

Part 2A of Form ADV: Firm Brochure

Item 1: Cover Page

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This brochure provides information about the qualifications and business practices of Pulteney Street Capital Management, LLC (“PSCM”). If you have any questions about the content of this brochure, please contact us at phone number: 801-866-1132 or email: trevor@pulteneystreetcap.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

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

PSCM is filing as a registered investment adviser. Any references to PSCM as a “registered investment adviser” does not imply a certain level of skill or training.

Item 2: Material Changes

Pulteney Street Capital Management (PSCM) acquired the Praesideo International, Praesideo Equity Partners and Pulteney Premier Funds in 2013. It also launched the Pulteney Street Partners fund (PSP) in March of 2013 and had no material changes to PSP in 2013. At the conclusion of 2013 PSCM elected to combine the Praesideo Equity Partners and Praesideo International Strategies into the Pulteney Street Partners Fund. This was determined based upon the similar strategies and philosophy on allocation between the three funds and the structural advantage Pulteney Street Partners maintained for investors with a lower aggregate fee and real time control, monitoring and transparency of the portfolio.

The Praesideo Premier Fund was renamed the Pulteney Premier Fund and partnered with SALI fund services to act as the General Partner of the Fund in December of 2013. This change was made to take advantage of SALI's wide distribution, reporting and influence in the Insurance Dedicated Fund industry. PSCM maintains sole discretion over the portfolio and operation of the Pulteney Premier Fund.

In March of 2014, PSCM established and became the Investment Advisor of the PSP Family of Funds, a multi-series trust for the establishment and management of registered 40 act mutual funds. PSCM acquired the Congressional Effect fund (SEC File# 811-22164, tickers: CEFIX, CEFFX) with its \$2.9M of invested assets as the first member of the PSP Family of Funds. The Congressional Effect Fund was renamed the PSP Multi-Manager Fund in Q2 2014 with subsequent relaunch in a similar strategy to PSP effective Aug 25, 2014. Details regarding the PSP Family of Funds can be found via prospectus by calling 855-318-2804 or via pspfunds.com

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Item 4: Advisory Business

Pulteney Street Capital Management, LLC, a Delaware limited liability company (“**PSCM**,” and together with its affiliates, “**Pulteney**”) was founded in 2012 to serve as an investment manager to one or more alternative investment funds. PSCM is majority owned by Sean McCooley and Daniel F. McCooley.

PSCM provides discretionary investment advice to the following private investment funds (each, a “**Fund**,” and collectively, the “**Funds**”): Pulteney Street Partners, LP (“**PSP**”); Praesideo Premier Fund, LP (“**PPF**”); Praesideo Equity Partners, LP (“**PEP**”); and Praesideo International Investors, LP (“**PII**”).

In addition PSCM founded the PSP Family of Funds as a multi-series trust to manage liquid alternative focused mutual funds. PSCM acts as the Investment Advisor for the PSP Family of Funds. The PSP Family of Funds consists of 1940 Act Regulated Mutual Funds they are issued by prospectus and therefore do not constitute the definition of Funds referred to below in this ADV. Details on the PSP Family of Funds can be found via Prospectus. *PSP Family of Funds investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information, and it may be obtained by calling 855-318-2804 or by visiting pspfunds.com. Read it carefully before investing.*

Prior to February 25, 2013 PPF, PEP and PII were managed by Praesideo Management, LLC, at which time PSCM acquired management of these Funds. PSCM subsequently launched PSP in March 2013. In providing services to these Funds, PSCM formulates each Fund’s investment objectives and directs and manages the investment and reinvestment of each Fund’s assets. PSCM manages private investment funds that primarily invest in unregistered investment companies, commonly known as hedge funds. PSCM does not provide wrap fee programs to advisory clients or manage assets on a non-discretionary basis. Investors in the Funds are primarily institutional investors or high net worth individuals seeking exposure to, and management of, investments in other private investment funds. As of March 1, 2013, PSCM manages ~\$42,000,000 of regulatory assets under management on behalf of the Funds on a discretionary basis. PSCM generally does not permit investors in the Funds to impose limitations on the investment activities described in the Funds’ Offering Documents.

