

Item 1. Cover Page

PURA VIDA INVESTMENTS, LLC

888 Seventh Avenue, 6th Floor
New York, NY 10106

Tel: 646-757-2180

Fax: 646-607-9557

[HTTP://WWW.PURAVIDAINVESTMENTS.COM](http://WWW.PURAVIDAINVESTMENTS.COM)

**Part 2A of Form ADV
(The “Brochure”)**

October 15, 2014

This Brochure provides information about the qualifications and business practices of Pura Vida Investment, LLC (the “Adviser”), an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). Registration with the SEC does not imply a specific level of skill or training. If you have any questions about the contents of this Brochure, please contact Chris Nonas at 646-597-6995 or chris@puravidafunds.com. This information has not been approved or verified by the SEC or by any state securities authority.

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

Item 2. Material Changes

This Item is not applicable as this is the first version of the Adviser's Brochure.

Item 3. Table of Contents

Item 1.	Cover Page	1
Item 2.	Material Changes	2
Item 3.	Table of Contents	3
Item 4.	Advisory Business	4
Item 5.	Fees and Compensation	4
Item 6.	Performance-Based Fees and Side-by-Side Management	4
Item 7.	Types of Clients	5
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss	5
Item 9.	Disciplinary Information	11
Item 10.	Other Financial Industry Activities and Affiliations	11
Item 11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	11
Item 12.	Brokerage Practices	12
Item 13.	Review of Accounts	13
Item 14.	Client Referrals and Other Compensation	13
Item 15.	Custody	13
Item 16.	Investment Discretion	13
Item 17.	Voting Client Securities	13
Item 18.	Financial Information	14

Item 4. Advisory Business

The Adviser is an investment advisory firm with its principal place of business in New York, New York. The Adviser commenced operations as an investment adviser in September of 2012. Efrem Kamen is the managing member (the “Managing Member”) of the Adviser which is owned by the Managing Member and Frank Litvack.

The Adviser provides discretionary investment advisory services to its clients, which are private pooled investment vehicles (the “Funds”), intended for institutional and other sophisticated investors. The Adviser generally has broad and flexible investment authority with respect to the Fund’s investment portfolio. It provides investment advisory services to the Funds based on each Fund’s specific investment objectives and strategies. The Adviser does not tailor its advisory services to the individual needs of investors in the Funds. Each Fund may have investment restrictions on investing in certain securities or other assets, to the extent such securities are outside of the applicable Fund’s existing investment program.

As of October 1, 2014, the Adviser had approximately \$223,000,000 in client regulatory assets under management, all of which were managed on a discretionary basis.

Item 5. Fees and Compensation

The Adviser charges certain of the Funds an investment management fee (the “Management Fee”) based on either the value of the Fund’s assets under management or, for certain investments, the lower of the investment’s cost or market value. The Management Fee is generally payable to the Adviser monthly in advance and is at an annual rate of up to 2 % of the value of each investor’s account as of the first day of the applicable month. The Management Fee will be prorated for any period that is less than a full month, and will be adjusted for subscriptions. The Adviser instructs the Fund’s administrator to deduct the Management Fee from the Fund’s account.

In addition, the Funds are subject to carried interest or incentive allocation (collectively, the “Performance Fee”) of up to 20% of all income, gains and losses derived from portfolio investments. Currently, Pura Vida Funds Group, LLC (the “General Partner”), an affiliate of the Adviser, is paid or allocated the Performance Fee.

In addition, the Funds will be subject to other expenses, such as legal, administration, accounting, auditing and other professional expenses, investment expenses such as commissions, research fees and expenses (including research-related travel); interest on margin accounts and other indebtedness; borrowing charges on securities sold short; custodial fees, bank service fees and other expenses related to the purchase, sale or transmittal of Fund assets (including Designated Investments). It is important that each investor who is considering an investment in a Fund review the offering documents applicable to that Fund for a detailed description of the fees and expenses applicable to such investment, including with respect to Designated Investments, if any.

The Adviser, in its sole discretion, may waive or reduce the Management Fee and the Performance Fee for investors that are members, employees or affiliates of the Adviser, relatives of such persons, and for certain strategic investors.

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

As discussed in Item 5, the General Partner is paid or allocated performance-based compensation by the Funds.

