

BROCHURE OF
LAUR CAPITAL MANAGEMENT, LP

A Delaware Limited Partnership registered with the Securities and Exchange
Commission as an Investment Adviser (CRD #167706)

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THIS BROCHURE (“BROCHURE”) PROVIDES INFORMATION ABOUT THE QUALIFICATIONS AND BUSINESS PRACTICES OF LAUR CAPITAL MANAGEMENT, LP. IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS BROCHURE, PLEASE CONTACT US AT (212) 321-0940 OR COMPLIANCE@LAURCAPITAL.COM.

THE INFORMATION IN THIS BROCHURE HAS NOT BEEN APPROVED OR VERIFIED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR ANY STATE SECURITIES AUTHORITY.

ADDITIONAL INFORMATION ABOUT LAUR CAPITAL MANAGEMENT, LP ALSO IS AVAILABLE ON THE SEC’S WEBSITE AT WWW.ADVISERINFO.SEC.GOV.

The date of this Brochure is

March 26, 2014

The delivery of this Brochure at any time does not imply that the information contained herein is correct as of any time subsequent to the date shown above. This Brochure will supersede all other documents containing information about Firm.

Item 2.

Material Changes

This is Laur Capital Management, LP's initial Brochure. There are no material changes to report regarding our advisory business.

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I. Part 2A – FIRM BROCHURE

Item 4. Advisory Business:

- (A) **Operational and Organizational Information:** Laur Capital Management, LP (“Laur”), a Delaware limited partnership, is a U.S. Securities and Exchange Commission (“SEC”) registered investment adviser. Registration as an investment adviser does not imply a level of skill or training. Laur was formed as a Delaware limited partnership on April 22, 2013. Laur Capital GP, LLC a Delaware limited liability company (the “General Partner”) is principal owner of Laur. For purposes of this Brochure, Laur and the General Partner will be collectively referred to as the (“Firm.”)
- (B) **Types of Advisory Services Offered:** The Firm provides investment management services on a discretionary basis. For example, the Funds operate as pooled investment vehicles and attempt to provide diversification, management expertise and other advantages to their investors. The advisory services include, among other things, providing advice regarding asset allocation and the selection of investments. The Firm’s investment objective is to seek high absolute returns through long-short trading decisions.

The Firm currently serves as the sole investment adviser to Laur Capital Partners, LP, a Delaware limited partnership (the “U.S. Fund”). The Firm also intends to serve as sole investment adviser to Laur Capital Partners Offshore, Ltd. (the “Offshore Fund”) and Laur Capital Partners Master Fund, L.P. (the “Master Fund”). The U.S. Fund and the Offshore Fund will invest all of their assets in the Master Fund through a “master-feeder” fund structure. Until such time at which the Master Fund is launched, Laur Capital Partners, LP will operate as a stand-alone fund, will implement the investment strategy directly and will not invest into the Laur Capital Partners Master, L.P. Unless the context otherwise requires, the U.S. Fund, the Offshore Fund and the Master Fund shall be collectively referred to throughout this Brochure as the “Funds”.

No assurance can be given, however, that the Funds will achieve their investment objectives, and investment results may vary substantially over time and from period to period. The Firm may also provide portfolio management to separately managed accounts.

Note: For purposes of this Brochure, (“Client”) may include pooled investment vehicles (i.e., Funds and other investment

vehicles), and investors in any such vehicles (also called “Investors”), as well as other clients of the Firm. The terms Client(s), Fund(s) and Investor(s) may be used interchangeably, as the context may require.

The Firm does not hold itself out as specializing in a particular type of advisory service. Please review the Firm’s investment guidelines, specified below under “Client Investment Guidelines and Parameters.”

- (C) **Client Investment Guidelines and Parameters:** As stated above, the Firm provides discretionary investment advisory services to Clients to seek high absolute returns through long-short trading decisions. However, the Firm may trade in a wide variety of securities and financial instruments, domestic and foreign, of all kinds and descriptions, whether publicly traded or privately placed, including, but not limited to, common and preferred stocks, convertible securities, options, warrants, commodities,, derivatives (including swaps, forward contracts and structured instruments), monetary instruments and cash and cash equivalents. The Firm also may utilize derivative securities (primarily options).

Investors may have the option, in certain cases, to purchase investment products that the Firm recommends through other brokers or agents that are not affiliated with the Firm and/or not used by the Firm.

- (D) **Wrap Fee Programs:** The Firm does not participate in wrap fee programs.