Please refer to the individual private placement memorandum or respective prospectus of each Fund for additional information on the strategy, objectives and risk for such Fund.

Item 5: Fees and Compensation

PSCM’s fees and compensation are described in the private placement memorandum, limited partnership agreement, subscription agreement, prospectus and/or advisory contracts (the “**Offering Documents**”) for each Fund and prospective investors should refer to the individual Offering Documents of each Fund for additional information. All investors in PPF are “qualified purchasers” as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended.

Fees and Expenses for PEP

At the fiscal year end of 2013 the Praesideo Equity Partners Fund was rolled into the Pulteney Street Partners Fund, LP with a majority of PEP investors choosing to invest in Pulteney Street Partners. Praesideo Equity Partners is no longer actively allocating and in process of liquidating the last remaining investment.

Fees and Expenses for PII

At the fiscal year end of 2013 the Praesideo International Investors Fund was rolled into the Pulteney Street Partners Fund, LP with a majority of PII investors choosing to invest in Pulteney Street Partners. Praesideo International Investors is no longer actively allocating and in process of liquidating the last remaining investments.

Fees and Expenses for PSP

PSP pays PSCM a non-refundable management fee equal to two percent (2.0%) per annum of the net asset value of the capital accounts of its limited partners. The management fee accrues monthly at a rate equal to 0.1666% of the applicable net asset value of each capital account on the first day of a calendar month (after giving effect to any capital contributions on such date and any withdrawals as of the immediately preceding date), and shall be payable on the first day of each calendar month. The management fee is calculated before, and without regard to, the accrual of any incentive allocation. Capital contributions made as of times other than the first day of a calendar month will be assessed a pro rata management fee at the time of contribution.

Pulteney receives performance-based allocations from PSP as set forth in Item 6 “Performance–Based Fees and Side–By–Side Management” below.

Investors in PSP may be charged an early withdrawal fee of 2.0% of the amount being withdrawn if withdrawals are made prior to the first anniversary of such investors’ admittance to the Fund.

Fees and Expenses for PSP Multi-Manager Fund

The PSP Family of Fund’s investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information, and it may be obtained by calling 855-318-2804 or by visiting pspfunds.com. Read it carefully before investing

General Fees and Expenses of the Funds

Investors in each Fund will pay, or reimburse Pulteney for advancing, such Fund’s operating expenses as further described in each Fund’s Offering Documents. Generally, operating expenses include, without limitation, a Fund’s direct operating, legal, accounting, and auditing fees as incurred, and do not include Pulteney’s overhead expenses.

PSCM generally maintains discretion to waive any of the foregoing fees or expenses that it charges to investors in the Funds. In this regard, PSP has waived a portion of its management fees with respect to investments made in PSP by the other Funds, such that investors in such other Funds will ultimately bear a 2.0% management fee.

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

Pulteney generally receives annual performance-based allocations from the Funds, which are based on a percentage of the net capital appreciation of their assets. These allocations may create an incentive for PSCM to make more speculative investments than would otherwise be made, or make decisions regarding the timing and manner of realization of investments differently than if such allocations were not received. However, PSCM attempts to minimize these potential conflicts by ensuring that it is managing the Funds' portfolios in accordance with stated investment objectives and disclosures to investors in the Funds.

PSCM manages Funds with different performance-based fee and/or allocation terms which may result in a conflict of interest when PSCM allocates opportunities among these accounts because it may have an incentive to favor Funds that have higher performance-based fees and/or allocations. To avoid such a conflict of interest, PSCM generally follows documented procedures in allocating opportunities among such Funds, which does not take into account the performance-based fees and allocations to which such Funds would be subject.

Performance-based Allocation for PSP

Pulteney is entitled to be allocated an annual incentive allocation from PSP at the end of each fiscal year in an amount equal to twenty percent (20%) of the aggregate net gain allocated to each capital account of a limited partner for such fiscal year (the “**Incentive Allocation**”), subject to a “high water mark”. Each PSP capital account will be charged with its respective share of the Incentive Allocation.