Item 7. Types of Clients

As described in Item 4, the Adviser's client, the Funds, are private investment funds suitable for institutional and other sophisticated investors. Any initial and additional subscription minimums for investors are disclosed in the Fund's offering documents.

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

The Adviser generally employs a fundamentally driven investing approach that is focused on the healthcare sector. The Adviser uses a broad set of research tools in constructing its investment portfolios.

The Adviser may, from time to time, make activist and/or control investments with respect to the issuer of an asset held in a Fund's portfolio.

The Adviser's investment strategies primarily involve trading equity and debt, both long and short, as well as derivatives, of public and private issuers globally. The Adviser may hedge positions in a Fund's portfolio and it may use leverage.

This strategy may be deemed to be highly speculative and is not intended as a complete investment program. It is designed only for sophisticated persons who can bear the risk of the loss of their entire investment and who have a limited need for liquidity. The Adviser can give no assurance that its investment strategy will achieve its investment objective. Prospective investors in a Fund should speak with their legal, tax, and financial advisors prior to making an investment in a Fund.

The following summary identifies the material risks related to the Adviser's investment strategy and should be carefully evaluated before making an investment with the Adviser. The following does not intend to identify all possible risks of an investment with the Adviser or provide a full description of the identified risks:

Nature of Investments. The Adviser has broad discretion in making investments for Funds. Investments will generally consist of equity and debt securities, as well as derivative securities, and other assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that the Adviser will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of a Fund's activities and the value of its investments.

Lack of Diversification. The portfolios of certain Funds may consist of a limited number of investment positions and will therefore not be diverse. In fact, the portfolios of certain funds may consist of as few as one investment. As a result, the investment portfolio of such Funds is subject to more rapid changes in value than would be the case if the Fund were required to maintain diversification among issuers, industries, geographic areas, capitalizations or types of securities.

Biotech/Healthcare Companies. Healthcare companies are generally subject to greater governmental regulation than other industries. Changes in governmental policies may have a material effect on the demand for or costs of certain products and services. A healthcare company must receive government approval before introducing new drugs and medical devices or procedures. This process may delay the introduction of these products and services, resulting in increased development costs, delayed cost-recovery and loss of competitive advantage, adversely affecting the company's revenues and profitability. Expansion of facilities by healthcare providers is subject to "determinations of need" by the appropriate

government authorities. This process increases the time and cost involved in these expansions, and also makes expansion plans uncertain, limiting the revenue and profitability growth potential of healthcare facilities operators and negatively affecting the price of their securities. Certain healthcare companies depend on the exclusive rights or patents for the products they develop and distribute. Patents have a limited duration and, upon expiration, other companies may market substantially similar “generic” products which cost less to develop and may cause the original developer of the product to lose market share and/or reduce the price charged for the product, resulting in lower profits for the original developer. Finally, because the products and services of healthcare companies affect the health and well-being of many individuals, these companies are especially susceptible to product liability lawsuits. The share price of a healthcare company can drop dramatically not only as a reaction to an adverse judicial ruling, but also from the adverse publicity accompanying threatened litigation.

Equity Related Instruments. The Adviser intends to use equity-related instruments in its investment program. Certain options and other equity-related instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.

Leverage. The Funds may utilize leverage. The use of leverage results in a Fund controlling substantially more assets than the Fund has equity. The use of leverage exposes a Fund to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had the Fund not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Fund’s cost of borrowing such funds. In the event of a sudden, precipitous drop in value of the Fund’s assets, the Fund might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying its losses. The Adviser may not be able to obtain leverage for a Fund. If so the Fund may not be able to implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could force the Adviser to unwind positions quickly at prices below fair value.

Short Sales. Short sales may substantially increase the impact of adverse price movements on a Fund’s portfolio. 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. Also, securities necessary to cover a short position may not be available for purchase.

High Growth Industry Risks. A Fund may have significant investments in high growth companies (e.g., healthcare). These investments may be very volatile. In addition, these companies may face undeveloped or limited markets, have limited products, have no proven profit-making history, may operate at a loss or with substantial variations in operating results from period to period, have limited access to capital and/or be in the developmental stages of their businesses, have limited ability to protect their rights to certain patents, copyrights, trademarks and other trade secrets, or be otherwise adversely affected by the extremely competitive markets in which many of their competitors operate.