- (E) **Client Assets Under Management:** (*rounded to the nearest \$100,000*)

Discretionary: \$29,000,000 as of January 31, 2014.

Non-discretionary: \$0 as of January 31, 2014.

Item 5. Fees and Compensation:

- (A) **Generally:** All fees are individually negotiated. Circumstances considered when negotiating fees may include, without limitation, customary market rates, specialized guidelines, and other performance or incentive allocation or fee arrangements with the Client.

Management fees are calculated based on a percentage of the value of the assets under management (referred to herein as “Management Fees”).

In addition, the Firm may collect incentive allocations and/or fees based on the performance of investments. Please refer to Item 6, below, for a more detailed description of performance or incentive allocations and/or fees and related conflicts of interest.

- (B) **Payment of Fees:** Management fees are billed, generally monthly in advance, as specified in the applicable investment management agreement.

Regarding the Funds, the Firm shall receive Management Fees equal to 0.3750% per quarter (approximately 1.5% annually) of each Investor’s share of the relevant Fund’s net asset value, as detailed below.

Managed Accounts: Management Fees are charged as stated in the relevant investment management agreement.

To the extent the Firm values any securities and/or instruments in Client’s portfolio, it has a conflict of interest in that the Firm will receive higher Management Fees if it gives such securities and/or instruments a higher valuation.

Management Fees shall be payable with respect to any portion of an Investor’s investment allocated to any side pocket account. With respect to any Investor who has withdrawn from the relevant Fund, with the exception of any interests in a side pocket account, the Management Fees shall accrue until, and be paid at, the time of the reallocation of the Investor’s investment from the side pocket account.

- (C) **Additional Fees and Expenses:** The Funds shall pay or reimburse the Firm for all organizational and initial offering expenses of the Funds, including, but not limited to, legal and accounting fees, printing and mailing expenses and government filing fees (including blue sky filing fees). The Funds will amortize organizational and initial offering expenses over a period of 60 months from the date such Fund commenced operations because it believes such treatment is more equitable than expensing the entire amount of such expenses in such Fund’s first year of operation, as required by U.S. generally accepted accounting principles (“GAAP”).

The Funds shall pay or reimburse the Firm for the following expenses: (A) all expenses incurred in connection with the ongoing offer and sale of interests in a Fund (“Interests”), including, but not limited to, marketing expenses, printing of offering memoranda and exhibits, documentation of performance and the admission of Investors; (B) all operating expenses of the Funds such as tax preparation fees, governmental fees and taxes, insurance, administrator fees, communications with Investors, and ongoing legal, accounting, auditing, bookkeeping, consulting and other professional fees and expenses; (C) all Fund trading and investment related costs and expenses (e.g., brokerage commissions, margin interest, expenses related to short sales, custodial fees and clearing and settlement charges) and research related expenses including: travel; airfare; car rental; taxi fare; hotel accommodations and meals; (D) all fees to protect or preserve any investment held by the Funds, as determined in good faith by the Firm; and (E) all fees and other expenses incurred in connection with the investigation, prosecution or defense of any claims by or against the Funds. The Firm, in its sole discretion, may from time to time pay for any of the foregoing Fund expenses or waive the right to reimbursement for any such expenses, as well as terminate any such voluntary payment or waiver of reimbursement.

- (D) **Fees Paid in Advance:** Management Fees are payable quarterly in advance, as of the first day of each month. Managed Accounts will pay Management Fees, in advance or in arrears, according to the terms of the applicable investment management agreement, each of which is individually negotiated.

Generally: Unless the Firm consents, partial withdrawals may not be made if they would reduce an Investor’s capital account balance below \$100,000. All withdrawals shall be deemed made prior to the commencement of the following quarter. The Firm believes (but cannot guarantee) that the assets of the relevant Fund will be invested in a manner that would allow the Firm to satisfy withdrawal requests. The relevant Fund has the right to pay cash or in-kind, or a combination of both, to an investor that makes a withdrawal from such Investor’s capital account. If the Firm in its discretion permits an Investor to withdraw capital other than on a Withdrawal Date, the Firm may impose an additional administrative fee to cover the legal, accounting, administrative, brokerage, and any other costs and expenses associated with such withdrawal. The Firm may agree to waive any applicable early withdrawal fee for any Investor.

(E) **Additional Compensation of Supervised Persons:** No supervised person accepts compensation for the sale of securities or other investment products.