The Incentive Allocation will accrue monthly. An additional computation and allocation of the accrued Incentive Allocation to Pulteney will be made, with respect to capital withdrawn from a capital account of a limited partner other than at the end of the fiscal year, as of the date of such withdrawal.

PSCM allocates PSP's capital to managed accounts that are managed by other “Portfolio Managers” who invests the assets on behalf of the Fund. Portfolio Managers generally will receive incentive compensation from PSP based on the performance of their portfolios. PSP may be subject to an incentive allocation or fee for its investment in a particular investment vehicle even though PSP may have experienced a net loss with respect to its aggregate investments. Pulteney will pay the incentive compensation of the Portfolio Managers out of the Incentive Allocation, if the amount of such Incentive Allocation (if any) is not sufficient to cover the amount of incentive compensation to the Portfolio Managers, PSP will be responsible for the balance of such incentive compensation. Additionally, the incentive compensation to the Portfolio Managers may create an incentive for the Portfolio Managers to cause PSP to make investments that are riskier or more speculative than would be the case if they were paid only a fixed compensation. PSCM has full discretion to determine the amount and structure of the compensation to be paid to Portfolio Managers.

Pulteney shall have the right to waive all or part of the Incentive Allocation with respect to one or more limited partners from time to time in its sole discretion without notice to or the consent of the other limited partners.

PEP and PII

At the fiscal year end of 2013 the PEP and PII Funds were rolled into the Pulteney Street Partners Fund, LP with a majority of PEP and PII investors choosing to invest in Pulteney Street Partners. As a result, PEP and PII are no longer actively allocating and in process of liquidating the last remaining

investments. 100% beneficial ownership of these funds goes to the investors of Pulteney Street Partners.

Item 7: Types of Clients

PSCM provides investment advisory services directly to the Funds, subject to the direction and control of the respective General Partner of each Fund, and not individually to the investors in such Funds. Investors in the Funds may include, but are not limited to, high net worth individuals, institutional investors, family offices, fund of hedge funds, endowments, foundations, trusts, charitable organizations, pension plans, and corporate or business entities.

Details concerning applicable investor suitability criteria are set forth in the respective Fund's offering documents and subscription materials. The minimum commitment for an investor is outlined in the respective Offering Documents for each Fund, but is generally between \$500,000 and \$1 million for the Private funds. Investment criteria for the PSP Family of Funds can be found in the Prospectus by calling 855-318-2804 or via pspfunds.com. However, Pulteney maintains discretion to accept less than the minimum investment threshold. Each Investor in Pulteney Street Partners, LP and Pulteney Premier Fund, LP is required to meet certain suitability qualifications, such as being an "accredited investor" within the meaning set forth in Regulation D under the Securities Act, as amended, and with respect to certain Funds, a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended.

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

PSCM intends to maximize investor returns while limiting its risks through a program of investing in assets typically considered alternative investments.

The goal of the investments include avoiding the loss of capital, achieving maximum profit for the level of identified risk independent of market movements, and reducing volatility through diversification.

Investors should have a motive of seeking capital appreciation and not current income. The Funds may invest with managers of varying size or strategy and who manage various types of vehicles, as set forth in the applicable Fund's Offering Documents.

In selecting each Fund's investments, PSCM uses a rigorous due diligence process based upon certain important qualifications. These characteristics may include, but are not limited to:

- **Record of Success.** PSCM seeks investments in private investments funds or managers that have demonstrated they have achieved consistently high levels of net returns that have been sustained over a meaningful period of time. This type of record is generally associated with experienced and knowledgeable managers that focus on specific sectors of opportunity and expertise. The length of track record of the manager is not always as important as the manager's background, references, investment philosophy and discipline to maintain its investment philosophy in times of strong performance as well as periods of drawdowns.
- **Strategy Differentiation.** PSCM seeks clearly defined and demonstrable success of an investment strategy that makes sense in light of market conditions, and that can be differentiated from other strategies trading within a manager's sector. This differentiation

can be based on style, strategy, operating expertise, geographic focus, and other similar considerations.

