

**Disciplined Alpha LLC
One International Place Suite 2400
100 Oliver St
Boston MA 02110
Tel: (857) 350 3958**

This brochure provides information about the qualifications and business practices of Disciplined Alpha LLC (“Disciplined Alpha”). If you have any questions about the contents of this brochure, please contact Kevin Shea at (857) 350 3958 or kevin.shea@disciplinedalpha.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Disciplined Alpha is available on the SEC’s website at www.adviserinfo.sec.gov. Registration with the SEC as an investment adviser does not imply a certain level of skill or training.

March 10, 2014

Item 2: Material Changes

Annual Update

This is Discipline Alpha's first annual update. The Material Changes section of this brochure will be updated annually when material changes occur since the last annual update.

Item 3: Table of Contents

| | |
|---|----|
| Item 1: Cover Page | i |
| Item 2: Material Changes | 1 |
| Item 3: Table of Contents | 2 |
| Item 4: Advisory Business | 3 |
| Item 5: Fees and Compensation | 4 |
| Item 6: Performance-Based Fees and Side-By-Side Management..... | 6 |
| Item 7: Types of Clients..... | 7 |
| Item 8: Methods of Analysis, Investment Strategies and Risk of Loss..... | 8 |
| Item 9: Disciplinary Information..... | 17 |
| Item 10: Other Financial Industry Activities and Affiliations..... | 18 |
| Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading..... | 19 |
| Item 12: Brokerage Practices..... | 20 |
| Item 13: Review of Accounts..... | 22 |
| Item 14: Client Referrals and Other Compensation..... | 23 |
| Item 15: Custody..... | 24 |
| Item 16: Investment Discretion..... | 25 |
| Item 17: Voting Client Securities | 26 |
| Item 18: Financial Information..... | 28 |

Item 4: Advisory Business

A: Firm Description

Disciplined Alpha Capital Management LLC, a Massachusetts limited liability company formed on February 22, 2013 (“Disciplined Alpha”), provides discretionary investment advisory services to a single private pooled investment vehicle comprising a Master Feeder Structure domiciled in Cayman islands (collectively, the “Funds” or the “Clients”). Kevin Shea is the founder, managing member and sole owner of Disciplined Alpha.

B: Types of Advisory Services

Disciplined Alpha's investment objective is to see capital appreciation for its Funds. Further funds may have different objectives.

C: Tailored Services

At the current time, Disciplined Alpha does not expect to tailor its investment advisory services to the individual needs of the investors investing in its Funds.

D: Wrap Fee Programs

Disciplined Alpha will not participate in any wrap fee programs.

E: Client Assets Under Management

As of February 28 2014, Disciplined Alpha's assets under management were \$50.6 million net. Long positions were approximately \$66.0 million and short positions were approximately \$33.0 million. Regulatory assets under management were \$99.07 million.

Disciplined Alpha currently manages a single master feeder fund, the Disciplined Alpha Master Trust LP and the Disciplined Alpha Offshore Fund, Ltd both entities are Cayman Island registered.

Item 5: Fees and Compensation

A. Description

Currently Disciplined Alpha charges both a performance fees and a management fee. The management fee is currently 1% per annum based on opening monthly assets. The performance fee is currently 10% per annul of all net gains/losses. The fee is calculated and paid annually and is subject to a high water mark. Fees for future investors or investment vehicles may change.

B. Fee Billing

Management fees will be deducted in advance monthly from Funds' opening assets. Performance allocation will be deducted annually in arrears from Funds' assets.

C. Other Fees and Expenses

Funds managed by Disciplined Alpha will pay or reimburse Disciplined Alpha, as the case may be, for all costs and expenses related to its investments and its operations, including, without limitation, brokerage and other transaction costs, clearing and settlement charges, interest and commitment fees on debit balances or borrowings, borrowing charges on securities sold short, costs of any liability insurance obtained on behalf of Funds, custody fees, costs of any litigation or investigation involving Funds' activities, indemnification expenses, the management fees, consulting expenses, the fees and expenses of professionals providing services to the Funds, including legal, audit, accounting, tax and administration and director services for Disciplined Alpha's non-U.S. pooled investment vehicles that are companies, any issue or transfer taxes chargeable in connection with any securities transactions, any entity level taxes, regulatory costs, filing and license fees, the costs of reporting and providing information and any extraordinary expenses. Please refer to Item 12 for more information about brokerage.