- (i) This practice presents a conflict of interest and gives the Firm or its supervised persons an incentive to recommend investment products based on the compensation received, rather than on a particular Client's needs. The Firm endeavors to disclose herein all conflicts of interest which could impair the rendering of unbiased and objective advice. Lower fees for comparable services may be available from other sources. N/A
- (ii) All Clients have the option to purchase investment products that the Firm recommends through other brokers or agents that are not affiliated with the Firm and/or not used by the Firm. N/A
- (iii) If commissions provide more than 50% of the Firm's revenue or compensation, disclose: N/A
- (iv) The Firm does/does not reduce advisory fees to offset the commissions and/or markups that it receives, as follows: N/A

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

In addition to the Management Fees, the Firm is compensated for its investment management services through an incentive allocation and/or fee, also known as a performance-based allocation and/or fee ("Performance Fee"). Under this arrangement, a Client will be charged a fee contingent upon the performance within the Client's account. The Performance Fee will be tied to the capital appreciation within the account as evaluated at the end of each calendar year. The Performance Fee will be payable annually, in arrears.

Regarding the Funds, the Firm shall receive the Performance Fee upon any withdrawal by an Investor, whether voluntary or involuntary, and upon dissolution of a Fund. The Performance Fee shall be in addition to the proportionate allocations of income and profits, or losses, to the Firm and/or its affiliates based upon their capital accounts relative to the capital accounts of all Investors. The Performance Fee for the Funds will be equal to 25% of net capital appreciation attained within the Investor's account (net of all expenses, including any commissions, etc.). The Performance Fee shall not include any change in the value of a security position held in a side pocket account until such security is reallocated to

the capital accounts of participating Investors. The Firm, in its sole discretion, may waive or reduce the Performance Fee with respect to any Investor for any period of time, or agree to modify the Performance Fee for that Investor. The Firm may, in its discretion, reallocate a portion of the Performance Fee to certain Investors.

Managed Accounts: Regarding managed accounts, the Firm receives a mutually agreed upon periodic Performance Allocation, which typically is 20% of such Clients' net income for the period in excess of any previously recovered net losses, although the Firm reserves the right to modify such fees on a case by case basis.

Generally: In order for the Firm to receive a Performance Fee, the Firm must achieve capital appreciation within the account. The Firm will charge Performance Fees in adherence to a "high water mark," which means that no Performance Fee will be earned unless the performance exceeds the previously achieved "high water mark" where Performance Fees were charged. The "high water mark" will be used in order to prevent a scenario whereby the Firm could receive a Performance Fee merely for recouping prior losses. A full description of the entire fee arrangement will be disclosed to the Client in such Client's investment management agreement or other relevant documents. Fees generally are deducted directly from the Client's account, as specified in the relevant investment management agreement. The Firm's receipt of Performance Fees is intended to align the Firm's interests with those of the Firm's Clients and to provide the Firm with a greater incentive to manage assets well. The nature of the Performance Fee, however, creates a potential conflict of interest among the Firm, its associated persons, and Clients.

Such fees will be structured and charged in a manner consistent with the requirements of applicable law, including the Investment Advisers Act of 1940, as amended ("Advisers Act"), and the Employee Retirement Income Security Act of 1974, as amended. The Performance Fee creates an incentive for the Firm to effect transactions in securities that are riskier or more speculative than would be the case in the absence of such an allocation. Since the Performance Fee is calculated on a basis which includes unrealized appreciation of Client assets, such allocation or fee may be greater than if it were based solely on realized gains. Where any part of the Firm's compensation is based in part on the unrealized appreciation of securities or instruments for which market quotations are not readily available, the Firm shall disclose how such securities or instruments will be valued and the extent to which the valuation will be determined independently. To the extent the Firm values any such securities or instruments, it has a conflict of interest as the Firm will receive higher Performance Fees (and higher Management Fees) if it gives such securities and instruments higher valuations. The Firm does not

represent that the amount of the Performance Fees or the manner of calculating the Performance Fees is consistent with other performance-related fees charged by other investment advisers under the same or similar circumstances. The Performance Fees charged by the Firm may be higher or lower than the Performance Fees charged by other investment advisers for the same or similar services.

In addition, in the event that the Firm manages an account from which it collects Performance Fees and also at the same time manages an account from which it does *not* collect Performance Fees, The Firm has an incentive to favor accounts from which it receives Performance Fees because it will receive a greater profit from the accounts that are charged Performance Fees. Therefore, the Firm has an incentive to allocate investments that are expected to be more profitable to accounts from which it collects Performance Fees, on the one hand, and that are riskier, on the other hand, since in both scenarios, The Firm may receive greater fees if the investment generates a positive return. Notwithstanding the foregoing, the Firm does not favor accounts that pay Performance Fees.