- **Organizational Capabilities.** PSCM seeks investments through managers that are organized to manage investments efficiently and thoroughly, report to its investors in a timely and thorough manner, and provide its investors access to its employees, third party service providers (legal, accounting, fund administrator, prime broker, etc.) and records.

The specific investment strategy and method of analysis may differ for each Fund. Please refer to the individual Offering Documents of each Fund for a detailed description of the Fund's investment objective/strategy and method of analysis.

No assurance can be given that all or any of the foregoing considerations will be available in an investment or, if available, will enable the Fund to achieve its investment objectives. Furthermore, no assurance can be given that the investment approach of PSCM will cause the Funds to be profitable or prevent them from sustaining significant losses. Investing in securities involves risk of loss that the Funds and their investors should be prepared to bear.

There are a number of risks associated with the Funds' trading programs and strategies, including risks associated with the investment strategies of each private investment fund and/or asset manager that a Fund invests in or with, such as risks associated with risk arbitrage, derivatives, the practices of short selling and the use of leverage, among others. Please refer to each Fund's private placement memorandum for a more detailed description of potential risks.

Item 9: Disciplinary Information

Prior to the date hereof, neither PSCM nor any management person or principal of PSCM has been the subject of any material criminal, civil or administrative action, suit or proceeding within the last ten years.

Item 10: Other Financial Industry Activities and Affiliations

- A. *Not applicable.*
- B. PSCM is registered with the Commodity Futures Trading Commission and the National Futures Association as a Commodity Pool Operator.
- C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.

- 1. **broker-dealer, municipal securities dealer, or government securities dealer or broker**

Mr. Sean McCooey is a non-principal partner of Concept Capital, LLC and both Sean McCooey and Daniel McCooey are Registered Representatives with Concept Capital, LLC. As Concept Capital acts as the introducing broker for PSP, it is possible a conflict of interest can arise as to selection of a brokerage firm based upon this relationship and both may receive compensation as a result of their relationship with Concept Capital.

Neither Dan nor Sean receives compensation for brokerage transactions. For this purpose, PSCM institutes a majority of principals consenting to the use of each service provider and each member of the four person investment committee oversees allocations without regard to the underlying investment advisor's broker. In the event of an overlap economic interest between Concept Capital and an investment or management decision of PSCM, the interested party will recuse themselves from the investment or management decision.

2. **investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)**

PSCM Recently founded and became the Investment Advisor for the PSP Family of Funds Multi-Series Trust for the management of investment companies registered according the Investment Company Act of 1940. PSCM acquired The Congressional Effect Fund and subsequently changed the name of the multi-series trust in q2 2014. The Congressional Effect Fund was renamed with subsequent re-launched strategy to the PSP Multi-Manager Fund effective Aug 25th 2014. For details on the PSP Family of Funds, please refer to the prospectus by calling 855-318-2804 or via pspfunds.com.

Trevor Welch and Michael Loughton, two principals of PSCM, are owners and portfolio managers of William Scott Capital, LLC ("William Scott"), an investment adviser registered with the State of Utah. William Scott manages The Praesideo Prosper Fund, LP ("PPF"), a private investment vehicle with which PEP maintains a legacy investment (which is currently being liquidated). The securities typically held by PPF fall outside the scope and focus of the Funds' investment programs, and PSCM does not therefore expect a conflict of interest to arise from such relationship. In conjunction with the consulting services William Scott Capital provides, principals may assist other advisors on matters of investments, finance, strategy and compliance. Currently Trevor W Welch is registered as the Chief Compliance Officer of Alternative Capital Advisors in this consulting capacity.

3. **other investment adviser or financial planner**

Pulteney Street GP, LLC serves as general partner of PSP (the "**General Partner**"). While the General Partner is not separately registered as an investment adviser with the SEC, all of its investment advisory activities are subject to the Investment Advisers Act of 1940, as amended (the "**Advisers Act**") and the rules thereunder. In addition, employees and persons acting on behalf of the General Partner, if any, are subject to the supervision and control of PSCM.

