margin debt. In addition, leverage can increase the loss to investors. In the futures markets, margin deposits are typically low. Low margin deposits mean that a relatively small price movement in a futures contract may result in immediate and substantial losses. For example, if at the time of purchase 10% of the price of a futures contract is deposited as margin, a 10% decrease in the price of the

futures contract would, if the contract is then closed out, result in a total loss of the margin deposit before any deduction for the brokerage commission.

Depending on market conditions, from time to time leverage, borrowing and margin may not be available to a Private Account or Fund or may not be available to the Private Account or Fund at a price it is willing to pay.

No Established Rating Criteria – We may invest in debt securities for which no rating criteria have been established or applied, or in low rated (considered to be those that are below “investment grade”) and unrated debt securities. Low rated and unrated debt securities are the equivalent of high yield, high risk bonds, commonly known as “junk bonds” and are generally considered to be speculative with respect to the issuer’s capacity to pay interest and repay principal in accordance with the terms of its obligations under such securities.

Securities and Other Investments May Be Illiquid - Certain investment positions may be illiquid. Futures positions may be illiquid because, for example, some exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits”. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Similar occurrences could prohibit a Private Account or Fund from promptly liquidating unfavorable positions and subject the Private Account or Fund to substantial losses. In addition, a Private Account or Fund may not be able to execute futures contract trades at favorable prices if little trading in the contracts involved is taking place. It is also possible that an exchange may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only. Further, the factors relating to illiquidity of investment positions may also be applicable to an investor whose assets are used in any *in specie* withdrawal or redemption.

The percentage of illiquid securities in a Fund may increase as a result of withdrawals/redemptions. In order to manage liquidity in a Fund in light of withdrawals/redemptions, the general partner or directors of a Fund may determine to take any of a number of actions including, inter alia, spinning out illiquid assets into a special purpose vehicle. These measures may result in withdrawing/redeeming Investors holding an investment in the Fund or an entity created by the Fund beyond the withdrawal/redemption date, which investment is likely to have terms and conditions different from the terms and conditions applicable to the original interests in the Fund purchased by the investor and are likely to be highly illiquid and may be non-transferable.

Funding Liquidity Risk - Where investors withdraw/redeem their investments in a Fund in an amount which exceeds the amount of cash or other liquid assets immediately available to fund such withdrawals/redemptions, the Fund may need to liquidate additional assets to fund the

withdrawal/redemption costs incurred. This in turn may limit or otherwise affect the ability of the Fund to operate or manage investment positions and strategies within its portfolio.

Hedging Transactions – A Private Account or Fund may utilize financial instruments such as derivatives for investment purposes and to seek to hedge against fluctuations in the relative values of portfolio positions as a result of changes in exchange rates, interest rates, equity prices and levels of other interest rates and prices of other securities. Such hedging transactions may not always achieve the intended effect and can also limit potential gains.

While a Private Account or Fund may enter into such transactions to seek to reduce currency, exchange rate and interest rate risks, unanticipated changes in currency, interest rates and equity markets may result in a poorer overall performance of the Private Account or Fund. For a variety of reasons, we may not obtain a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent the intended hedge or expose the Private Account or Fund to risk of loss.

There can be no assurance that a given exposure will be hedged at any given time or, even if the exposure is hedged, that such hedge will be effective. Furthermore, we may not anticipate a particular risk, hedge the wrong risk so as to render the hedge ineffective or encounter risks that are not capable of being effectively hedged.

Convertible Arbitrage Transactions - Convertible arbitrage transactions are designed to be relatively market neutral, *i.e.*, they hedge out the directional risks generally associated with unhedged investments in the underlying instruments. However, should the credit status of an issuer weaken, losses may result from decreases in the market conversion premium or a loss of liquidity with respect to the security. These losses will be limited by the short hedge on the underlying security, but may be substantial in relation to the Private Account's or Fund's net asset value. A Private Account or Fund may also suffer losses if an issuer is acquired for cash or debt securities at a price that does not generate profits on the unhedged portion of a position sufficient to recover the premium paid to acquire the convertible security and any unpaid accrued interest that would be lost should conversion become necessary. Losses may result when securities are called for redemption at prices below the current market prices. Frequently, these losses will include interest accrued but not paid upon conversion of the called securities. In addition, losses may occur if an issuer declares a special dividend or spin-off which causes a reduction in the conversion premium or the Fund is forced to convert a security earlier than anticipated.