D. Fees in Advance

Management fees are paid monthly in advance. An investor who invests in a fund managed by Disciplined Alpha who withdraws mid-month shall be reimbursed a pro rata portion of the management fee, if any, based upon the date of withdrawal.

E. Securities Compensation

Not applicable.

Item 6: Performance-Based Fees

Performance fees

Currently the Fund pays Disciplined Alpha a performance allocation of 10% of the net capital appreciation of the Fund, subject to a high watermark. This is a special rate negotiated for a small number of initial investors who invested substantial assets in the Fund at inception. The normal Performance fee rate is 20%. Performance allocations will generally be paid in arrears at the end of each fiscal year. All of Disciplined Alpha's unaffiliated investors in its Funds are expected to be charged both management fees and performance allocations.

Item 7: Types of Clients

Description

Disciplined Alpha currently expects to provide investment advisory services and portfolio management on a discretionary basis to private pooled investment vehicles.

Account Minimums

The Funds managed by Disciplined will have minimum initial investments from investors of at least \$250,000 although Disciplined Alpha may accept lesser amounts in its sole discretion.

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

Methods of Analysis and Investment Strategies

The investment strategy employed by the Investment Manager incorporates disciplined, repeatable quantitative factors to generate alpha; however, the Investment Manager's strategy differs from many other strategies in a number of key respects, including: (i) the factors analyzed and considered by the Investment Manager in defining its investment strategy; (ii) the use of a macroeconomic regime model to determine factor weights; (iii) a separate short model for the short side of the portfolio; and (iv) an intense focus on downside tail risk.

The factors analyzed and considered by the Investment Manager in defining its investment strategy are not based on running thousands of backtests to see what "works" in the market, with a hope that these factors will persist in the future. Instead, the factors are based on meetings with hundreds of company managements and fundamental analysts that the managing member of the Investment Manager has held over his 17 years of experience. The Investment Manager believes building a model based on conversations with real people, about real products, sold to real customers is likely to be more robust than a possibly "over-fit" purely statistical model.

The Investment Manager also utilizes a macroeconomic regime model. This model is based on a topic that in academic literature is known as "time varying risk aversion." After the Nasdaq Index sold off dramatically from 2000 to 2002, it then rallied significantly in 2003. The market shifted from one regime, where investors sought to avoid risk, to another regime, in which investors sought low quality, low priced, securities. Macroeconomic data was subsequently found to forecast these time varying views of risk that the market rewards. More specifically, three regimes were found that have been designated the "value," "neutral," and "momentum" regimes. This macroeconomic data is used in the Investment Manager's strategy to tilt the strategy towards certain defensive factors.

The Investment Manager's strategy utilizes a separate short model. Many long/short managers that utilize a model to rank stocks, have a single model for both long and short positions. This model is then used to rank stocks on, for instance, a "quintile" basis. The stocks that are in the best quintile become the long side of the strategy and the stocks in the worst quintile become the short side of the strategy. The Investment Manager believes that this is sub-optimal. Many factors do not have symmetric outcomes. The Investment Manager has built a separate short model that utilizes seven factors that are different from its long model. These factors dramatically increase the spread of the performance between the long side of the strategy and the short side of the strategy.

The Investment Manager also places significant focus on downside tail risk. Many strategies focus on overall volatility, as measured by the Sharpe Ratio. After numerous meetings with potential investors, the Investment Manager believes there is clearly more of a concern with downside risk than overall volatility. The Investment Manager believes this concern is better captured in the Sortino Ratio than the Sharpe Ratio. Behavioral Finance suggests that investors tend to be two to three times more concerned about downside risk than they are about overall volatility. This view has been hard wired into the Investment Manager's investment process.

C. Material Risks

All investment programs have certain risks that are borne by Funds. Disciplined Alpha's investment approach constantly keeps the risk of loss in mind. Please refer to the Private Placement Memorandum of the Disciplined Alpha Offshore Fund, Ltd for a more detailed discussion of risks. The risks mentioned below are only a partial list.

Investment and Trading Risks. An investment managed by Disciplined Alpha involves a high degree of risk, including the risk that the entire amount invested may be lost. No guarantee or representation is made that Disciplined Alpha's investment program will be successful. Disciplined Alpha will be investing substantially all of its Funds' assets in securities, some of which may be particularly sensitive to economic, market, industry and other variable conditions. The markets in which Disciplined Alpha expects to invest have recently experienced and continue to experience significant volatility and losses. No assurance can be given as to when or whether adverse events might occur that could cause immediate and significant losses to Disciplined Alpha's Funds.

