

ITEM 1. COVER PAGE

Schecter Capital LP

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**Part 2A of Form ADV: Firm Brochure
March 28, 2014**

This brochure (the “Brochure”) provides information about the qualifications and business practices of Schecter Capital LP (the “Adviser”). If you have any questions about the contents of this brochure, please contact its Chief Compliance Officer (“CCO”), Carl Schecter at (212) 893-1130 or cschecter@schectercap.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about the Adviser also is available on the SEC’s website at www.adviserinfo.sec.gov. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

There are no material changes to report since March 28, 2013, the date of the Adviser's most recent Brochure.

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ITEM 4. ADVISORY BUSINESS

The Adviser

The Adviser is a Delaware limited partnership that was organized on February 25, 2013. The Adviser's principal owner is Carl Schecter.

Advisory Services

The Adviser currently provides discretionary investment advice to a private investment fund (the "**Fund**") through a managed account arrangement. Such arrangement is governed by an investment management agreement with a subsidiary of the Fund (the "**Management Agreement**"). The Fund is currently the Adviser's only client, but the Adviser may advise other clients in the future.

The Management Agreement sets forth certain guidelines or restrictions related to the Adviser's investment activities, which may be modified from time-to-time in consultation with the Fund's general partner (the "**General Partner**"). The General Partner may, in certain situations, impose restrictions on the Adviser's ability to invest in certain securities or types of securities.

The Adviser has limited trading authority with respect to the Fund. In this regard, it: (i) does not have custody of the Fund's assets, (ii) cannot determine the final value of the Fund's positions, (iii) cannot move the Fund's cash or securities, and (iv) cannot enter into any other agreements on behalf of the Fund. The General Partner provides risk management services to the Fund, manages the Fund's leverage, and provides certain administrative services to the Fund.

The Adviser does not participate in wrap fee programs.

Assets Under Management

As of December 31, 2013, the Adviser managed approximately US\$185,463,000 in regulatory assets under management. The Adviser does not manage any assets on a non-discretionary basis.

ITEM 5. FEES AND COMPENSATION

The Adviser's management fee is negotiated annually and is based on an operating expense budget agreed to between the Adviser and the General Partner. The negotiated management fee is periodically paid by the Fund in advance. Once paid, the negotiated management fee is non-refundable.

The Adviser may also be entitled to receive performance-based compensation from the Fund based on the Adviser's net trading profits at the end of each fiscal year. The Fund's administrator is responsible for calculating, and the General Partner approves payment of, such performance-based compensation.

Other Expenses

The Adviser may incur brokerage and transaction-related expenses on the Fund's behalf (see Item 12). All other expenses to be borne by the Fund are set forth in the Fund's offering documents and have been determined by the General Partner.

The Adviser may also allocate a portion of the Fund's capital to exchange-traded funds or other similar vehicles. In addition to the fees and expenses discussed above, the Fund will indirectly incur similar fees and expenses if the Adviser invests the Fund's assets in such funds or vehicles, as such funds and vehicles in turn pay similar fees and expenses to their investment managers and other service providers.

The Adviser and its supervised persons do not accept compensation or commissions for the sale of securities or other investment products.

ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As disclosed above under Item 5, FEES AND COMPENSATION, the Adviser may be entitled to receive performance-based compensation from the Fund.

The receipt of performance-based compensation may incentivize the Adviser to make investments on behalf of the Fund that are riskier or more speculative than it would make if it did not receive performance-based compensation. Because the General Partner provides risk management services to the Fund, the Adviser believes that this conflict is mitigated.

Furthermore, since net trading profits (the basis for the Adviser's performance-based compensation), include unrealized appreciation, the Adviser may receive greater performance-based compensation than would be the case if net trading profits was based only on realized gains.

Since the Adviser does not have authority to determine the final value of the Fund's positions, several conflicts associated with valuation are mitigated.

ITEM 7. TYPES OF CLIENTS

As discussed in Item 4, the Adviser provides investment management services to the Fund through a managed account arrangement. The Fund's minimum initial investment has been determined by the General Partner and is set forth in the Fund's offering documents.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

The Adviser's investment objective is to seek absolute returns with minimal correlation to the overall market. In pursuing its investment objective, the Adviser seeks to pursue risk arbitrage and event-driven strategies. However, the Adviser may modify this objective and these strategies in the future in consultation with the General Partner or for new clients.