Item 7. Types of Clients:

The Firm's Clients include private investment funds whose investors are individuals and institutions. The minimum investment in each Fund is \$250,000, and the minimum subsequent investment in each Fund is \$100,000. In each case, however, the Firm has discretion to accept lesser amounts.

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

The following considerations apply to the Clients of the Firm:

(A) Methods of Analysis and Investment Strategies:

The Firm's investment objective is to seek high absolute returns through long-short trading decisions. The Firm will seek to concentrate on two or three sectors of the market and anticipates limiting investments in securities to fewer than 50 total companies, as well as index exchange traded funds ("ETFs"), such as the SPDR S&P 500 Trust ETF (SPY).

In carrying out its investment objective, the Firm generally focuses on long and short positions of Large-capitalization companies that have a reasonable expectation of producing above average returns. Long position purchases are typically securities that the Firm believes to be undervalued, and short position are typically securities which the Firm believes to be overvalued. The common

characteristics for short selling may include, among other characteristics, a company that is experiencing deteriorating fundamentals, business or market catalysts impacting the company negatively, deteriorating or poor price performance, declining earnings and high valuation relative to expectations in the marketplace. In general, consistent with the Firm's investment philosophy and/or Client mandates, the Firm is not constrained by diversification requirements or any other limitations as to the types of securities, other investment instruments, industries, sectors, countries or asset classes that may be invested.

The Firm's investment strategies may also include options, event-driven investments, private placements and the use of leverage. The Firm's investment philosophy is based upon recognizing and capitalizing on pricing dislocations usually during an extreme movement and stock-specific opportunities ahead of the broader market. The Firm's investment program entails substantial risks, and there can be no assurance that its investment objectives will be achieved. The practices of options and derivatives trading, short selling, use of leverage and other investment techniques can, in certain circumstances, maximize the adverse impact to which a Client's investment portfolios may be subject.

Investment Strategies and Philosophies

Shorting: The Firm also intends to sell short individual securities as a means of attempting to reduce risk and increase performance. In similar fashion to taking long positions, the Firm takes into consideration and weighs, among other characteristics, an array of stock-specific and economic factors prior to selling short an individual security. Securities are shorted for a variety of reasons, which may include: (i) significant price competition; (ii) secularly declining industries; (iii) substitutable products; (iv) poor cash generation; (v) fraud or aggressive accounting; (vi) poor management (evasive, incompetent, empire building, etc.); (vii) excess leverage; (viii) poor or declining returns on capital; (ix) poor or declining earnings; and, in most cases, (x) price dislocation.

Diversification: Although the Firm seeks to achieve high absolute returns through long-short trading decisions, the Firm will remain flexible in its investment approach in order to place the Clients in the best position to capitalize on opportunities in the financial markets. The Firm may employ other strategies and may take advantage of opportunities in diverse asset classes if they meet the Firm's standards of investment merit. Accordingly and consistent

with the Firm's approach, there are no fixed diversification requirements or other limitations as to the types of securities or other instruments, industries, sectors, countries or asset classes that the Clients may be invested in.

Concentration: The Firm believes that in order to deliver superior investment results, it may be necessary to concentrate the Clients' portfolios in investments that may produce high absolute returns while at the same time potentially reducing risk to the overall portfolio. Consistent with the Firm's approach, there are no fixed diversification or individual security concentration requirements or other limitations as to the types of securities or other instruments, industries, sectors, countries or asset classes that the Clients may be invested in.

Options and Other Derivative Securities: The Firm may utilize derivative securities, primarily options. The Firm may purchase and write put and call options that are traded on national securities exchanges or over-the-counter markets, as well as on electronic communications networks. Options can be used in many ways such as to increase market exposure (i.e., for purposes of leverage), to reduce overall market exposure (i.e., for hedging purposes), to increase the portfolios' current income, or to reduce the cost basis of a new position. The Firm and the Clients may also utilize certain options, such as various types of index or "market basket" options, in an effort to hedge against certain market related risks, as the Firm deems appropriate. The Firm believes that the use of options and other derivatives may help reduce risk and enhance investment performance.

ETFs. The Firm will invest in ETFs which represent an interest in a passively managed portfolio of securities selected to replicate a securities index. ETF shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETFs performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses.