Investor Activism. A Fund may occasionally take an activist position in an attempt to influence the future direction of target companies. If a Fund takes such a position, there exists the risk that the intended strategy for a particular company will be unsuccessful. Further, when securities are purchased in anticipation of influencing the future direction of a company, a substantial period of time may elapse between the Fund’s purchase of the securities and the anticipated results. During this period, a portion of the Fund’s capital would be committed to the securities purchased, and the Fund typically might finance some portion of such purchases with borrowed funds on which it must pay interest. Additionally, if the anticipated results do not in fact occur, the Fund may be required to sell its investment at a loss.

Moreover, there may be instances where the Fund will be restricted in transacting in or redeeming a particular investment as a result of its activist investment strategy. Because there is substantial uncertainty concerning the outcome of transactions involving the target companies in which the Fund may invest, there exists a potential risk of loss by the Fund of its entire investment in such companies.

The Fund may also attempt to build strong relationships with company management. In certain cases, the Fund's attempts to influence a company's management may result in the Fund taking a seat on the company's board of directors. In such a case, there exists the risk that the Fund will be restricted in transacting in or redeeming its investment in that company as a result of, among other things, legal restrictions on transactions by company directors or affiliates. Because there is substantial uncertainty concerning the outcome of transactions involving the target companies in which a Fund may invest, there exists a potential risk of loss by the Fund of its entire investment in such companies.

Control Positions. To the extent that a Fund owns a controlling stake in or is deemed an affiliate of a particular company, it may be subject to certain securities laws restrictions which could affect both the liquidity of the Fund's interest and the Fund's ability to liquidate its interest without adversely impacting the stock price, including insider trading restrictions and the affiliate sale restrictions of Rule 144 of the U.S. Securities Act of 1933. In addition, to the extent that affiliates of the Fund or the Adviser are subject to such restrictions, the Fund, by virtue of its affiliation with such entities, may be similarly restricted, regardless of whether the Fund stands to benefit from such affiliate's stock ownership.

If the Fund, alone or as part of a group acting together for certain purposes, becomes the beneficial owner of more than 10% of certain classes of securities of a U.S. public company or places a director on the board of directors of such a company, the Fund may be subject to certain additional reporting requirements and to liability for short-swing profits under Section 16 of the Exchange Act. Furthermore, the Fund may also be subject to similar reporting requirements in non-U.S. jurisdictions where it holds significant positions in the securities of public companies in such jurisdictions.

Lending Risks. To the extent that a Fund engages in active lending transactions, it will be subject to risks associated with possible default by the borrower, insufficient collateral and legal and other costs incurred in collecting on a defaulted loan. In addition, active lending by a Fund may subject it to additional regulation, as well as possible adverse tax consequences to the Fund and/or its investors.

Small to Medium Capitalization Companies. A Fund may invest a portion of its assets in the stocks of companies with small-to medium-sized market capitalizations. While the Adviser believes these investments often provide significant potential for appreciation, those stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies.

Debt Securities. A Fund may invest in unrated or low grade debt securities which are subject to greater risk of loss of principal and interest than higher-rated debt securities. A Fund may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Fund may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. In addition, evaluating credit risk for foreign debt securities involves greater uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult.

Non U.S. Securities. To the extent a Fund invests in securities of non-U.S. governments and companies that are generally denominated in non-U.S. currencies, or utilizes options on non-U.S. securities, there are certain considerations comprising both risks and opportunities not typically associated with investing in

securities of the United States Government or United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, foreign government restrictions, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Currency Risks. To the extent a Fund's investments are denominated in a foreign currency, such investments are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. The Fund may attempt to hedge such risks.

Derivatives, Counterparty and Settlement Risks. To the extent that a Fund invests in swaps, derivative or synthetic instruments, repurchase agreements or other over-the-counter transactions or, in certain circumstances, non-U.S. securities, the Fund may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets (directly or indirectly) of the Fund, and hence the Fund should not be exposed to a credit risk with regard to such parties. However, it may not always be possible to achieve this segregation, and there may be practical or time problems associated with enforcing rights to its assets in the case of an insolvency of any such party.