Investment Risks

The Fund is subject to a high degree of investment risk, including the risk that the entire amount invested in the Fund may be lost. The Fund will make investments using strategies and financial techniques with significant risk characteristics. No guarantee is made that the investment objectives of the Fund will be realized. Below is a list of potential investment risk factors that are reportable in this Brochure. There is no guarantee that this is a complete list of the risks, that the Fund will be able to control investment risks or that the risks will not aggregate in a manner adverse to the Fund.

The risks associated with particular investments by the Adviser on behalf of the Fund include, but are not limited to, the following:

Merger Arbitrage and Event Investing. Merger arbitrage and event investing require the Adviser to analyze and make judgments regarding the probability of events such as: the consummation or delay of, or failure to consummate, a merger and the price at which it occurs; the success or failure of a tender or exchange offer; the success, failure or delay of a corporate reorganization; and various bankruptcy related events. An unexpected number of incorrect judgments could result in substantial losses to the Fund.

Event-driven strategies may be characterized by relatively small profits on a large number of investments and relatively large losses when an event goes wrong, either because the anticipated event does not happen or the terms are adversely changed. In addition, successful “event” investing requires the Adviser to analyze and evaluate the unique set of facts and circumstances of each event and to make judgments on, among other things, the (i) realized price, (ii) time to completion, (iii) probability of success, and (iv) loss if the investment goes wrong.

Financial Market Fluctuations. General fluctuations in the market prices of securities may affect the value of the investments held by the Fund. Instability in the securities markets will also likely increase the risks inherent in the Fund’s investments. There is no guarantee that ordinary and prudent precautions for natural and other disasters will provide an effective connection between the Adviser and markets in the event of large-scale disruptions in the United States or, alternatively, in the countries where the Adviser executes trades.

Leverage. The General Partner controls the amount of direct leverage that may be employed on the Fund’s behalf and, in its discretion, may reduce or eliminate the use of such leverage. Accordingly, the Adviser does not have the authority to use direct leverage for the Fund without the approval of the General Partner. Nonetheless, certain of its investments may expose the Fund to embedded leverage.

While the use of leverage increases returns if the 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 Fund fails to earn as much on such incremental investments as it pays for such funds. The effect of leverage may therefore result in a greater decrease in the net asset value of the Fund than if the Fund were not so leveraged. Any use by the Fund of short-term margin borrowings will result in certain additional risks to the Fund.

Leveraged Companies. The Fund’s investments may include companies the capital structures of which have significant leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. The leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as downturns in the economy or deterioration in the condition of the portfolio company or its industry. Additionally, the securities acquired by the Fund may be the most junior in what will typically be a complex capital structure, and thus subject to the greatest risk of loss.

Risks of Derivative Instruments. The Fund may engage in a variety of derivative transactions. All derivative instruments, including options, forward contracts and swap contracts involve risks different from, and, in certain cases, greater than the risks presented by more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of derivatives.

Market Risk. This is the general risk attendant to all investments that the value of a particular investment will change in a way detrimental to the Fund’s interests.

Management Risk. Derivative products are specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument, but also of the derivative itself. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into and the ability to assess the risk that a derivative adds to the Fund's portfolio.

Counterparty Credit Risk. This is the risk that a loss may be sustained by the Fund as a result of the failure of the other party to a derivative (usually referred to as a "counterparty") to comply with the terms of the derivative contract. The credit risk for exchange-traded derivatives is generally less than for over-the-counter derivatives, because the clearing house, which is the issuer or counterparty to each exchange-traded derivative, provides additional protections in the event of non-performance by the counterparty. For operational reasons, the Fund may allow a prime broker to retain possession of collateral. To the extent the Fund allows a prime broker or any over-the-counter derivative counterparty to retain possession of any collateral, the Fund may be treated as an unsecured creditor of such counterparty in the event of the counterparty's insolvency.

Documentation Risk. Many derivative instruments also have documentation risk. Because the contract for each over-the-counter derivative transaction is individually negotiated with a specific counterparty, there exists the risk that the parties may interpret contractual terms (e.g., the definition of default) differently when the Fund seeks to enforce its contractual rights. If that occurs, the cost and unpredictability of the legal proceedings required for the Fund to enforce its contractual rights may lead the Fund to decide not to pursue its claims against the counterparty.