Investments in Securities and Other Assets Believed to Be Undervalued. The Firm will invest a portion of the Fund's portfolio in securities and other assets that are believed to be

undervalued. The identification of such investment opportunities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While such investments offer the opportunities for above-average capital appreciation, they also involve a high degree of financial risk and can result in substantial losses. Returns generated from the Partnership's investments may not adequately compensate for the business and financial risks assumed. The current economic conditions and any future major economic recession can severely disrupt the markets for such investments and significantly impact their value. In addition, any such economic downturn can adversely affect the ability of the issuers of such obligations to repay principal and pay interest thereon and increase the incidence of default for such securities.

Investment in Highly-Leveraged Companies. The Firm may invest in companies whose capital structures may have significant leverage (including substantial leverage senior to the Fund's investments), a considerable portion of which may be at floating interest rates. The leveraged capital structure of such companies will increase their exposure to adverse economic factors, such as rising interest rates, downturns in the economy or further deteriorations in the financial condition of the company or its industry. The Firm may be among the most junior financing in a company's capital structure. In the event such company cannot generate adequate cash flow to meet debt service, The Firm may suffer a partial or total loss of capital invested in the company, which, depending on the size of the Fund's investments, could adversely affect the Fund's returns.

Leverage: The Firm may increase its use of leverage by various means, which may include: increasing the number and extent of its "long" positions by borrowing (e.g., by purchasing securities on margin) and entering into short sales. Moreover, the amount of any borrowing used to create leverage may also be limited by regulations imposed by the Federal Reserve Board ("FRB") and by the availability and cost of credit. The Firm does not anticipate that the Clients will incur indebtedness in connection with their operations, other than interest on margin debts or deposits with respect to securities positions.

Other Investments: The Firm may also invest some of the Clients' assets in short-term United States government obligations, certificates of deposit, commercial paper and other money market instruments, including repurchase agreements with respect to such obligations, to enable the Clients to make investments quickly and

to serve as collateral with respect to certain investments. If the Firm believes that a defensive position is appropriate because of expected economic or business conditions or the outlook for security prices, or the Firm determines that opportunities for investing are unattractive, then a greater percentage of assets may be invested in such obligations. The Firm may also engage in securities lending activities. From time to time, in the sole discretion of the Firm, cash balances in Clients' brokerage accounts may be placed in a money market fund.

Investment Process Described

Set forth below are several analyses that the Firm may employ in carrying out its investment strategy.

Identifying Investments: In general, the Firm conducts proprietary original research to identify and evaluate potential investments. The Firm's investment ideas may also be generated from a wide variety of sources, including industry contacts, trade and financial publications, trade shows, investment conferences and stock screens. Investments are typically held less than 30 days taking a contrarian approach. Qualitative factors, such as sentiment and psychology are weighted heavier than more traditional quantitative or fundamental factors.

Relationship with Portfolio Companies: Although the Firm does not anticipate taking an active role in the affairs of the companies in which a Client has a position, it will be the Firm's policy to take such steps as are necessary to protect its economic interests. The Firm reserves the option to accept a role on the board of directors of any company in which a Client holds securities, if the opportunity presents itself.

Portfolio Evaluation: Once an investment opportunity is determined to be attractive, the Firm will evaluate the effect of adding that investment to the Clients' portfolios. In doing so, the Firm will seek to maximize the impact the investment can have on the Clients' portfolios, given sizing, and to minimize the market-related portfolio volatility, as well as the risk of capital loss.

Investment and Portfolio Monitoring: The Firm will monitor the Clients' positions to ensure that the investment thesis behind each is intact. The Firm will also monitor trading prices so that profits can be taken as trading and intrinsic values converge or so that losses can be minimized in the event of a significant shift in an investment's fundamental premise. The Firm will also conduct on-

going monitoring of investment positions relative to the aggregate portfolio in order to manage overall portfolio risk.

Investing in securities involves risk of loss that Clients should be prepared to bear.

(B) Risks Associated with the Firm's Investment Strategies:

The following risk factors apply to the Firm, as well as to any other Clients of the Firm (as applicable and as the context may require).

Investments in Undervalued Securities and Other Assets:

The Firm's investment program contemplates that a substantial portion of the Clients' portfolios will be invested in securities and other assets that the Firm believes to be deeply undervalued. The identification of such investment opportunities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While such investments offer the opportunities for above-average capital appreciation, they also involve a high degree of financial risk and can result in substantial losses. Returns generated from the Firm's investments may not adequately compensate for the business and financial risks assumed. Such investments include bonds and other fixed income securities, including, without limitation, commercial paper and "higher yielding" (and, therefore, higher risk) debt securities. It is likely that a major economic recession could severely disrupt the market for such investments and severely impact their value. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such obligations to repay principal and pay interest thereon and increase the incidence of default for such securities. Additionally, there can be no assurance that other investors will ever come to realize the value of some of these investments, and that they will ever increase in price. Furthermore, the Clients may be forced to hold such investments for a substantial period of time before realizing their anticipated value. During this period, a portion of the Clients' assets would be committed to the investments made, thus possibly preventing the Firm from investing in other opportunities.