Trading in Indices, Financial Instruments and Currencies –We may place an emphasis on trading indices, financial instruments and currencies. The effect of any governmental intervention may be particularly significant at certain times in currency and financial instrument futures and options markets. Such intervention (as well as other factors) may cause all of these

markets to move rapidly in the same or varying directions which may result in sudden and significant losses.

OTC Derivative Instrument Transactions –We may invest a substantial portion of a Private Account’s or Fund’s assets in investments which are not traded on organized exchanges to the extent that all necessary CFTC registrations or exemptions have been obtained. Such registrations or exemptions would not include review or approval by the CFTC of any offering memorandum or the trading strategies of a Fund. Such transactions are known as over-the-counter (“OTC”) transactions are not standardized and may include forward contracts, options, swaps or other derivatives. While some OTC markets are highly liquid, transactions in OTC derivatives may involve greater risk than investing in exchange traded derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid and offer prices need not be quoted and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price. In respect of such trading, the Private Account or Fund is subject to the risk of counterparty failure or the inability or refusal by a counterparty to perform with respect to such contracts. Market illiquidity or disruption could result in major losses to the Private Account or Fund.

The instruments, indices and rates underlying derivative transactions expected to be entered into by a Private Account or Fund may be extremely volatile in the sense that they are subject to sudden fluctuations of varying magnitude, and may be influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies, national and international political and economic events and changes in interest rates. The volatility of such instruments, indices or rates, which may render it difficult or impossible to predict or anticipate fluctuations in the value of instruments traded by a Private Account or Fund, could result in losses.

Counterparty Risk – Private Accounts and Funds will be subject to the risk of the inability of any counterparty (including a prime broker) to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes.

Cross Class Liability - Each of the Funds have multiple classes and further classes may be created in the future. Additionally, each Master/Feeder Fund structure may each be treated as one entity. Thus all of the assets of a Fund may be available to meet all of the liabilities of that Fund, regardless of the separate classes to which such assets or liabilities are attributable. In practice, cross class liability will usually only arise where any class becomes insolvent or exhausts its assets and is unable to meet all of its liabilities. In this case, all of the assets of the relevant Fund attributable to the other classes may be applied to cover the liabilities of the insolvent class.

Portfolio Turnover - Turnover of investments may be higher than the average for other more traditional portfolios and, accordingly, the amount of commissions paid and other transaction costs are likely to be higher than average. An increase in commissions and transaction costs will negatively impact return.

Concentration of Investments – We may at certain times hold relatively few investments. A Private Account or Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

Valuation – With respect to the Funds, where an Investor purchases or withdraws or redeems interests or shares in a Fund at a net asset value that is impacted by a discrepancy in valuation, such Fund Investor may receive a greater or lesser interest in (or increased or decreased withdrawal or redemption proceeds from) such Fund than would have been the case absent the discrepancy. Similarly, existing and continuing Fund Investors may be subject to dilution or accretion.

Central and Eastern Europe – Where we invest in equities or securities of companies incorporated in or whose principal operations are in Central and Eastern Europe, additional risks may be encountered. These include:

Currency Risk: the currencies in which investments may be denominated may be unstable, may be subject to significant depreciation and may not be freely convertible.

Country Risk: the value of assets may be affected by political, legal, economic and fiscal uncertainties within the countries of Central and Eastern Europe. Existing laws and regulations may not be consistently applied.

Market Characteristics: the markets of the countries of Central and Eastern Europe are still in the early stages of their development, have less volume, are less liquid and experience greater volatility than more established markets and are not highly regulated. Settlement of transactions may be subject to delay and administrative uncertainties.