Limited Diversification. At any given time, it is possible that Disciplined Alpha may make investments that are concentrated in a particular type of security, industry or market capitalization. This limited diversity could expose Disciplined Alpha to significantly greater volatility than in a more diversified portfolio.

Use of Leverage. Disciplined Alpha may leverage Funds' portfolio through margin and other debt in order to increase the amount of capital available for investments. Although leverage increases returns to Funds when a Fund earns a greater return on the incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns if the Disciplined Alpha fails to earn as much on such incremental investments as it pays for such funds. In the event that Disciplined Alpha leverages its portfolio, fluctuations in the market value of Disciplined Alpha's portfolio will have a significant effect in relation to its Funds' capital and the risk of loss and the possibility of gain will each be increased. In addition, when Disciplined Alpha utilizes leverage, the level of interest rates generally, and the rates at which Disciplined Alpha can borrow in particular, will be an expense of each Fund and therefore affect the operating results of its Funds. Leverage increases the risk of substantial losses (including the risk of a total loss of capital), and leverage can significantly magnify the volatility of a Fund's portfolio.

Funds may use short-term margin borrowing in purchasing securities positions. Such borrowing, if made, may result in certain additional risks to Funds. For example, should the securities pledged to brokers to secure the Funds' margin accounts decline in value, Funds could be subject to a "margin call" pursuant to which the Funds would be required to either 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, precipitous drop in value of a Fund's assets, Disciplined Alpha might not be able to liquidate assets quickly enough to pay off its margin debt.

Short Sales. Disciplined Alpha may engage in short sales as part of hedging transactions or when it believes securities are overvalued. Short sales are sales of securities Disciplined Alpha borrows but does not actually own, usually made with the anticipation that the prices of the securities will decrease and the Funds will be able to make a profit by purchasing the securities at a later date at the

lower prices. Funds will incur a potentially unlimited loss on a short sale if the price of the security increases prior to the time it purchases the security to replace the borrowed security. A short sale presents greater risk than purchasing a security outright since there is no ceiling on the possible cost of replacing the borrowed security, whereas the risk of loss on a “long” position is limited to the purchase price of the security. Closing out a short position may cause the security to rise further in value creating a greater loss.

Short sale transactions have been subject to increased regulatory scrutiny in response to recent market events, including the imposition of restrictions on short selling certain securities and reporting requirements. Disciplined Alpha’s ability to execute a short selling strategy may be materially adversely impacted by temporary and/or new permanent rules, interpretations, prohibitions, and restrictions adopted in response to these adverse market events. Temporary restrictions and/or prohibitions on short selling activity may be imposed by regulatory authorities with little or no advance notice and may impact prior trading activities of Disciplined Alpha. Additionally, the SEC, its foreign counterparts, other governmental authorities and/or self-regulatory organizations may at any time promulgate permanent rules or interpretations consistent with such temporary restrictions or that impose additional or different permanent or temporary limitations or prohibitions. The SEC might impose different limitations and/or prohibitions on short selling from those imposed by various non-U.S. regulatory authorities. These different regulations, rules or interpretations might have different effective periods.

Regulatory authorities may from time-to-time impose restrictions that adversely affect Disciplined Alpha’s ability to borrow certain securities in connection with short sale transactions. In addition, traditional lenders of securities might be less likely to lend securities under certain market conditions. As a result, Disciplined Alpha may not be able to effectively pursue a short selling strategy due to a limited supply of securities available for borrowing. Disciplined Alpha may also incur additional costs in connection with short sale transactions, including in the event that it is required to enter into a borrowing arrangement in advance of any short sales. Moreover, the ability to continue to borrow a security is not guaranteed and Disciplined Alpha is subject to strict delivery requirements. The inability of a Fund to deliver securities within the required time frame may subject the Fund to mandatory close out by the executing broker-dealer. A mandatory close out may subject the Fund to unintended costs and losses. Certain action or inaction by third-parties, such as executing broker-dealers or clearing broker-dealers, may materially impact the Fund’s ability to effect short sale transactions. Such action or inaction may include a failure to deliver securities in a timely manner in connection with a short sale effected by a third-party unrelated to a Fund.