Risks Associated with Investing in Options and Derivatives:

The Clients assets may invest in derivative instruments. The prices of many derivative instruments, including many options and swaps, are highly volatile. Price movements of options contracts and payments pursuant to swap agreements are influenced by, among other things: interest rates; changing supply and demand relationships; trade, fiscal, monetary and exchange control programs and policies of governments; and national and

international political and economic events and policies. The value of options and swap agreements also depends upon the price of the securities or currencies underlying them. The Clients are also subject to the risk of the failure of any of the exchanges on which their positions trade or of their clearinghouses or of counterparties. The cost of options is related, in part, to the degree of volatility of the underlying securities. Accordingly, options on highly volatile securities may be more expensive than options on other securities.

Put options and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument on which they are purchased or sold. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer the obligation to buy, the underlying security, commodity, index, currency or other instrument at the exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument at the exercise price.

If a put or call option purchased by a Client were permitted to expire without being sold or exercised, such Client would lose the entire premium it paid for the option. The risk involved in writing a put option is that there could be a decrease in the market value of the underlying security caused by rising interest rates or other factors. If this occurred, the option could be exercised and the underlying security would then be sold to such Client at a higher price than its current market value. The risk involved in writing a call option is that there could be an increase in the market value of the underlying security caused by declining interest rates or other factors. If this occurred, the option could be exercised and the underlying security would then be sold by such Client at a lower price than its current market value.

Purchasing and writing put and call options and, in particular, writing “uncovered” options are highly specialized activities and entail greater than ordinary investment risks. In particular, the writer of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security or currency above the exercise price of the option. This risk is enhanced if the security being sold short is highly volatile and there is a significant outstanding short interest. These conditions exist in the stocks of many companies. The securities necessary to satisfy the exercise of the call option may be unavailable for purchase except at much higher prices. Purchasing securities to satisfy the exercise of the call option can

itself cause the price of the securities to rise further, sometimes by a significant amount, thereby exacerbating the loss. Accordingly, the sale of an uncovered call option by a Client could result in a loss of all or a substantial portion of its assets.

Swaps, certain options, and other custom instruments are subject to the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty.

Market or Interest Rate Risk: The Firm may, from time to time, invest Clients' assets in fixed income securities. The prices of most fixed income securities move in the opposite direction of the change in interest rates. For example, as interest rates rise, the prices of fixed income securities fall. If a Client holds a fixed income security to maturity, the change in its price before maturity may have little impact on such Client's performance; however, if such Client has to sell the fixed income security before the maturity date, an increase in interest rates could result in a loss to such Client.

Call Option Risk: Many bonds, including agency, corporate and municipal bonds, and all mortgage-backed securities, contain a provision that allows the issuer to "call" (i.e., redeem) all or part of the issue before the bond's maturity date. The issuer usually retains this right to refinance the bond in the future if market interest rates decline below the coupon rate. There are three disadvantages to the call provision. First, the cash flow pattern of a callable bond is not known with certainty. Second, because the issuer will call the bonds when interest rates have dropped, the Clients are exposed to reinvestment rate risk – the Clients will have to reinvest the proceeds received when the bond is called at lower interest rates. Finally, the capital appreciation potential of a bond will be reduced because the price of a callable bond may not rise much above the price at which the issuer may call the bond.

Maturity Risk: In certain situations, the Clients may purchase bonds of a given maturity as an alternative to other bonds of a different maturity. Ordinarily, under these circumstances, the Clients will make an adjustment to account for the interest rate risk differential in the two bonds. This adjustment, however, makes an assumption about how the interest rates at different maturities will move. To the extent that the yield movements deviate from this assumption, there is a yield-curve or maturity risk. Another situation where yield-curve risk should be considered is in the analysis of bond swap transactions where the potential incremental

returns are dependent entirely on the parallel shift assumption for the yield curve.