Custody Risk: custodians are not able to offer the level of service and safe-keeping, settlement and administration services that is customary in more developed markets and there is a risk that a Private Account or Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian.

We have broad and flexible investment authority. We may have other investment strategies or methods of analysis, or engage in other activities than those described herein. The foregoing list of risk factors is not an exhaustive explanation of the risks involved in an investment in a Private Account or Fund. It is critical that Private Account clients and Fund Investors refer to the relevant Investment Management Agreement or Governing

Documents for a more complete understanding of that Private Account's or Fund's investment objectives and strategies. The information contained in this Item 8 is a summary only and is qualified in its entirety by the Private Account's Investment Management Agreement or Fund's Governing Documents.

An investment in a Private Account or Fund may be deemed speculative and is not intended as a complete investment program. There can be no assurance that the relevant investment objective will be achieved. The Private Accounts and Funds are designed only for experienced and sophisticated persons who are able to bear the risk of substantial impairment or total loss of their investment.

Item 9 – Disciplinary Information

The Italian Commissione Nazionale per le Società e la Borsa (“**CONSOB**”) alleged that S.W. Mitchell Capital failed to comply with certain Italian regulatory requirements by submitting a notification to CONSOB of a reduction in the voting rights held by S.W. Mitchell Capital (as a discretionary investment manager) in an Italian listed company after the applicable due date for such notification. The notification letter from CONSOB advised that we could lodge pleadings contesting the allegations within thirty days, or alternatively, could discharge the financial penalty by paying €50,000 (\$67,690) within 60 days of the notification. On January 19, 2010, we paid €50,000 to CONSOB.

Item 10 – Other Financial Industry Activities and Affiliations

As disclosed in Item 4, S.W. Mitchell Capital acts as the investment manager to the Private Accounts and Funds. S.W. Mitchell Capital and its management persons have no other relationships or arrangements with any related persons that are material to S.W. Mitchell Capital's advisory business or the Private Accounts or Funds.

Item 11 – Code of Ethics

S.W. Mitchell Capital maintains a Code of Ethics as required by Rule 204A-1. The Code of Ethics is designed to ensure that no Private Account or Fund is disadvantaged in any respect by the transactions executed by any S.W. Mitchell Capital employee and that S.W. Mitchell Capital employees in no respect misappropriate any benefit properly belonging to any Private Account or Fund. The Code of Ethics highlights our policies on the following topics:

- Fiduciary responsibility of S.W. Mitchell Capital and its relevant personnel
- Compliance with applicable U.S. federal securities laws and general standards of business conduct
- The responsibility of each employee to report violations to the Chief Compliance Officer
- Insider Trading
- Personal Investment and Trading
- Gifts and Entertainment

- Political Contributions and “Pay to Play”

All employees are required to provide written acknowledgement to the Chief Compliance Officer of receipt and review of the materials contained in the Code of Ethics. The Code of Ethics makes clear that S.W. Mitchell Capital values a culture of honesty, integrity and professionalism and lays out the policies and procedures all S.W. Mitchell Capital employees are expected to follow. All personnel of S.W. Mitchell Capital are required to certify their compliance with the Code of Ethics. Personnel who fail to observe the Code of Ethics and related compliance policies risk serious sanctions, including dismissal and personal liability.

Under the Code of Ethics, S.W. Mitchell Capital, its employees, affiliates or their related persons may buy, sell or otherwise invest in securities for their own accounts that they also recommend to Private Accounts or the Funds (however, pursuant to the Code of Ethics, such trades require pre-approval of the Chief Compliance Officer). Each such related person transaction is separately identified and made strictly in accordance with the Code of Ethics. In order to manage this conflict of interest, the Code of Ethics requires related persons of S.W. Mitchell Capital to obtain prior written approval from the Chief Compliance Officer before engaging in all reportable security transactions in their personal accounts. Such transactions will be reviewed in the best interests of the Private Accounts and Funds and will be denied by the Chief Compliance Officer if there is risk of potential adverse consequences to the Private Accounts and/or Funds. Such transactions may also include trading in securities in a manner that differs from or is inconsistent with advice given to the Private Accounts or Funds.