Small Cap Issuers. A significant portion of a Fund’s assets may be invested in small-cap issuers. While, in Disciplined Alpha’s opinion, the securities of small issuers may offer the potential for greater capital appreciation than investment in securities of larger-cap issuers, securities of small-cap issuers also present greater risks. For example, some small issuers have limited product lines, markets, or financial resources and may be dependent for management on one or a few key persons. In addition, such issuers may be subject to high volatility in revenues, expenses and earnings. Their securities may be thinly traded, may be followed by fewer investment analysts, and may be subject to wider price swings and thus may create a greater chance of loss than when investing in securities of larger-cap issuers. The market prices of securities of small issuers generally are more sensitive to changes in earnings expectations, corporate developments, and market rumors than are the market

prices of large-cap issuers. Transaction costs in securities of small issuers may be higher than in those of large-cap issuers.

Equity Securities of Growth Companies. A portion of a Fund's assets may be invested in equity securities of companies that Disciplined Alpha believes have potential for capital appreciation significantly greater than that of the market averages, so-called "growth" companies. The market capitalization of the growth companies in which the Funds will invest may range from small to large capitalizations. Growth stocks are generally more sensitive to market movements than other types of stocks, primarily because their stock prices are based heavily on future expectations. Securities of growth companies may be traded in the over-the-counter ("OTC") markets. While OTC markets have grown rapidly in recent years, many OTC securities trade less frequently and in smaller volume than exchange-listed securities. The values of these securities may fluctuate more sharply than exchange-listed securities, and Funds may experience some difficulty in acquiring or disposing of positions in these securities at prevailing market prices.

Undervalued Equity Securities. Disciplined Alpha's investment strategy focuses on investing in companies that Disciplined Alpha believes are undervalued. Opportunities in undervalued equity securities arise from market inefficiencies or due to a lack of wide recognition of the potential impact (positive or negative) that specific events or trends may have on the value of a security. The identification of investment opportunities in undervalued securities is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer the opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses.

Hedging. Disciplined Alpha may utilize certain financial instruments and investment techniques for risk management or hedging purposes. There is no assurance that such risk management and hedging strategies will be successful, as such success will depend on, among other factors, Disciplined Alpha's ability to predict the future correlation, if any, between the performance of the instruments utilized for hedging purposes and the performance of the investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of Disciplined Alpha's hedging strategies may also be subject to Disciplined Alpha's ability to correctly readjust and execute hedges in an efficient and timely manner. There is also a risk that such correlation will change over time rendering the hedge ineffective. It may be more difficult to hedge a position in a smaller cap issuer than a larger-cap issuer. Disciplined Alpha's portfolio is not expected to be completely hedged at all times and at various times Disciplined Alpha may elect to be more fully hedged and at other times hedged only to a limited extent, if at all. Accordingly, Disciplined Alpha's assets may not be adequately protected from market volatility and other conditions.

Portfolio Liquidity and Transfer Restrictions (PIPEs and Similar Investments). Disciplined Alpha may invest a portion of its Funds' assets in illiquid investments which may have to be held for a substantial period of time before they can be liquidated. Disciplined Alpha may invest in so-called "PIPE" transactions, in which a private purchase of common stock or a security convertible into common stock, is anticipated to be followed shortly by a registered public offering of such common stock, or of common stock of the same class. As securities sold in a PIPE transaction will generally be restricted only for the period from the private sale until the issuer's registration statement with the SEC covering resale of such securities becomes effective, Funds may pay more for such

securities than for other private placement securities. If the issuer is unable to obtain an effective resale registration statement for a PIPE, the PIPE will remain restricted under U.S. securities laws (subject to the availability of some other exemption) and Funds may be unable to recover from the issuer an amount sufficient to compensate Funds for the loss of liquidity of such security.

Investments that Become Illiquid. Securities that were generally liquid and easy to value when purchased may, over time, become illiquid and/or difficult to value as a result of changing circumstances with respect to the issuer(s) of the securities or the markets generally. In such event, the General Partner may, in its sole discretion, segregate such securities.

Counterparty Risk. Some of the markets in which the Funds may effect transactions are “over-the-counter” or “interdealer” markets. The participants in such markets are typically not subject to the credit evaluation and regulatory oversight to which members of “exchange-based” markets are subject. This exposes the Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not *bona fide*) or because of a credit or liquidity problem, thus causing the Funds to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Funds have concentrated its transactions with a single or small group of counterparties. Counterparties in foreign markets face increased risks, including the risk of being taken over by the government or becoming bankrupt in countries with limited if any rights for creditors. Funds are not restricted from concentrating any or all of its transactions with one counterparty. The ability of the Funds to transact business with any one or number of counterparties and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Funds. Counterparty risks also include the failure of executing brokers to honor, execute, or settle trades.