Liquidity Risk. Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many over-the-counter derivatives or the credit markets), it may not be possible to initiate a transaction or liquidate a position at an advantageous price. Less liquid derivatives may also fall more in price than other securities during market falls.

Leverage Risk. Because many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, rate or index may result in a loss substantially greater than the amount invested in the derivative itself. In the case of swaps, the risk of loss generally is related to a notional principal amount, even if the parties have not made any initial investment. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment.

Counterparty Risk. Certain markets in which the Fund may effect transactions are "over-the-counter" or "interdealer" markets, and may also include unregulated private markets. The participants in such markets typically are not subject to the same level of credit evaluation and regulatory oversight as are members of "exchange-based" markets. This exposes investors 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 Fund to suffer a loss. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Fund has concentrated its transactions with a single or small group of counterparties. The Fund may also be exposed to similar risks with respect to non-U.S. brokers in jurisdictions where there are delayed settlement periods. The Fund is not restricted from dealing with any particular counterparty or from concentrating any or all transactions with one counterparty. The ability of the Fund to transact business with any one of a number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Fund. Similar risks also arise in connection with derivative instruments and brokerage arrangements that the

Fund may put in place. (See “Investment Risks-Risks of Derivative Instruments-Counterparty Credit Risk” and “Investment Risks-Custodial Risk.”)

Swaps. The Fund utilizes swaps and other derivative transactions to some degree where the Adviser believes it will further the objectives of the Fund. Notional amounts of swap transactions are not subject to any limitations, and swap contracts may expose the Fund to unlimited risk of loss. Swaps may be used as an alternative to futures contracts. To the extent the Fund invests in repos, swaps, forwards, futures, options and other “synthetic” or derivative instruments, counterparty exposures can develop and the Fund takes the risk of nonperformance by the other party on the contract. This risk may differ materially from those entailed in exchange-traded transactions which generally are supported by guarantees of clearing organizations, 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. In the international securities markets, the existence of less mature settlement structures and systems can result in settlement default and exposure to counterparty credits.

Futures and Related Options. The Adviser may buy and sell futures contracts and related options on behalf of the Fund. A futures contract is an agreement between two parties to buy and sell a specific quantity of a commodity (including a securities index or an interest-bearing security) for a set price at a future date. The Fund may also buy and sell call and put options on futures or on securities indexes in addition to or as an alternative to purchasing or selling futures contracts, or, to the extent permitted by applicable law, to earn additional income.

The use of futures and options involves certain special risks. Futures and options transactions involve costs and may result in losses. Certain risks arise because of the possibility of imperfect correlations between movements in the prices of futures and options and movements in the prices of the underlying securities, securities index, currencies or other commodities or of the securities or currencies in the Fund’s portfolio which are the subject of the hedge (to the extent the Fund uses futures and options for hedging purposes). The successful use of futures and options further depends on the Adviser’s ability to forecast market or interest rate movements correctly. Other risks arise from the Fund’s potential inability to close out its futures or options positions, and there can be no assurance that a liquid secondary market will exist for any futures contract or option at a particular time. The use of futures and options for purposes other than hedging is regarded as speculative. Certain regulatory requirements may also limit the Fund’s ability to engage in futures and options transactions.

Short Sales. In a short sale, the seller sells a security that it does not own, typically a security borrowed from a broker or dealer. Because the seller remains liable to return the underlying security that it borrowed from the broker or dealer, the seller must purchase the security prior to the date on which delivery to the broker or dealer is required. The making of short sales exposes the Fund to the risk of liability for the market value of the security that is sold, which is an unlimited risk due to the lack of an upper limit on the price to which a security may rise. In addition, there can be no assurance that securities necessary to cover a short position will be available for purchase or that securities will be available to be borrowed by the Fund at reasonable costs. If a request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a “short squeeze” can occur, and the Fund may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short.