The Code of Ethics requires pre-approval of certain political contributions to U.S. government officials and U.S. government entities. Political contributions to these government officials and entities by S.W. Mitchell Capital personnel above a de minimis threshold need to be reported to, and pre-approved by the Chief Compliance Officer. This policy is designed to curtail the influence of “pay-to-play” based on political contributions to government officials and entities who influence or control how U.S. government funds, such as state pension plans, invest. The Code of Ethics also requires notice and approval for gifts and entertainment that S.W. Mitchell Capital personnel receive from third-parties with which S.W. Mitchell Capital, the Private Accounts or the Funds conduct business. All gifts or entertainment above a de minimis amount must be reported to and approved by the Chief Compliance Officer.

S.W. Mitchell Capital, its employees, affiliates or their related persons may also invest directly in any one, some or all of the Funds. Furthermore, S.W. Mitchell Capital and its affiliates are not restricted from forming additional private accounts or investment funds, from entering into other investment advisory relationships, or from engaging in other business activities, even though such activities may be in competition with the existing Funds and Private Accounts and/or may involve substantial time and resources of S.W. Mitchell Capital. Please see Item 6 for a discussion how these potential conflicts are addressed.

Current and prospective Private Account clients and Fund Investors may request a full copy of our Code of Ethics by contacting the Chief Compliance Officer.

Item 12 – Brokerage Practices

Selection Criteria for Brokers and Dealers

When providing portfolio management services to a client, S. W. Mitchell Capital will place orders for the client's transactions in financial instruments with other entities for execution, except where the order is an application for an allocation of shares in an initial public offering. In the first instance, S. W. Mitchell Capital normally places client orders with Waverton Investment Management Limited, as its outsourced provider of dealing services.

S. W. Mitchell Capital will take all reasonable steps, as applicable, to select brokers, or to ensure that Waverton Investment Management Limited is selecting brokers (which may include itself), that are most likely to deliver the best possible result its clients, taking into account the execution factors of price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of an order. This may include an examination of execution policies of brokers prior to selection.

S. W. Mitchell Capital LLP regularly reviews Waverton Investment Management Limited and those brokers with whom it places orders, monitoring the execution quality delivered by Waverton Investment Management Limited or such brokers and takes steps to correct any deficiencies that arise. A formal review takes place annually, and whenever a material change occurs that is considered to affect the ability to continue to obtain the best possible result for the execution of its client orders on a consistent basis within the execution policy.

S.W. Mitchell Capital or Waverton Investment Management Limited may also use a Multilateral Trading Facility (“**MTF**”) or Alternative Trading System (“**ATS**”) to effect such over-the-counter trades when, in its judgment, the use of a MTF or ATS may result in equal or more favorable overall executions for the transactions.

Subject to seeking best execution, S.W. Mitchell Capital may also consider referrals of potential Investors to itself or the Funds as a factor in the selection of brokers. This creates a potential conflict of interest in that S.W. Mitchell Capital may have an incentive to select a broker based on its interest in receiving referrals of potential Fund Investors rather than on the Funds' interest in receiving most favorable execution. The Funds may pay a broker a commission in excess of that which another broker might have charged for effecting the same transaction in recognition of the value of the brokerage, research and related services provided by the broker.

S.W. Mitchell Capital may permit Private Account clients to direct brokerage in such circumstances as may be agreed between the parties.

Commission Rates

S.W. Mitchell Capital endeavors to be aware of current charges of eligible broker-dealers and to minimize the expense incurred for effecting portfolio transactions to the extent consistent with the interests and policies of its accounts. However, S.W. Mitchell Capital will not select broker-dealers and will direct Waverton Investment Management Limited to not select broker-dealers solely on the basis of “posted” commission rates nor always seek in advance competitive bidding for the most favorable commission rate applicable to any particular portfolio transaction. Although S.W. Mitchell Capital generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker-dealer involved resulting in higher commissions or their equivalents than would be the case with transactions requiring more routine services.