Many emerging market countries have different clearance and settlement procedures from developed countries. There may be no central clearing mechanism of settling trades and no central depository or custodian for the safe keeping of securities. The registration, record-keeping and transfer of instruments may be carried out manually, which may cause delays in the recording of ownership. Increased settlement risk may increase counterparty and other risk. Certain markets have experienced periods when settlement dates are extended, and during the interim, the market value of an instrument may change. Moreover, certain markets have experienced periods when settlements did not keep pace with the volume of transactions resulting in settlement difficulties. Because of the lack of standardized settlement procedures, settlement risk in emerging markets is more prominent than in more mature markets.

Special Situations. A Fund may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in or undergoing work-outs, liquidations, spin-offs, reorganizations, bankruptcies or other catalytic changes or similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Fund of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Fund may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Fund may invest, there is a potential risk of loss by the Fund of its entire investment in such companies.

Convergence Risk. A Fund may pursue relative value strategies by taking long positions in securities believed to be undervalued and short positions in securities believed to be overvalued. In the event that the perceived mispricings underlying the Fund's trading positions were to fail to converge toward, or were to diverge further from, the Adviser's expectations, the Fund may incur a loss.

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

Options. The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security, commodity or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received (which could result in a potentially unlimited loss). Over-the-counter options also involve counterparty solvency risk.

Lack of Liquidity of Fund Investments. Fund assets may, at any given time, include securities and other financial instruments or obligations that are thinly-traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws. The sale of any such investments may be possible only at substantial discounts, and it may be extremely difficult to accurately value any such investments.

Incentive Allocation. The allocation of a percentage of a Fund's net profits to the Adviser from the Fund investors may create an incentive for the Adviser to cause the Fund to make investments that are riskier or more speculative than would be the case if this allocation were not made. Since the allocation is calculated on a basis that includes unrealized appreciation of assets, such allocation may be greater than if it were based solely on realized gains.

Substantial Withdrawals. In the event that there are substantial withdrawals from a Fund, it may be more difficult for the Fund to generate returns since it will be operating on a smaller asset base. The Fund will be responsible for fees and expenses regardless of its size or profitability. Also, if there are substantial withdrawals within a limited period of time, it may be difficult for the Fund to provide sufficient funds to meet such withdrawals without liquidating positions prematurely at an inappropriate time or on unfavorable terms.

Side Letters. The Funds may enter into agreements ("side letters") with certain prospective or existing investors whereby such investors may be subject to terms and conditions that are more advantageous than those set forth in the Fund's offering memorandum. For example, such terms and conditions may provide for special rights to make future investments in the Fund, other investment vehicles or managed accounts; have a higher percentage of the investor's capital contribution allocated to selected investments; special withdrawal rights, relating to frequency or notice; a reduction or rebate in fees or withdrawal charges to be paid by the investor and/or other terms; rights to receive reports from the Fund on a more frequent basis or that include information not provided to other Fund investors and such other rights as may be negotiated by the Fund and such investors.

Reliance on Efreem Kamen, Doron Junger and Frank Litvack. The success of the Funds is significantly dependent upon the expertise and efforts of Efreem Kamen, Doron Junger and Frank Litvack. While the Adviser has other employees, there could be adverse consequences to the Funds in the event that Efreem Kamen, Doron Junger or Frank Litvack ceases to be available.

Disclosure of Positions. The Adviser, in its sole discretion, may permit a Fund to disclose some or all of its positions on a select basis to certain investors if it determines that there are sufficient confidentiality agreements and procedures in place.

Limited Operating History. The Adviser is recently formed and has a limited operating history. The past investment performance of the Managing Member of the Adviser should not be construed as an indication of the future results of a particular Fund.

Potential Conflicts of Interest. The Adviser will serve as the investment manager for multiple Funds, each of which may utilize substantially the same investment strategy. The Adviser will use its best efforts in connection with the purposes and objectives of each Fund and will devote so much of its time and effort to the affairs of each Fund as may, in its judgment, be necessary to accomplish the purposes of such Fund. Pursuant to the terms of each Fund's governing documents, the Adviser, and certain related parties such as the Fund's general partner, directors, members, partners, shareholders, officers, employees, agents and affiliates (hereinafter referred to as the "Affiliated Parties") may conduct any other business, including any business within the securities industry, whether or not such business is in competition with a particular Fund. Without limiting the generality of the foregoing, the Adviser and the Affiliated Parties may act as general partner, investment adviser or investment manager for others, may manage funds, separate accounts or capital for others, may have, make and maintain investments in their own name or through other entities and may serve as an officer, director, consultant, partner or stockholder of one or more investment funds, partnerships, securities firms or advisory firms. Such other entities or accounts may have investment objectives or may implement investment strategies similar or different to those of a particular Fund. In addition, the Adviser and the Affiliated Parties may, through other investments, including other investment funds, have interests in the securities in which a Fund invests as well as interests in investments in which a Fund does not invest. The Adviser and the Affiliated Parties may give advice or take action with respect to such other entities or accounts that differs from the advice given with respect to a particular Fund. To the extent a particular investment is suitable for multiple Funds, such investments will be allocated between such Funds pro rata based on assets under management or in some other manner that the Adviser and the Affiliated Parties determine is fair and equitable under the circumstances to all funds.