Prime Broker Risk. Funds' assets may be held in one or more accounts maintained for certain Funds by its prime brokers or at other brokers or custodian banks, which may be located in various jurisdictions, including emerging market jurisdictions. The prime brokers, other brokers (including those acting as sub-custodians) and custodian banks are subject to various laws and regulations in the relevant jurisdictions that are designed to protect their customers in the event of their insolvency. Accordingly, the practical effect of the laws protecting customers in the event of insolvency and their application to the Funds' assets may be subject to substantial variations, limitations and uncertainties. For instance, in certain jurisdictions brokers could have title to the Funds' assets or not segregate customer assets. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a prime broker, another broker or a clearing corporation, it is impossible further to generalize about the effect of the insolvency of any of them on the Funds and their assets. Investors should assume that the insolvency of any of the prime brokers, local brokers, custodian banks or clearing corporations may result in the loss of all or a substantial portion of the Funds' assets or in a significant delay in the Funds having access to those assets.

Purchasing Securities of Initial Public Offering. From time to time the Funds may purchase securities that are part of initial public offerings. The prices of these securities may be very volatile. The issuers of these securities may be undercapitalized, have a limited operating history, and lack revenues or operating income without any prospects of achieving them in the near future. Some of these issuers may only make available a limited number of shares for trading and therefore it may be

difficult for the Funds to trade these securities without unfavorably impacting their prices. In addition, investors may lack extensive knowledge of the issuers of these securities. Funds may invest in securities that are “new issues,” as defined by Rule 5130. Rule 5130 and Rule 5131 restrict certain persons from participating in “new issues.” As a result, certain investors in funds managed by Disciplined Alpha may be restricted from participating in profits and losses attributable to such investments.

Risks of Investments in Options. Investing in options can provide greater potential for profit or loss than an equivalent investment in the underlying asset. The value of an option may decline because of a change in the value of the underlying asset relative to the strike price, the passage of time, changes in the market’s perception as to the future price behavior of the underlying asset, or any combination thereof. In the case of the purchase of an option, the risk of loss of an investor’s entire investment (*i.e.*, the premium paid plus transaction charges) reflects the nature of an option as a wasting asset that may become worthless when the option expires. Where an option is written or granted (*i.e.*, sold) uncovered, the seller may be liable to pay substantial additional margin, and the risk of loss is unlimited, as the seller will be obligated to deliver, or take delivery of, an asset at a predetermined price which may, upon exercise of the option, be significantly different from the market value. Over-the-counter options that the Funds may use in its investment strategies generally are not assignable except by agreement between the parties concerned, and no party or purchaser has any obligation to permit such assignments. The over-the-counter market for options is relatively illiquid, particularly for relatively small transactions.

Derivative Investments. Derivative instruments or “derivatives” include futures, options, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are leveraged, and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement may expose the Funds to the possibility of a loss exceeding the original amount invested. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the creditworthiness of the swap counterparty.

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” Under such daily limits, during a single trading day no trades may be executed at prices beyond the 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. This could prevent Disciplined Alpha from promptly liquidating unfavorable positions and subject the Funds to substantial losses.

Foreign Securities. Disciplined Alpha may invest in securities of non-U.S. issuers. Disciplined Alpha's Funds' investments in securities and instruments in foreign markets involve substantial risks not typically associated with investments in U.S. securities. Foreign securities investments may be affected by changes in currency rates or exchange control regulations, changes in governmental administration or economic or monetary policy (in the United States and abroad) or changed circumstances in dealings between nations. Changes in foreign currency exchange rates relative to the U.S. dollar will affect the U.S. dollar value of the Funds' assets denominated in that currency and thereby impact the Funds' total return on such assets. Disciplined Alpha may utilize options and forward contracts to hedge against currency fluctuations, but there can be no assurance that such hedging transactions will be effective.

Investments in foreign securities will also occasion risks relating to political and economic developments abroad, including the possibility of expropriations or confiscatory taxation, limitations on the use or transfer of Fund assets and any effects of foreign social, economic or political instability. Foreign companies are not subject to the regulatory requirements of U.S. companies and, as such, there may be less publicly available information about such companies. Moreover, foreign companies are not subject to uniform accounting, auditing and financial reporting standards and requirements comparable to those applicable to U.S. companies. Finally, in the event of a default of any foreign debt obligations, it may be more difficult for the Funds to obtain or enforce a judgment against the issuers of such securities.