The reasonableness of commissions is based on the broker’s ability to provide professional services, competitive commission rates, research, and other services which will help S.W. Mitchell Capital in providing investment management services to clients. S.W. Mitchell Capital will generally, therefore, use a broker or direct Waverton Investment Management Limited to use a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance.

Soft Dollars

It is the normal policy of S.W. Mitchell Capital to use full service brokerage houses that will, in addition to routine order execution, provide a range of other services. The precise nature of such services will vary, but where S.W. Mitchell Capital executes orders on behalf of customers through such a broker or other person, passes on that person’s charges to its customers, and receives in return any good or service additional to that execution service, it will satisfy itself on reasonable grounds that such additional good or service (i) will reasonably assist S.W. Mitchell Capital in the provision of its services to its customers and (ii) does not, and is not likely to, impair S.W. Mitchell Capital’s compliance with its duty to act in the best interests of its customers; and (iii) is either directly related to the execution of trades on behalf of its customers or amounts to the provision of substantive research. Such goods and services might include, by way of example, substantive research in the form of periodic and one-off newsletters, reports and market analyses, and execution facilities such as access to particular markets or trading forums, market-making, block trading and stock-lending facilities, trade confirmation and settlement services, and execution-related information and advice. The brokerage commissions used to acquire research in these arrangements are known as “soft dollars.”

Broker-dealers typically bundle substantive research and execution services with the execution of transactions. The substantive research provided can be either proprietary (created and provided by the broker-dealer, including tangible research products as well as access to analysts

and traders) or third-party (created by a third party but provided by a broker-dealer). S.W. Mitchell Capital may use soft dollars to acquire either type of substantive research. As a U.K. firm regulated by the FCA, substantive research and execution are bundled services which S.W. Mitchell Capital is entitled to acquire with soft dollars.

SEC regulations provide a “safe harbor” which allows an investment adviser to pay for research and brokerage services with the commission dollars generated by client account transactions. In determining whether a service or product qualifies as research, S.W. Mitchell Capital evaluates whether the service or product provides lawful and appropriate assistance to S.W. Mitchell Capital in carrying out its investment decision-making responsibilities.

The reasons for selecting of individual brokers will vary, but will include factors such as the quality of research, financial security, quality and range of execution services, charges, and reliability and responsiveness to client demands. In some cases the value of the services provided may depend upon a minimum threshold of broker commissions or a percentage of such commissions. The receipt of these benefits assists S.W. Mitchell Capital in providing a better service to its clients but also assists it in containing its costs and ultimately its charges to clients. S.W. Mitchell Capital is able to enter into such arrangements and obtain such benefits, inter alia, due to its ability to deal collectively and aggregate transactions on behalf of clients and obtain benefits which would not be available to an individual investor.

The determination and evaluation of the reasonableness of the brokerage commissions paid in connection with portfolio transactions are based primarily on the professional opinions of the persons responsible for the placement and review of such transactions. These opinions are formed on the basis of, among other things, the experience of these individuals in the securities industry and information available to them concerning the level of commissions being paid by other investors of comparable size and type. S.W. Mitchell Capital may select broker-dealers based on its assessment of their ability to provide quality executions and its belief that the research and other execution-related services provided by such broker-dealer may benefit client accounts.

S.W. Mitchell Capital’s use of soft dollars may represent a conflict of interest in that the receipt of eligible research and brokerage in exchange for soft dollars allows S.W. Mitchell Capital, at no cost to it, to supplement its own activities, to receive the views and information of individuals and research staffs of other securities firms, and to gain access to persons having expertise on certain companies, industries, areas of the economy and market factors. Moreover, S.W. Mitchell Capital’s use of soft dollars to acquire mixed use items may represent a conflict of interest in that S.W. Mitchell Capital has discretion to allocate costs for such items among soft dollars and its own cash and an incentive to allocate those costs in such a manner as to minimize the amount of out-of-pocket expenses incurred.