See also Item 10.C.2. above for a description of PSCM's relationship with William Scott.

4. **futures commission merchant, commodity pool operator, or commodity trading advisor**

Not applicable.

5. **banking or thrift institution**

Not applicable.

6. **accountant or accounting firm**

Not applicable.

7. **lawyer or law firm**

Not applicable.

8. **insurance company or agency**

Not applicable.

9. **pension consultant**

Not applicable.

10. **real estate broker or dealer**

Not applicable.

11. **sponsor or syndicator of limited partnerships.**

Not applicable.

D. *Not applicable.*

Item 11: Code of Ethics, Participation or Interest in Client Transaction and Personal Trading

PSCM has adopted a Code of Ethics pursuant to SEC Rule 204A-1 of the Advisers Act. PSCM will provide a copy of its Code of Ethics to any client or prospective client upon request. Each of PSCM's employees is required to read, understand and comply with PSCM's Code of Ethics, which is designed to ensure that PSCM complies with applicable laws and regulations in an ethical and professional manner. The Code of Ethics governs and restricts personal investment transactions by PSCM's employees. The Code of Ethics also addresses PSCM's policies with respect to gifts and entertainment, confidentiality obligations, the manner in which violations of the Code of Ethics are to be reported and resolved and restrictions of outside activities of PSCM's employees.

PSCM's may recommend and/or buy or sell the same securities/financial instruments at the same time or after one or more of its other clients already has established a position in a security/financial instrument subject to applicable law and PSCM's Code of Ethics. This ability to initiate transactions and/or personally trade similar securities to those securities eligible for PSCM investment vehicles by related persons or employees of PSCM creates an inherent conflict of interest. PSCM code of ethics restricts the scope and controls the size of these transactions; nevertheless the potential conflict of interest exists in the ability for related parties to trade in their personal accounts.

PSCM may at times determine that certain investments are suitable for more than one of its clients and attempt to purchase or sell short these investments at the same time for multiple clients. If PSCM is not able to acquire the desired aggregate amount of such investments on terms and conditions

which PSCM deems advisable, it will endeavor to allocate in good faith the limited amount of such investments acquired among the various clients for which PSCM considers them to be suitable. PSCM makes such allocations among its clients based on the followings considerations: relative account sizes, funds available for investment, diversification considerations, the degree of risk involved in the investments acquired, and the extent to which a position in such investments is consistent with the investment policies and strategies of the various clients involved.

All directors, officers and employees of the Manager (“**Covered Persons**”) are required by the Manager’s Code of Ethics to submit to the Chief Compliance Officer:

- (i) duplicate copies of trade confirmations (subject to de minimis rule); and
- (ii) the Covered Person’s monthly and quarterly brokerage statements. In addition, all Covered Persons are required by the Manager’s Code of Ethics to submit upon commencement of employment with the Manager, a statement listing all of the:
 - securities in which the Covered Person has any beneficial ownership;
 - business activities in which the Covered Person has a significant role; and
 - the names of any brokerage firms where the Covered Person maintains an account.

In addition, the Manager’s Code of Ethics requires Covered Persons to obtain the prior written approval of the Chief Compliance Officer before engaging in any personal securities transaction, subject to stated exemptions in the compliance and code of ethics manuals.

Other Code of Ethics Provisions

The Manager’s Code of Ethics contains other restrictions on the personal securities trading of Covered Persons. The Manager’s Code of Ethics is incorporated by reference into this policy.

- (i) **Acknowledgment.** All Covered Persons are required annually to sign and acknowledge their familiarity with the provisions of this Code of Ethics by signing a form of acknowledgment. In addition, any situation which may involve a conflict of interest or other possible violation of this Code of Ethics must be promptly reported to the Chief Compliance Officer who must report to the executive management of the Manager.
- (ii) **Review of Transactions.** Each Covered Person's transactions in his/her personal account will be reviewed on a regular basis and compared to transactions entered into by the Manager for clients. Any transactions that are believed to be a violation of this Code of Ethics will be reported promptly to the Chief Compliance Officer who must report to the executive management of the Manager.
- (iii) **Sanctions.** The executive management of the Manager, with advice of legal counsel, at his discretion, shall consider reports made to him and upon determining that a violation of the Code of Ethics has occurred, may impose such sanctions or remedial action as he deems appropriate or to the extent required by law. These sanctions may include, among other things, disgorgement of profits, suspension or termination of employment with the Manager, or criminal or civil penalties.