Short Selling: When deemed appropriate by the Firm, it will sell securities short on behalf of the Clients. Short selling involves the sale of securities that the Clients do not own and must borrow in order to make delivery in the hope of purchasing the same security at a later date at a lower price. In order to make delivery to the purchaser, the Clients must borrow securities from a third party lender. The Clients subsequently return the borrowed securities to the lender by delivering to the lender the securities they receive in the transaction or by purchasing securities in the open market. The Clients must generally pledge cash with the lender equal to the market price of the borrowed securities. This deposit may be increased or decreased in accordance with changes in the market price of the borrowed securities. During the period in which the securities are borrowed, the lender typically retains the right to receive interest and dividends accruing to the securities.

Risks Associated with Leverage: When the Firm believes that the use of leverage is appropriate in its investment program, the Firm may use borrowed funds and/or investments in certain types of options, such as puts, calls and warrants, which may be purchased for a fraction of the price of the underlying securities while giving the purchaser the full benefit of movement in the market of those underlying securities. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss. To the extent the Firm purchases securities for the Clients with borrowed funds, net assets will tend to increase or decrease at a greater rate than if borrowed funds are not used. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect the operating results of an account. If the interest expense on borrowings were to exceed the net return on the investments made with borrowed funds, the Firm's use of leverage would result in a lower rate of return than if leverage were not used.

If the amount of borrowings outstanding for the Clients at any one time is large in relation to the Clients' capital, fluctuations in the market value of the account will have disproportionately large effects in relation to that capital and the possibilities for profit and the risk of loss will therefore be increased. Any investment gains made with the additional monies borrowed will generally cause the net asset value of the Clients to rise more rapidly than would otherwise be the case. Conversely, if the investment performance

of the additional monies borrowed fails to cover their cost to the Clients, the net asset value of the Clients will generally decline faster than would otherwise be the case.

Certain of the Firm's trading and investment activities may be subject to U.S. Federal Reserve Board ("FRB") margin requirements, which are computed daily. When the market value of a particular open position changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a "margin call" on the customer is made. If the customer does not deposit additional funds with the broker to meet the margin call within a reasonable time, the customer's position may be closed out. In the event of a precipitous drop in the value of the assets managed by the Firm, the Firm might not be able to liquidate assets quickly enough to pay off the margin debt and might suffer mandatory liquidation of positions in a declining market at relatively low prices, incurring substantial losses. With respect to the Firm's trading activities on behalf of the Clients, the Clients, and not the Firm, will be subject to margin calls.

Overall, the use of leverage, while providing the opportunity for a higher return on investments, also increases the volatility of such investments and the risk of loss. Clients should be aware that an investment program utilizing leverage is inherently more speculative, with a greater potential for losses, than a program that does not utilize leverage.

Sector Risk; Concentrated Positions: The Firm is not limited by concentration restrictions and therefore capital may be heavily concentrated in a limited number of investments. As a result of this lack of diversification, the Firm's results may be more volatile than a broadly diversified portfolio and would be subjected to a greater degree of risk with respect to the poor performance of one or a few issuers or with respect to economic downturns. Moreover, to the extent the Firm's investments are concentrated in a limited number of industries, the Firm may be subject to considerable directional risk since the Firm's investments may be highly correlated with one another. The Firm may not hedge against such risks.

Hedging Transactions: The Firm may utilize financial instruments such as forward contracts, options and interest rate swaps, caps and floors to seek to hedge against fluctuations in the relative values of its portfolio positions resulting from changes in currency exchange rates, certain changes in the equity markets and changes in interest rates. Hedging against a decline in the value of

portfolio positions does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible for the Firm to hedge against a fluctuation at a price sufficient to protect the Firm's assets from the decline in value of the portfolio positions anticipated as a result of such fluctuations. For example, the cost of options is related, in part, to the degree of volatility of the underlying securities. Accordingly, options on highly volatile securities may be more expensive than options on other securities and of limited utility in hedging against fluctuations in those securities. The Firm is not obligated to establish hedges for portfolio positions and may choose not to do so. To the extent that hedging transactions are effected, their success is dependent on Firm's ability to correctly predict movements in the direction of currency and interest rates and the equity markets or sectors thereof.

New Issues: The Firm may invest in securities of companies in initial public offerings of any equity security ("new issues") or shortly thereafter. Special risks associated with these securities may include a limited number of interests available for trading, unseasoned trading, lack of investor knowledge of the company, and a limited operating history. These factors may contribute to substantial price volatility for the interests of these companies. The limited number of interests available for trading in some initial public offerings may make it more difficult for the Firm to buy or sell significant amounts of interests without an unfavorable impact on prevailing market prices. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.

Investments in Non-U.S. Investments. The Firm may invest assets in non-U.S. securities and other assets (through ADRs and otherwise), which will give rise to risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and non-U.S. issuers and markets.