Research obtained with soft dollars may not be utilized by S.W. Mitchell Capital for the specific account that generated the soft dollars. S.W. Mitchell Capital does not usually attempt to allocate the relative costs or benefits of research among client accounts because it believes that, in the aggregate, the research it receives benefits clients and assists S.W. Mitchell Capital in fulfilling its overall duty to its clients.

S.W. Mitchell Capital will not enter into any agreement or understanding with any broker-dealer which would obligate S.W. Mitchell Capital to direct a specific amount of brokerage transactions or commissions in return for such services. However, certain broker-dealers may state in advance the amount of brokerage commissions they require for certain services and the applicable cash equivalent.

In S.W. Mitchell Capital's last fiscal year, only research services were acquired with soft dollars. These research services consisted primarily of investment research produced by independent analysts.

Aggregation of Trades

It is the policy of S.W. Mitchell Capital that when a decision is made to aggregate transactions on behalf of more than one Private Account or Fund, such transactions will be allocated to all participating client accounts in a fair and equitable manner. Consistent with each participating client's investment advisory agreement, S.W. Mitchell Capital may batch orders for more than one Private Account or Fund to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges.

Pro rata allocation will be used when a batch order seeks liquid, actively traded securities and cannot be fully executed in a single day, unless the client has expressly directed otherwise. The partial fill is generally allocated among the participating client accounts based on the size of each account's original order, subject to rounding in order to achieve "round lots". Unexecuted orders will continue until the block order is completed or until all component orders have been cancelled. New orders for the same security will be aggregated with any remaining unexecuted orders and will continue in the same manner. S.W. Mitchell Capital will generally apply a minimum order allocation amount of 100 shares, which may be adjusted based on market convention associated with the particular security. If remaining positions are too small to satisfy the minimum order amount, S.W. Mitchell Capital may decide to allocate the remaining shares to those accounts seeking large positions which were unfilled. S.W. Mitchell Capital may also decide to allocate remaining shares to those accounts whose orders would be completed as a result of the allocation.

While S.W. Mitchell Capital will always attempt to allocate *pro rata* in the first instance, S.W. Mitchell Capital may invest in limited availability or thinly traded securities in which it may be unable to acquire substantial positions. Because block orders for such securities are rarely

completed in a single trade, and because allocating tiny blocks of such securities may increase settlement and transaction costs, S.W. Mitchell Capital may use random allocation to fill the total amount for one client before randomly selecting the next client. On its own, the random allocation method would usually result in a partial fill for the last account selected. To avoid a partial fill, S.W. Mitchell Capital may manually seek to identify an account with a pre-allocation request that matches the remaining shares. If such an account is identified, S.W. Mitchell Capital may fill that account and place the account which would have received only a partial fill back in the group of accounts eligible for a fill on the next trading day. Random allocation should ensure that all eligible accounts have an opportunity to participate in such transactions over time. Random allocation is especially appropriate when the transaction size is too limited to be effectively allocated *pro rata* among all eligible managed accounts.

S.W. Mitchell Capital may also consider the following when allocating trades: 1) cash flow changes (including available cash, redemptions, exchanges, capital additions and capital withdrawals) may provide a basis to deviate from a pre-established allocation as long as it does not result in an unfair advantage to specific accounts or types of accounts over time; 2) accounts with specialized investment objectives or restrictions emphasizing investment in a specific category of securities may be given priority over other accounts in allocating such securities; and 3) for bond trades, street convention and good delivery may dictate the minimum size and par amounts.

Account Rebalancing

As discussed in Item 8 above, S.W. Mitchell Capital operates a number of similar investment strategies generally focusing on European equity securities. As a result, accounts managed by S.W. Mitchell will often make investments in some of the same European companies. In some cases, the aggregate shareholdings of the accounts managed by S.W. Mitchell Capital may represent a relatively large proportion of the trading shares of such companies. Therefore, S.W. Mitchell Capital will sometimes maintain informal firm-wide limits in such shareholdings. The purposes and levels of such a limit will vary, but will usually be intended to keep these shareholdings below a level at which we would be required to submit holdings reports as investment manager (or would otherwise attract unwanted attention from the market) or where we might have liquidity concerns.