Additionally, certain employees of the Adviser may serve on the Board of Directors of portfolio companies and in such capacity will owe a fiduciary duty to the portfolio company and its shareholders. There may be situations where the interests of the portfolio company and/or its shareholders may be in conflict with the Fund.

As a result of the foregoing, the Adviser and the Affiliated Parties may have conflicts of interest in allocating their time and activity between Funds and other entities, in allocating investments among Funds and other entities and in effecting transactions for the Funds and other entities, including ones in which the Adviser and the Affiliated Parties may have a greater financial interest.

In addition, purchase and sale transactions (including swaps) may, to the extent not otherwise prohibited by applicable law, be effected between the Funds and the other entities or accounts subject to the following guidelines: (i) such transactions shall be effected for cash consideration at the current market price of the particular securities, and (ii) no extraordinary brokerage commissions or fees (i.e., except for

customary transfer fees or commissions) or other remuneration shall be paid in connection with any such transaction.

Business and Market Disruptions. Both the operation of the Funds and the markets and investments in which the Funds invest are subject to disruptions due to natural disasters such as floods, earthquakes, and other extreme weather conditions, and man-made catastrophes such as acts of terrorism and sabotage, and other extreme circumstances that are out of the control of the Funds, such as power outages or failures, which cause Fund prices of investments to behave erratically and to move in non-historical directions. Such disruptions may close markets or the Adviser's access to such markets, causing substantial losses to a Fund. Counterparties of the Funds are also susceptible to business disruptions which may cause substantial losses to the Funds as well.

Item 9. Disciplinary Information

One of the Adviser's analysts was found by FINRA to have selectively disseminated earnings information obtained from the CEO of a public company prior to its official public release. Without admitting or denying the findings, the analyst consented to (i) being suspended from association with any FINRA member from December 17, 2007 through March 16, 2008 and (ii) the conditional payment of a \$15,000 fine.

Item 10. Other Financial Industry Activities and Affiliations

The Adviser and its affiliate Pura Vida Funds Group GP, LLC, which has been established by the Adviser to serve as general partner or equivalent of one or more of its Funds, are together filing a single Form ADV in reliance on the position expressed in the SEC no-action letter addressed to the American Bar Association, Business Law section dated January 18, 2012 (the "ABA Letter"). The Adviser's affiliate, Pura Vida Funds Group GP, LLC, is filing as an "SPV" as defined in the ABA Letter.

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

The Adviser has adopted a Code of Ethics (the "Code") that obligates the Adviser and its related persons to put the interests of the Funds before their own interests and to act honestly and fairly in all respects in their dealings with the Funds. All of the Adviser's personnel are also required to comply with applicable federal securities laws. For additional information about the Code or to request a copy, please contact Chris Nonas at 646-597-6995 or chris@puravidafunds.com. See below for further provisions of the Code as they relate to the pre-clearing and reporting of securities transactions by related persons.

The Adviser, in the course of its investment management and other activities, may come into possession of confidential or material nonpublic information about issuers of securities, including issuers in which the Adviser or its related persons have invested or seek to invest on behalf of a Fund. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, including the Funds. The Adviser maintains written policies and procedures reasonably designed to prohibit the communication of such information to persons who do not have a legitimate need to know such information and to otherwise ensure that the Adviser is acting in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security. The Adviser and its personnel are prohibited from communicating such information with respect to the Funds or using such information for the Funds' benefit.