Item 12: Brokerage Practices

Best Execution; Commissions; Fees

It is expected that underlying investment funds and managers utilized by PSCM will allocate their brokerage business generally on the basis of "best execution" for their advisory clients and in consideration of such brokers' provision of brokerage, research and related services. In selecting brokers or dealers to execute transactions, underlying managers may not necessarily solicit competitive bids and may not have an obligation to seek the lowest available commission cost. It may not be the practice of such underlying managers to negotiate "execution only" commission rates, and thus the investment vehicle managed by such underlying manager may be deemed to be paying for research and other services provided by the broker which are included in the commission rate. Research furnished by brokers may include, but is not limited to, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; financial publications; statistic and pricing services, as well as discussions with research personnel, along with hardware, software, data bases and other technical and telecommunication services and equipment utilized in the investment management process. Research services obtained by the use of commissions arising from such investment vehicle's portfolio transactions may be used by the underlying manager in its other investment activities. Underlying managers may also be paying for services other than research which are included in the commission rate. These other services obtained by the underlying managers may include, without limitation, office space, facilities and equipment; administrative and accounting support; supplies and stationery; telephone lines, usage and equipment and other items which might otherwise be treated as an expense of the manager. To the extent an underlying manager utilizes commissions to obtain items which would otherwise be an expense of the manager such use of commissions in effect constitutes additional compensation to the manager. It is noted that certain of the foregoing commission arrangements are outside the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended, which permits the use of commissions or "soft dollars" to obtain "research and execution" services. Finally, it is noted that since commission rates are generally negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may result in higher transaction costs than would otherwise be obtainable.

Portfolio investments normally will be purchased through brokers on securities exchanges or directly from the issuer or from an underwriter or market maker for the investments. Purchases of portfolio investments through brokers may involve a commission to the broker. Purchases of portfolio investments from dealers serving as market makers include the spread between the bid and the asked price. In placing portfolio transactions and negotiating commission rates, PSCM seeks to obtain best execution, taking into account the following factors: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution; (iii) the financial strength, integrity and stability of the broker; (iv) the reputation of the broker; (v) the firm's risk in positioning a block of securities; (vi) efficiency of execution and error resolution; (vii) the quality, comprehensiveness and frequency of available research services considered to be of value; and (viii) the competitiveness of commission rates in comparison with other brokers satisfying PSCM's other selection criteria. PSCM is authorized to pay higher prices for the purchase of securities from or accept lower prices for the sale of securities to brokerage firms that provide it with such investment and research information or to pay higher commissions to such firms if PSCM determines such prices or commissions are reasonable in relation to the overall services provided. Research services furnished by brokers may include written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing or appraisal services; discussions with research personnel; and invitations to attend conferences or meetings with management or industry consultants. PSCM is not required to weigh any of these factors equally. Since commission rates in the United States are negotiable, PSCM's selection of brokers on the basis of considerations which are not limited to applicable commission rates may at times result in PSCM's clients being charged

higher transaction costs than they could otherwise obtain. Receipt by an investment adviser of products and services provided by brokers, without any cash payment by an investment adviser, based on the volume of brokerage commission revenues generated from securities transactions executed through those brokers on behalf of the investment adviser's clients is commonly referred to as "soft dollars." Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), provides a "safe harbor" to investment advisers with respect to potential liability for violating their duty to obtain best execution for a client's securities transactions in circumstances in which such advisers use soft dollars generated by their advised accounts only for purposes of obtaining investment research and brokerage services (i) that provide lawful and appropriate assistance to the investment adviser in the performance of investment decision making responsibilities and (ii) where the commissions paid are reasonable in relation to the value of the services provided.