Where a Private Account client withdraws funds or a Fund investor makes a significant redemption, it may be necessary to sell shareholdings in one or more of these small companies. If that company is one which S.W. Mitchell Capital believes continues to represent a good investment opportunity but in which S.W. Mitchell Capital has reached an informal upper firm-wide holding limit, this may create an opportunity to increase the holdings of these shares in other client accounts and still stay within the informal holdings limit. Even where no such informal holdings limit had been set, S.W. Mitchell Capital may consider that the sale by one

client account represents an investment opportunity for other client accounts if that company's prospects remain good.

It is therefore sometimes the practice of S.W. Mitchell Capital to re-balance holdings between clients where appropriate to take advantage of these opportunities and others. In any such re-balancing, S.W. Mitchell Capital will always endeavour to treat each of its clients fairly, consistent with its investment objectives and restrictions. Any transactions between clients would be effected in an appropriate manner. Usually we would expect this to involve execution through independent external brokers at prices determined by them under a duty of best execution.

Item 13 – Review of Accounts

Account Reviews

All accounts are managed and reviewed on an ongoing basis, typically daily, with particular attention given to the positioning of the Private Accounts and Funds, the reported performance, daily trading activity and general exposure to the markets. The underlying positions in individual companies and/or broad market indices are monitored on an ongoing basis by members of S.W. Mitchell Capital's investment team in addition to Stuart Mitchell.

S.W. Mitchell Capital's investment management personnel conduct monthly reviews of all Private Accounts and Funds to ensure compliance with investment guidelines and restrictions. Stephen Thomas, S.W. Mitchell Capital's Chief Compliance Officer, conducts additional periodic reviews of the Private Accounts and Funds, and Private Accounts are generally reviewed by Stuart Mitchell with the client on a quarterly basis. In addition, S.W. Mitchell Capital has outsourced certain compliance functions with respect to its Private Accounts and Funds. These functions generally include daily review of actual overdrafts and major shareholding disclosures, weekly review of any breaches of investment restrictions, and monthly review of any trades falling outside of agreed account requirements. The results of these compliance checks are generally provided to S.W. Mitchell Capital on a monthly basis. In addition, in connection with its provision of dealing services, Waverton Investment Management Limited conducts reviews of client accounts.

Client Reports

S.W. Mitchell Capital generally sends Private Account clients and Fund Investors performance reports monthly or quarterly. Performance reports generally provide a summary of factors that affected performance during the relevant period and a discussion of current and expected market conditions. In addition, S.W. Mitchell Capital provides Private Account clients and Fund Investors valuation statements regularly and upon request. Each Fund Investor is provided with audited financial statements of the Fund in which it invests within six months after the end of the

relevant Fund's fiscal year. Each Fund Investor also receives a written report on the Fund Investor's investment and certain tax reporting information, such as Schedule K-1s, as applicable. All regular reports, described above, are provided in writing. Personnel of S.W. Mitchell Capital may also discuss accounts with clients or Fund Investors in person or through telephonic meetings.

Item 14 – Client Referrals and Other Compensation

S.W. Mitchell Capital may, from time to time, compensate individuals or entities for client referrals. To the extent deemed applicable, such arrangements are entered into in accordance with the terms and conditions of Advisers Act Rule 206(4)-3. Compensation for such solicitors and placement agents may be payable out of the fees and allocations payable or made to S.W. Mitchell Capital and its affiliates, and generally will not increase the fees and allocations payable by Fund Investors. Because of such compensation, solicitors and placement agents have a substantial financial interest in selling interests and shares in the Funds to its clients and others. U.S. clients are advised in advance of the nature of and compensation payable in connection with such referral arrangements consistent with applicable law.

S.W. Mitchell Capital may also receive Fund Investor referrals from the Funds' prime brokers. See Item 12 for the potential conflicts of interest such referrals may create.

Item 15 – Custody

S.W. Mitchell Capital is not deemed to have "custody" of the assets of the Private Accounts and Funds within the meaning of Rule 206(4)-2 under the Advisers Act. To the extent that advisory fees are debited directly from Private Accounts by S.W. Mitchell Capital, S.W. Mitchell Capital would be deemed to have custody. S.W. Mitchell Capital does not currently debit advisory fees directly from Private Accounts or the Funds.