To the extent that the Adviser or its related persons invest in the same securities that the Adviser or a related person recommends to a Fund, such practices present a conflict where, the Adviser or its related

person is in a position to trade in a manner that could adversely affect the Funds. In addition to affecting the Adviser's or its related person's objectivity, these practices by the Adviser or its related persons may also harm the Funds by adversely affecting the price at which the Funds trades are executed. The Adviser has adopted the following procedures in an effort to minimize such conflicts: the Adviser requires its related persons to pre-clear all transactions in their personal accounts with the Adviser's chief compliance officer (the "Chief Compliance Officer") or his delegate, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on the Fund. In addition, the Code prohibits the Adviser or its related persons from executing personal securities transactions of any kind in any securities on a restricted securities list maintained by the Chief Compliance Officer. All related persons to the Adviser are also required to provide broker confirmations of each transaction in which they engage and a quarterly certification of such transactions. Trading in employee accounts will be reviewed by the Chief Compliance Officer and compared with transactions for the client accounts and reviewed against the restricted securities list.

To the extent the Adviser buys or sells securities for a Fund, at or about the same time that the Adviser or a related person buys or sells the same securities for its own account the Adviser and the related person, if applicable, will do so in accordance with the procedures described above in order to minimize the conflicts stemming from situations where the contemporaneous trading would result in an economic benefit for the Adviser or its related person to the detriment of the client.

Item 12. Brokerage Practices

The Adviser considers a number of factors in selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation. Such factors include net price, reputation, financial strength and stability, efficiency of execution and error resolution. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Adviser's practice to negotiate "execution only" commission rates, thus the Funds may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate.

The Adviser may receive research or brokerage services from a broker-dealer and/or a third party in connection with Fund securities transactions. This is known as a "soft dollar" relationship. To the extent the Adviser enters into any soft dollar arrangements, the Adviser will limit the use of "soft dollars" to obtain services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934. Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, and services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between and Adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required to the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

Item 13. Review of Accounts

The Adviser's portfolio managers regularly review and monitor each Fund's portfolio to determine whether positions should be maintained in view of current market conditions. The Adviser's review may consider specific securities held, adherence to investment guidelines and the Fund's performance.

Fund investors receive reports from the Funds as described in the Funds' offering documents.

Item 14. Client Referrals and Other Compensation

The Adviser may receive certain research or other services from broker-dealers through "soft dollar" arrangements. "Soft dollar" arrangements may create an incentive for the Adviser to select or recommend broker-dealers based on the Adviser's interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates and may result in higher transaction costs than would otherwise be obtainable by the Adviser on behalf of the Funds.

Item 15. Custody

This Item is not applicable.

Item 16. Investment Discretion

The Adviser provides investment advisory services on a discretionary basis to the Funds. Please see Item 4 for a description of any limitations the Funds may place on the Adviser's discretionary authority.

The Adviser entered into an investment management agreement with each of the Funds, which set forth the scope of the Adviser's discretion, prior to assuming full discretion in managing the Funds' assets.

The Adviser has the authority to determine (i) the securities to be purchased and sold for each of the Funds, subject to each Fund's investment restrictions, and (ii) the amount of securities to be purchased or sold for the Funds. Because of the difference in the Funds' respective investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among the Funds in invested positions and securities held. The Adviser may consider the following factors, among others, in allocating securities among the Funds: (i) each Fund's investment objective and strategy; (ii) each Fund's risk profile; (iii) tax status and restrictions placed on the Fund's portfolio by the Fund or by applicable law; (iv) size of the Fund; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows. Although it is the Adviser's policy to allocate investment opportunities to an eligible Fund on a pro rata basis (based on assets under management), these factors may lead the Adviser to allocate securities to the Funds in varying amounts.

Item 17. Voting Client Securities

To the extent the Adviser has been delegated proxy voting authority on behalf of the Fund, the Adviser complies with its proxy voting policies and procedures that are designed to ensure that in cases where the Adviser votes proxies with respect to a Fund's securities, such proxies are voted in the best interests of the Fund.

If a material conflict of interest between the Adviser and the Funds exists, the Adviser will determine whether voting in accordance with the guidelines set forth in the proxy voting policies and procedures is in the best interests of the Funds or take some other appropriate action.

For additional information about the Adviser's proxy voting policies and procedures and information about how the Adviser voted the Funds' proxies, please contact Chris Nonas at 646-597-6995 or chris@puravidafunds.com.

Item 18. Financial Information

This item is not applicable.