The SEC has in the past adopted interim rules requiring reporting of all short positions above a certain de minimis threshold. In addition, other non-U.S. jurisdictions where the Fund may trade have adopted reporting requirements. If the Fund’s short positions or its strategy become generally known, it could

have a significant effect on the Adviser's ability to implement its investment strategy. In particular, it would make it more likely that other investors could cause a "short squeeze" in the securities held short by the Fund forcing the Fund to cover its positions at a loss. Such reporting requirements may also limit the Adviser's ability to access management and other personnel at certain companies where the Adviser seeks to take a short position. In addition, if other investors engage in copycat behavior by taking positions in the same issuers as the Fund, the cost of borrowing securities to sell short could increase drastically and the availability of such securities to the Fund could decrease drastically. Such events could make the Fund unable to execute its investment strategy. The SEC has adopted restrictions on the short sale of securities which fall more than 10 percent in a given day (referred to as the "circuit breaker" or "modified uptick rule"). If the SEC were to adopt additional restrictions on short sales, such restrictions could restrict the Fund's ability to engage in short sales in certain circumstances, and the Fund may be unable to execute its investment strategy as a result.

The SEC and regulatory authorities in other jurisdictions may adopt bans on short sales of certain securities in response to market events. Bans on short selling may make it impossible for the Fund to execute certain investment strategies and may have a material adverse effect on the Fund's ability to generate returns. In addition, engaging in short selling may increase the risk of the Fund becoming subject to government investigation.

Lack of Liquidity in Markets. The markets for many securities and other investments are thinly traded from time to time. This lack of liquidity and market depth could disadvantage the Fund, both in the realization of the prices which are quoted and in the execution of orders at desired prices or in desired quantities. Also, domestic and international securities exchanges and the SEC and other regulatory authorities have authority to suspend trading in a particular security without notice.

Concentration of Investments. The Fund's assets may not be diversified. Any such non-diversification would increase the risk of loss to the Fund if there was a decline in the market value of any security or sector in which the Fund had invested a large percentage of its assets. Investment in a non-diversified fund will generally entail greater risks than investments in a diversified fund.

Currency Risk. The investments of the Fund that are not denominated in the U.S. dollar 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. Officials in foreign countries may from time to time take actions in respect of their currencies that could significantly affect the value of the Fund's assets denominated in those currencies or the liquidity of such investments. A foreign government may also limit the convertibility or repatriation of its currency or assets denominated in that currency. The Fund may, but is not required to, invest in foreign currencies, foreign currency futures contracts and options thereon, forward foreign currency exchange contracts, or any combination thereof for hedging purposes, but there can be no assurance that such strategies will be implemented, or if implemented, will be effective.

Investment in Small Companies. There is no limitation on the size or operating experience of the companies in which the Fund may invest. Some small companies in which the Fund may invest may lack management depth or the ability to generate internally or obtain externally the funds necessary for growth. Companies with new products or services could sustain significant losses if projected markets do not materialize. Further, such companies may have, or may develop, only a regional market for products or services and may be adversely affected by purely local events. Such companies may be small factors in their industries and may face intense competition from larger companies and entail a greater risk than investment in larger companies.

Investment in Non-U.S. Securities. The Fund may invest in non-U.S. securities. Such investments may be subject to a greater risk than U.S. investments due to non-U.S. economic, political and legal developments, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), expropriation of assets or nationalization, imposition of taxes on dividends, interest payments, or capital gains, the need for approval by government or other authorities to make investments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities and other factors beyond the control of the Adviser. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive accounting, reporting or disclosure requirements than U.S. issuers. The securities markets of some countries in which the Fund may invest have substantially less volume than those in the United States, and securities of certain companies in these countries are less liquid and more volatile than securities of comparable U.S. companies. Accordingly, these markets may be subject to greater influence by adverse events generally affecting the market, and by large investors trading significant blocks of securities, than is usual in the United States. Brokerage commissions and other transaction costs on securities exchanges in non-U.S. countries are generally higher than in the United States. Non-U.S. securities settlements may in some instances be subject to delays and related administrative uncertainties. In some countries there are restrictions on investments or investors such that the only practicable way for the Fund to invest in such markets is by entering into swaps or other derivative transactions with its prime brokers or others. Such transactions involve counterparty risks which are not present in the case of direct investments and which may not be controllable by the Adviser.