Securities of foreign issuers may be less liquid than comparable securities of U.S. issuers and, as such, their price changes may be more volatile. Furthermore, foreign exchanges and broker-dealers are generally subject to less government and exchange scrutiny and regulation than their American counterparts. Brokerage commissions, dealer concessions and other transaction costs may be higher in foreign markets than in the U.S. In addition, differences in clearance and settlement procedures in foreign markets may occasion delays in settlements of the Funds' trades affected in such markets.

Investments in Fixed-Income Securities. Disciplined Alpha may invest a portion of Funds' capital in bonds or other fixed income securities, including, without limitation, bonds, notes and debentures issued by corporations, debt securities issued or guaranteed by the U.S. government or one of its agencies or instrumentalities, commercial paper, and "higher yielding" (and, therefore, higher risk) debt securities of the former categories. These securities may pay fixed, variable or floating rates of interest, and may include zero coupon obligations. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (*i.e.*, credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (*i.e.*, market risk). A major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

Economic and Regulatory Climate. The success of Disciplined Alpha's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of Disciplined Alpha's investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These

factors may make corporate mergers, exchange offers, tender offers or other similar transactions less desirable or may make arbitrage or trading activities engaged in by Disciplined Alpha less profitable. In particular, it should be noted that many tender offers, acquisitions and other corporate reorganizations require the acquiror to obtain high levels of financing to successfully complete the transaction. In addition, changing market and economic conditions may affect, among other things, the level and volatility of securities' prices, the liquidity of Disciplined Alpha's investments and the availability of certain securities and investments. Volatility or illiquidity could impair the Funds' profitability or result in losses. Disciplined Alpha may maintain substantial trading positions that can be materially adversely affected by the level of volatility in the financial markets — the larger the positions, the greater the potential for loss.

Recently, global markets experienced unprecedented volatility and losses. The effects thereof are continuing and there can be no assurance that the Funds will not be materially adversely affected.

Change in Investment Strategies. The investment strategies, approaches and techniques discussed herein may evolve over time due to, among other things, market developments and trends, the emergence of new or enhanced investment products, changing industry practice and/or technological innovation. As a result, these investment strategies, approaches and techniques may not reflect the investment strategies, approaches and techniques actually employed by Funds. Nevertheless, the investments made on behalf of Funds will be consistent with Disciplined Alpha's investment objective.

Item 9: Disciplinary Information

Legal and Disciplinary

There are no legal or disciplinary events that are material to an investor or potential investor's evaluation of Disciplined Alpha's advisory business or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-Dealer

Not applicable.

B. Financial Industry Activities

Not applicable.

C. Affiliations

Disciplined Alpha and its management persons have relationships and arrangements that are material to its advisory business or its Funds with various related persons as described below. None of these relationships or arrangements creates a material conflict of interest with Funds.

1. Not applicable.
 2. Disciplined Alpha will serve as the investment manager to Disciplined Alpha Offshore Fund, Ltd and general partner of Disciplined Alpha Master Fund, L.P., both of which are private pooled investment vehicles.
 3. Not applicable.
 4. Not applicable.
 5. Not applicable.
 6. Not applicable.
 7. Not applicable.
 8. Not applicable.
 9. Not applicable.
 10. Not applicable.
 11. Disciplined Alpha LLC is the sponsor/syndicator of Disciplined Alpha Offshore Fund, Ltd and Disciplined Alpha Master Fund, L.P
-

D. Compensation for Referrals.

Disciplined Alpha LLC currently has a written agreement with a registered broker dealer to pay a percentage of management and performance fees in respect of any clients sourced by the broker dealer for Disciplined Alpha. This is on a fully disclosed basis to investors.

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

A. Code of Ethics

The Access Persons of Disciplined Alpha have committed to a Code of Ethics that is available for review by potential investors or investors in any of the Funds managed by Disciplined Alpha upon request. The Code of Ethics has been adopted in accordance with Section 204A and Rule 204A-1 under the Investment Advisers Act of 1940, as amended. Each Access Person must read, sign and deliver a certificate of compliance with the Code of Ethics. In accordance with Rule 204A-1, Access Persons also must provide initial securities holdings reports, annual securities holding reports and quarterly transaction reports related to reportable securities in which such Access Person has direct or indirect beneficial ownership. Finally, all Access Persons must pre-clear all new issues and private placements prior to investment. Access Persons may trade in the same securities as the Fund managed by Disciplined Alpha but may not do so 3 days either side of the Fund trades.