PSCM does not currently engage in any soft dollar transactions and does not intend to engage in any soft dollar transactions other than with respect to products and services which fall within the Section 28(e) safe harbor or where such products or services would otherwise be properly chargeable to PSCM's clients. PSCM is not required to allocate either a stated dollar or stated percentage of its brokerage business to any broker for any minimum time period, and will review such relationships from time to time. The same level of brokerage policies and practices required for underlying investment fund managers will apply to any direct brokerage practices by the firm outside of separate investments made for the investment vehicles.

Item 13: Review of Accounts

PSCM's client portfolios are reviewed by PSCM's portfolio managers on a daily basis. Such reviews include the assessment of profit and loss reports with respect to investment positions in a client account. Fund investments are evaluated based on performance, company fundamentals, analyst reports, general market conditions, technical analysis and domestic and international events that may affect the investments. PSCM's Chief Compliance Officer, Trevor Welch, is currently a portfolio manager and therefore maintains constant review of investment portfolios.

The Funds' investors are provided with monthly unaudited performance reports that contain the information used to calculate changes in the applicable Fund's net asset value. PSCM also provides underlying investors in the Funds with annual audited financial statements of the applicable Fund. PSCM provides to investors written monthly unaudited reports containing information used to calculate the change in the net asset value of the assets under PSCM's management. PSCM currently employs a PCAOB independent auditor for the Funds.

Item 14: Client Referrals and Other Compensation

The Manager may not make cash payments to a third party "solicitor" unless the fees are paid pursuant to a written agreement.

- (a) The written agreement between the Manager and the solicitor must describe the solicitation activities to be engaged in and the compensation to be paid and contain an undertaking by the solicitor to perform his duties in compliance with the instructions of the investment adviser and the provisions of the Advisers Act. The agreement must also require the solicitor to provide each advisory client, at the time of any solicitation activities, with a copy of the Fund's private placement memorandum and a separate written disclosure statement describing the relationship and material terms of the agreement between the solicitor and the Manager;

- (b) The written disclosure document required to be delivered by the solicitor must contain the following information: (i) name of solicitor; (ii) name of investment adviser; (iii) nature of relationships, including any affiliations, between investment adviser and solicitor; (iv) statement that the solicitor will be compensated for his solicitation services and the terms of the compensation arrangement; and (v) whether the advisory client will pay a specific charge or a higher advisory fee because the solicitor recommended the investment adviser to the advisory client;
- (c) The Manager must obtain from the advisory client prior to, or at the time of, entering into an oral or written advisory contract, a signed and dated acknowledgment of receipt of the private placement memorandum and the solicitor's disclosure statement;
- (d) The Manager must make a bona fide effort to ascertain whether, and has a reasonable basis for believing that, the solicitor has complied with the written agreement; and
- (e) The solicitor who would receive a cash referral fee must not be a person who has been convicted of certain acts, or statutorily disqualified from associating with an investment adviser.

To the extent the Manager engages any such solicitors, the Manager is required to maintain copies of written agreements with such solicitors, advisory client's acknowledgments, and the written disclosure statements furnished by the solicitor to the Manager's advisory clients. Any new referral fee arrangements must be approved by the Chief Compliance Officer.

Item 15: Custody

PSCM is deemed to have custody of the Funds' assets because of the authority that PSCM and/or its affiliated entities have over those assets. The Funds financial statements are subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the audited financial statements are distributed to each Investor. The audited financial statements are prepared in accordance with generally accepted accounting principles.

Item 16: Investment Discretion

PSCM has discretionary authority to make investments on behalf of the Funds, without obtaining specific consent from the Funds or their investors. PSCM is granted such authority in written investment advisory agreements that it has with the Funds. Any limitations on such authority are included in each Fund's Offering Documents.

Item 17: Voting Client Securities

In proxy voting and matters of client voting securities, PSCM takes care to vote in the best interest of the client according to PSCM's discretion.

Item 18: Financial Information

Not Applicable.

Item 19: Requirements for State-Registered Advisers

Not Applicable.