Market Disruption and Geopolitical Risk. The Fund is subject to the risk that war, terrorism, and related geopolitical events may lead to increased short-term market volatility and have adverse long-term effects on the U.S. and world economies and markets generally, as well as adverse effects on issuers of securities and the value of the Fund's investments. War, terrorism, and related geopolitical events have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and non-U.S. economies and markets generally. Those events as well as other changes in U.S. and non-U.S. economic and political conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of the Fund's investments. At such times, the Fund exposure to a number of other risks described elsewhere in this section can increase.

Portfolio Turnover. The Fund has not placed any limit on the rate of portfolio turnover, and portfolio securities may be sold without regard to the time they have been held when, in the opinion of the Adviser, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate, may act to reduce the Fund's investment gains, or create a loss for investors and may result in taxable costs for investors depending on the tax provisions applicable to such investors.

Other Instruments and Future Developments. The Fund may take advantage of opportunities in the area of swaps, options on various underlying instruments and swaptions and certain other customized "synthetic" or derivative investments in the future. In addition, the Fund may take advantage of opportunities with respect to certain other "synthetic" or derivative instruments which are not presently contemplated for use by the Fund or which are currently not available, but which may be developed to the extent such opportunities are both consistent with the Fund's investment objective and legally permissible for the Fund. Special risks may apply to the Fund's investments in the future.

Cash and Other Investments. The Fund may invest all or a portion of its assets in cash or cash items for investment purposes, pending other investments or as provision of margin for futures or forward contracts. These cash items must be of high quality at the time of investment and may include a number of money market instruments such as negotiable or non-negotiable securities issued by or short-term deposits with the U.S. and non-U.S. governments and agencies or instrumentalities thereof, bankers'

acceptances, high quality commercial paper, repurchase agreements, bank certificates of deposit, and short-term debt securities of U.S. or non-U.S. issuers deemed to be creditworthy by the Adviser. A Fund may also hold interests in investment vehicles that hold cash or cash items. While investments in cash items generally involve relatively low risk levels, they may produce lower than expected returns, and could result in losses. Investments in cash items and money market funds may also provide less liquidity than anticipated by the Fund at the time of investment.

Liquidity Risk. The Fund may invest in assets and derivatives which it may not be able to readily sell or dispose of, including securities whose disposition is restricted by securities laws. The Fund's ability to sell assets or derivatives may be adversely affected by various factors, including limited trading volume, lack of a market maker, or legal restrictions. Other instruments, and in particular, caps, floors, collars and certain other derivatives, may also have varying liquidity and/or pricing availability. Short sales are particularly subject to liquidity risk because the Fund's purchase of securities or currencies to close out a short position can itself cause the price of the securities or currencies to rise further, thereby exacerbating the loss. It is also possible that an exchange or governmental authority may suspend or restrict trading on an exchange or in particular securities or other instruments traded on the exchange. It may not always be possible to execute a buy or sell order at the desired price or to liquidate an open position, either due to market conditions on exchanges or due to the operation of daily price fluctuation limits (the maximum permitted fluctuation in the price of a futures or options contract during any trading day) or "circuit breakers."

Custodial Risk. The Fund's prime brokers will have custody of the Fund's securities, cash, distributions and rights accruing to the Fund's securities accounts. SEC rules require the prime brokers to maintain physical possession and control of fully paid securities held in the Fund's account and to establish certain reserves for the benefit of customers. However, subject to these limitations, the prime brokers generally have the ability to loan, pledge, and rehypothecate the securities in the Fund's account, as is typical market practice, and may have insufficient assets to meet all of its obligations to customers in the event of an insolvency of the prime brokers. In such an event, the Fund would typically not have a right to recover its securities held by the prime brokers, but would rather have only an unsecured claim against the prime brokers and participate pro rata with other customers of the prime brokers in the proceeds of the sale of customer securities. Also, even if the prime brokers do have sufficient assets to meet all customer claims, there could be a delay before the Fund receives assets to satisfy its claims. In order to manage the risks associated with prime broker insolvency, the Fund may establish relationships with multiple prime brokers. However, there can be no assurance that the Fund will be able to establish or maintain such relationships. In addition, the Fund may not be able to identify potential solvency concerns with respect to the Fund's prime brokers or to transfer assets from one prime broker to another prime broker in a timely manner.