B. Participation or Interest in Client Transactions

Disciplined Alpha currently expects to serve as the general partner to the Disciplined Alpha Master Fund, L.P. (the “Master Fund”). There will be a potential conflict of interest in this arrangement since the general partner is generally entitled to an allocation of 10% of the net profits of the Master Fund, which could encourage Disciplined Alpha to invest more aggressively in riskier securities than in the absence of this performance allocation.

C. Participation or Interest in Client Transactions

See response to Item 11.B above.

D. Participation or Interest in Client Transactions

See response to Item 11.B above.

Item 12: Brokerage Practices

A. Selecting Brokerage Firms

Disciplined Alpha will be responsible for selecting broker-dealers to execute trades and negotiating any commissions paid on such transactions. Disciplined Alpha's primary consideration in placing transactions with particular broker-dealers will be to obtain best execution in the most effective manner possible. Disciplined Alpha also will take into account a variety of other factors, including the financial strength, integrity and stability of the broker-dealer and the commissions to be paid. Disciplined Alpha may also consider the quality comprehensiveness and frequency of available research and other products and services considered to be of value. The products and services furnished by broker-dealers may include, among other things, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; and statistics and pricing or appraisal services, discussion with research personnel, special execution capabilities, order of call and the availability of stocks to borrow for short trades.

1. Research and Other Soft Dollar Benefits.

Disciplined Alpha will be 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 research and trading relating products and services or to pay higher commissions to such firms if Disciplined Alpha determines such prices or commissions are reasonable in relation to the overall services provided. Accordingly, Funds may be deemed to be paying for research and other products and services with "soft" or commission dollars. It is anticipated that the use of commissions or "soft dollars" to pay for research products or services will fall within the safe harbor created by Section 28(e) of the Securities Exchange Act of 1934, as amended. Under Section 28(e), research obtained with soft dollars generated by a Fund may be used by Disciplined Alpha to service accounts other than such Fund. Where a product or service obtained with soft dollars provides both research and non-research assistance to Disciplined Alpha, Disciplined Alpha will make a reasonable allocation of the cost that may be paid for with soft dollars. Although Disciplined Alpha believes that Funds will benefit from many of the products and services obtained with soft dollars generated by Funds' trades, Funds may not benefit exclusively or at all.

When Disciplined Alpha uses Fund brokerage commissions (or markups or markdowns) to obtain research or other products or services, Disciplined Alpha receives a benefit because it does not have to produce or pay for the research, products or services. Disciplined Alpha may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on Disciplined Alpha's Funds interest in receiving most favorable execution.

2. Brokerage for Client Referrals. Not applicable.

- a. Not applicable.
- b. Not applicable.

3. Directed Brokerage.

- a. Not applicable.
- b. Not applicable.

B. Aggregation.

At this time only a single pool of assets is managed.

Item 13: Review of Accounts

A. Periodic Reviews

Account reviews will be periodically performed by Kevin Shea, Disciplined Alpha's Managing Member.

B. Review Triggers

Other conditions that may trigger a review are changes in applicable laws, new investment information, and changes in a particular Fund's circumstances.

C. Regular Reports

Audited annual financial statements of pooled investment vehicles managed by Disciplined Alpha will be prepared and sent as soon as practicable following the close of the fiscal year. Disciplined Alpha or its administrators will provide each investor in each pooled investment vehicle with unaudited performance information at least quarterly. Unless otherwise restricted by law, all reports, financial statements, and other information may be delivered electronically.

Item 14: Client Referrals and Other Compensation

A. Referrals

Not applicable.

B. Other Compensation

Not applicable.

Item 15: Custody

Account Statements

Not applicable.

Performance Reports

Not applicable.

Item 16: Investment Discretion

Discretionary Authority for Trading

Disciplined Alpha will accept discretionary authority to manage securities on behalf of its Funds. Disciplined Alpha will have the authority to determine, without obtaining specific consent from the Funds, the investments to be bought or sold, and the amount of the investments to be bought or sold on behalf of Funds.

Limited Power of Attorney

Before Disciplined Alpha will assume discretionary authority, investors in Funds will sign a limited power of attorney by execution of the limited partnership agreement or subscription agreement for the applicable pooled investment vehicle.