Item 16 – Investment Discretion

Generally, S.W. Mitchell Capital is retained with respect to its clients on a discretionary basis and is authorized to make the following determinations in accordance with the client's specified investment objectives without client consultation or consent before a transaction is effected:

- Which securities to buy or sell.
- The total amount of securities to buy or sell.
- The broker or dealer through whom securities are bought or sold.
- The commission rates at which securities transactions for client accounts are effected.
- The prices at which securities are to be bought or sold, which may include dealer spreads or mark-ups and transaction costs.

However, S.W. Mitchell may accept advisory accounts with limited discretion or where investments are client-directed pursuant to the relevant Investment Management Agreement. In particular, with respect to Private Account clients, S.W. Mitchell Capital consults with, and formulates an investment program for each Private Account, and complies with limitations and guidelines established with each client, if any.

Investment decisions for the Funds are made in accordance with the Funds' investment objectives and guidelines as set forth in the Funds' Governing Documents. No prospective Fund Investor should invest in a Fund unless such Fund Investor is willing to entrust all aspects of the management of the Fund's investments to S.W. Mitchell Capital.

Prospective Fund Investors are provided with an offering memorandum prior to their investment and are encouraged to carefully review the offering memorandum, along with all other relevant Governing Documents, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective Fund Investors must also execute a subscription agreement, which constitutes a legal, valid and binding obligation of the Fund Investor, enforceable in accordance with its terms, and, in the case of the Master Funds only, a limited partnership agreement.

Item 17 – Voting Client Securities (i.e., Proxy Voting)

S.W. Mitchell Capital has adopted written proxy voting policies and procedures as required by Rule 206(4)-6. Under these policies and procedures, the Chief Compliance Officer is responsible for ensuring that votes are cast and records are maintained with respect to the Private Accounts and Funds. S.W. Mitchell Capital will determine whether a conflict of interest exists with respect to a proxy and if no conflict of interest exists, S.W. Mitchell Capital will determine whether or not to vote such proxy and, if applicable, how to vote such proxy.

S.W. Mitchell Capital may abstain from voting a proxy if it reasonably believes that it is in the best interest of the U.S. client. In most instances, including, but not limited to the following, S.W. Mitchell Capital expects to take a limited role in voting proxies: (i) if the effect on shareholders' economic interests or the value of the portfolio holding is insignificant or if the cost of exercising a vote outweighs the potential benefit of voting the securities (e.g., proxies which may require translation or travel); (ii) if the securities have been sold before the date of the shareholder meeting and are no longer held; (iii) if the maintenance of a security lending program inhibits the ability to vote proxies on securities during the period that such securities are out on loan; (iv) if proxy materials are received with insufficient time before the deadline to consider them appropriately; and (v) if voting is restricted or prohibited by the terms of the security, by applicable law, by the advisory contract or otherwise.

Notwithstanding the foregoing, S.W. Mitchell Capital has discretion to determine the best interest of the U.S. client based on the facts and circumstances of each proxy issue. Proxy issues

are evaluated on their merits and considered in the context of S.W. Mitchell Capital's knowledge of the issuer, the issuer's current management, and management's past record. Although, as described above, S.W. Mitchell Capital may abstain from voting most proxies, each proxy vote may ultimately be cast on a case-by-case basis, taking into consideration all relevant facts and circumstances at the time of the vote.

Private Account clients and Fund Investors are not permitted to direct how proxies will be voted in a particular situation.

Private Account clients and Funds may obtain copies of S.W. Mitchell Capital's written proxy voting policies and procedures as well as information on how proxies were voted for U.S. clients by requesting such information from S.W. Mitchell Capital at the address and phone number listed on page 1 of Part 2 of this Form ADV. Generally, S.W. Mitchell Capital will not disclose proxy votes for clients to third parties.

Item 18 – Financial Information

Not applicable.