The prime brokers may hold the Fund's securities through third parties such as clearing corporations, other brokers or banks. In addition, the Fund may hold securities, cash and other assets directly with banks or other third parties not associated with the prime brokers. As a result, the Fund may be subject to credit risk with respect to such third parties as well as with respect to the prime brokers. In addition, certain of the Fund's assets may be held by non-U.S. affiliates of the Fund's prime brokers and entities other than the prime brokers. Assets held by such non-U.S. affiliates may be subject to legal regimes that provide fewer or different investment protections than the U.S.

Other Possible Risks

There is no assurance that the above list is complete or that there are not other risks that may exist now or may arise in the future.

ITEM 9. DISCIPLINARY INFORMATION

Item 9 is not applicable to the Adviser, as there have been no legal or disciplinary events that are material to a client's or prospective client's evaluation of the Adviser's advisory business or the integrity of its management.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither the Adviser nor any of its management persons is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or associated person of any of the foregoing entities. Neither the Adviser nor any of its management persons has a related person among any of the categories enumerated in Item 10(C) of Form ADV Part 2A. Finally, the Adviser does not recommend or select other investment advisers for its clients for which the Adviser receives compensation directly or indirectly from those advisers that creates a material conflict of interest, nor does the Adviser have other business relationships with advisers that create material conflicts of interest.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

The Adviser has adopted a Code of Ethics (the “**Code of Ethics**”) based on the underlying principles that: (i) employees must at all times place the interests of the Adviser's clients first, (ii) employees must comply with applicable U.S. federal securities laws at all times, and (iii) employees should not take inappropriate advantage of their positions at the Adviser.

All employees are required to certify their adherence to the Code of Ethics.

Employees must obtain pre-clearance from the CCO for personal securities transactions in their “covered accounts.” This policy does not apply to transactions involving government securities, open-end mutual funds, money market funds or other instruments which afford an investor no discretion over individual securities.

Each employee is required to disclose all of his or her personal account holdings to the Adviser upon employment. Employees must provide certain periodic securities holdings and transaction reports and brokerage statements to the CCO.

The CCO regularly monitors trading activity in employees' personal accounts to determine whether such activity is consistent with the requirements set forth in the Code of Ethics and does not otherwise indicate any improper trading activities. Employees are required to immediately report any violation of the Code of Ethics to the CCO.

This summary of the Code of Ethics is qualified in its entirety by the Code of Ethics of the Adviser, which is available to clients and prospective clients upon request sent to cschecter@schectercap.com.

ITEM 12. BROKERAGE PRACTICES

Brokerage Policy and Procedures

The General Partner provides the Adviser with a list of approved counterparties from which the Adviser selects counterparties to execute transactions for the Fund. To the extent that the Adviser wishes to use a counterparty for the Fund that is not included on such list, such counterparty must be reviewed and approved by the General Partner.

It is the Adviser's policy to execute portfolio transactions for the Fund in the best interests of the Fund, including to seek to obtain "best execution" of each and every transaction made by the Adviser for the Fund's account. The term "best execution" means seeking the best price and execution for a security in the marketplace as well as ensuring that, in executing client transactions, clients do not incur unnecessary brokerage costs and charges. The Adviser is not obligated to obtain the lowest possible commission cost, but rather, should determine whether the transaction represents the best qualitative execution for clients. Accordingly, in seeking best execution, the Adviser may take into consideration a broker-dealer's financial stability and reputation, a broker-dealer's ability to achieve prompt and reliable executions at favorable prices, the operational efficiency with which transactions are effected and the brokerage and research services provided by such broker-dealer, among other factors. Since commission rates are generally negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable. The Adviser has adopted procedures to help it apply this policy.

On a monthly basis, the CCO and certain of the Adviser's employees who regularly interact with brokers evaluate the execution performance of the broker-dealers the Adviser uses to execute the Fund's transactions. These employees also review commissions paid to brokers, soft dollar arrangements (if any) and conflicts of interest.

Research and Other Soft Dollar Benefits

It is currently the Adviser's policy not to use soft dollars. The Adviser believes that valuable brokerage and research services can be provided to the Fund by brokerage firms effecting transactions for the Fund. Accordingly, the Adviser does not intend to seek lower brokerage commissions to the extent that doing so might detract from the provision of such brokerage and research services. Brokerage and research services may either be obtained from brokerage firms or paid for by brokerage firms and may include, but are not limited to, written information and analyses concerning specific securities, companies or sectors; news, quotation, statistics and pricing services, as well as discussions with research personnel and consultants; and software, data bases and other technical and telecommunications services and equipment utilized in the investment management process and consulting fees in connection with investigating and monitoring potential and existing investments. Research services may be proprietary research (created or developed by the broker-dealer) and research created or developed by a third party. In formulating and implementing its policies with regards to the use of commissions or "soft dollars" it is the Adviser's intent to stay within the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended.