Item 17: Voting Client Securities

A. Proxy Voting

Disciplined Alpha's proxy voting policy will require Disciplined Alpha to act in the best interest of its Funds when exercising proxy voting authority. Disciplined Alpha shall monitor corporate events and vote proxies on behalf of each Fund that has expressly or implicitly authorized Disciplined Alpha to do so. If Disciplined Alpha accepts proxy voting authority from a Fund, Disciplined Alpha shall dutifully analyze the issues involved with all shareholder votes, evaluate the probable impact on corporate operations, and vote proxies in what it views to be in accordance with the best interests of its Funds. Disciplined Alpha will not put its own interests ahead of a Fund's interest at any time, and will resolve any potential conflicts between its interests and those of its Funds in favor of its Funds. Funds may obtain a copy of Disciplined Alpha's proxy voting policy and procedures upon request.

These policies and procedures do not mandate that Disciplined Alpha vote every proxy that it receives in regard to securities held in Fund accounts. There may be circumstances when refraining from voting a proxy is in a Fund's best interest, such as when and if Disciplined Alpha determines that the cost of voting the proxy exceeds the expected benefit to the Fund. Further, Disciplined Alpha will not vote proxies for which a Fund has expressly retained voting authority. Accordingly, when Disciplined Alpha has the discretionary authority to vote the proxies of its Funds and determines that it is in the best interests of its Funds to do so, it will vote those proxies in the best interest of its Funds and in accordance with this policy.

Guidelines

Each proxy issue will be considered individually. The following guidelines are a partial list to be used in voting on proposals often contained in proxy statements, but will not be used as rigid rules. The voting policies below are subject to modification in certain circumstances and will be reexamined from time to time. With respect to matters that do not fit in the categories stated below, Disciplined Alpha will exercise its best judgment as a fiduciary to vote in the manner which will most enhance shareholder value.

Procedures

Disciplined Alpha's Managing Member will be primarily responsible for receiving, processing, and voting proxies for securities held in Fund accounts. The Managing Member is responsible for ensuring that all proxies received by Disciplined Alpha are voted in a timely manner and voted consistently across portfolio. The Managing Member shall make arrangements with the prime broker(s) for the timely delivery for all proxies received with respect to securities held by the Funds.

Conflicts of Interest

The Managing Member, in consultation with Disciplined Alpha's legal counsel if necessary, shall be primarily responsible for determining whether a conflict of interest exists in connection with any proxy vote that requires Disciplined Alpha to exercise voting authority over Fund securities. The Managing Member shall presume a conflict of interest to exist whenever Disciplined Alpha or any partner, member, affiliate, subsidiary or employee of Disciplined Alpha as a personal or business interest in the outcome of a particular matter before shareholders. A conflict would arise, for

example, in any case where: (i) Disciplined Alpha has a business, financial, or personal relationship with participants in a proxy contest or candidates for corporate directorships; or (ii) Disciplined Alpha, in its capacity as general partner or manager (or some similar capacity) of a Fund, also manages or seeks to manage the retirement plan assets of a company whose securities are held by the Fund.

Resolving Conflicts of Interest

A presumption of a conflict of interest shall not necessarily prevent Disciplined Alpha from voting proxies related to Fund securities. In the event that Disciplined Alpha perceives a conflict to exist between Disciplined Alpha's interests and those of its Funds, Disciplined Alpha shall, in each event, promptly disclose these conflicts to the affected limited partners in a Fund in writing and obtain the Fund's prior written consent before exercising any proxy voting authority over the related securities. If Disciplined Alpha is unable to obtain written consent by the time the vote of the proxy is due, then Disciplined Alpha shall vote the proxy in a manner consistent with the Fund's best interest.

Limitations on Proxy Voting

Disciplined Alpha shall not be obliged to vote proxies if Disciplined Alpha reasonably determines that the cost of voting such securities would exceed the expected benefit to the Fund.

B. Not applicable.

Item 18: Financial Information

A. Balance Sheet

Disciplined Alpha has not included a balance sheet for its most recent fiscal year because Disciplined Alpha does not require prepayment of fees of more than \$1,200 for any Fund, six months or more in advance. Managements fees are calculated and collected monthly.

B. Financial Condition

Disciplined Alpha does not have any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Funds.

C. Bankruptcy Petition

Disciplined Alpha has not been the subject of a bankruptcy petition at any time during the past ten years.