When the Adviser uses brokerage commissions to obtain research or other products or services, the Adviser receives a benefit because the Adviser does not have to produce or pay for such research, products or services. The Adviser 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 in the Fund's interest in receiving most favorable execution.

During the Adviser's last fiscal year, it acquired with client brokerage commission (or markups or markdowns): (i) research, such as proprietary research, which may have been written or oral; (ii) research

products, such as quotation services; and (iii) research services, such as research concerning markets, economic and financial data, a particular aspect of economics or on the economy in general; statistical information; pricing data and availability of securities; financial publications; electronic market quotations; analyses concerning specific securities, companies, industries or sectors; market, economic and financial studies and invitations to attend conferences or meetings with management or industry consultants.

Brokerage for Client Referrals

In selecting or recommending broker-dealers, the Adviser does not consider whether it receives investor referrals from a broker-dealer or third party.

Allocation of Investment Opportunities and Aggregation of Orders

Currently, the Fund is the Adviser's only client. To the extent that the Adviser manages additional clients in the future, it will follow documented procedures for allocating investment opportunities and aggregating orders.

ITEM 13. REVIEW OF ACCOUNTS

Oversight and Monitoring

Carl Schecter reviews the Adviser's positions in the Fund on a continual basis to assure conformity with the Adviser's investment objectives and guidelines.

The Adviser engages in active management for its positions in the Fund and, accordingly, reviews its transactions, positions and cash balances on a daily basis.

Reporting

The General Partner has full Fund transparency, including with respect to the Adviser's trading activity. It reviews the Adviser's trading activity on a regular basis and discusses such activity with the Adviser as needed. As such, the Adviser does not provide regular reports to the Fund.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

The Adviser does not receive any economic benefit from someone who is not a client for providing investment advice or other advisory services to its clients, nor does the Advisor compensate any person for client referrals.

ITEM 15. CUSTODY

The Adviser does not have custody over the Fund's assets.

ITEM 16. INVESTMENT DISCRETION

The Adviser generally has discretionary authority to determine the securities to be bought or sold for a portion of the Fund. The Management Agreement sets forth certain guidelines or restrictions related to the Adviser's investment activities, which may be modified from time-to-time in consultation with the General Partner. In addition, the General Partner may, in certain situations, impose restrictions on the Adviser's ability to invest in certain securities or types of securities.

ITEM 17. VOTING CLIENT SECURITIES

The Adviser has adopted voting policies and procedures that are designed to ensure that in cases when the Adviser receives proxies with respect to the Fund's securities, such proxies are voted in the best interest of the Fund. It is the general policy of the Adviser to vote or give consent on matters presented to security holders in any vote in which the Adviser deems it relevant to a particular investment or in the best interest of the Fund. The Advisor reserves the right to abstain on any particular vote or otherwise withhold its vote or consent on any matter if, in the judgment of Carl Schecter or the relevant Adviser investment professional, the costs associated with voting such vote outweigh the benefits to the Fund or if the circumstances make such an abstention or withholding otherwise advisable and in the best interests of the Fund. Additionally, the General Partner may instruct the Adviser in writing not to vote with respect to any particular vote.

This summary of the Adviser's voting policies and procedures is qualified in its entirety by the Adviser's voting policies and procedures. The Adviser will make information regarding how proxies were voted available upon request to any client and a copy of the Adviser's voting policies and procedures is available to any client upon request sent to cschecter@schectercap.com.

ITEM 18. FINANCIAL INFORMATION

Item 18.A is not applicable to the Adviser, as it does not require or solicit prepayment of fees six months or more in advance.

In response to Item 18.B, the Adviser is not currently aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to the Fund.

Item 18.C is not applicable to the Adviser, as it has not been subject to a bankruptcy petition during the past ten years.

ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Item 19 is not applicable to the Adviser as it is not registered with any State securities authority.