Risk of Default or Bankruptcy of Third Parties. The Firm may engage in transactions in securities, commodities and other financial instruments and assets that involve counterparties. Under certain conditions, the Firm could suffer losses if a counterparty to a transaction defaults or if the market for certain securities, commodities or other financial instruments or assets become illiquid. The Firm could also suffer losses in the event of a default or bankruptcy by certain other third parties, including brokerage firms and banks.

Temporary Defensive Investments. The Firm may temporarily invest up to 100% of the partnership's assets outside the scope of its principal investment focus in U.S. government securities, such as Treasury bills, notes and bonds, cash, money market funds, certificates of deposit, time deposits, bankers' acceptances and other short-term debt instruments bearing a reasonable rate of interest. In such circumstances, the partnership may not achieve its investment objectives.

- (C) **Security-Specific Risks:** Please see the response to Item 8 (B), above.

Item 9. Disciplinary Information:

Legal and disciplinary events in which the Firm or any supervised persons have been involved that are material to a Client's or prospective client's evaluation of the Firm's advisory business or management are listed below (see response after each event).

- (A) A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the Firm or a management person:
- (i) Was convicted of, or pled guilty or nolo contendere ("no contest") to: (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses. **N/A**
 - (ii) Is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses. **N/A**

- (iii) Was found to have been involved in a violation of an investment-related statute or regulation. **N/A**
 - (iv) Was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order. **N/A**
- (B) An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the Firm or a management person:
 - (i) Was found to have caused an investment-related business to lose its authorization to do business. **N/A**
 - (ii) Was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority:
 - a. Denying, suspending, or revoking the authorization of the Firm or a management person to act in an investment-related business. **N/A**
 - b. Barring or suspending the Firm's or a management person's association with an investment-related business. **N/A**
 - c. Otherwise significantly limiting the Firm's or a management person's investment-related activities. **N/A**
 - d. Imposing a civil money penalty of more than \$2,500 on the Firm or a management person. **N/A**
- (C) A self-regulatory organization (SRO) proceeding in which the Firm or a management person:
 - (i) Was found to have caused an investment-related business to lose its authorization to do business. **N/A**
 - (ii) Was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly

limited from investment-related activities; or (iii) fined more than \$2,500. **N/A**

Item 10. Other Financial Industry Activities and Affiliations:

- (A) The Firm has no existing or pending affiliations with a broker-dealer or a registered representative of a broker-dealer.
- (B) The Firm and its management persons are neither registered, nor do they have any applications pending, as a Futures Commission Merchant (FCM), Commodity Pool Operator (CPO), Commodity Trading Advisor (CTA), or as an associated person of the foregoing.
- (C) The Firm and/or its management persons have a relationship or arrangement that is material to its advisory business or to its Clients with any related person as discussed below:
 - (i) Broker-dealer, municipal securities dealer, or government securities dealer or broker. **N/A**
 - (ii) Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund). **N/A**
 - (iii) Other investment adviser or financial planner: **N/A**
 - (iv) Futures commission merchant, commodity pool operator, or commodity trading advisor. **N/A**
 - (v) Banking or thrift institution. **N/A**
 - (vi) Accountant or accounting firm. **N/A**
 - (vii) Lawyer or law firm. **N/A**
 - (viii) Insurance company or agency. **N/A**
 - (ix) Pension consultant. **N/A**
 - (x) Real estate broker or dealer. **N/A**
 - (xi) Sponsor or syndicate of limited partnerships. **N/A**

- (i) The Firm recommends or selects other investment advisers for Clients: N/A

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

A copy of the code of ethics (“Code of Ethics”) is available upon request to Clients or prospective clients.

- (A) The Code of Ethics is based upon the premise that all the Firm personnel have a fiduciary responsibility to render professional, continuous and unbiased investment advisory services. The Code of Ethics requires all personnel to: (1) comply with all applicable laws and regulations; (2) observe all fiduciary duties and put Client interests ahead of those of the Firm; (3) observe the Firm’s personal trading policies so as to avoid “front-running” and other conflicts of interests between the Firm and its Clients; (4) ensure that all personnel have read the Code of Ethics, agreed to adhere to the Code of Ethics, and are aware that a record of all violations of the Code of Ethics will be maintained by the Firm’s Chief Compliance Officer, and that personnel who violate the Code of Ethics are subject to sanctions by the Firm, up to and including termination.

Participation or Interest in Client Transactions: The Firm recognizes that the personal securities transactions of its employees demand the application of a high code of ethics, and the Firm requires that all such transactions be carried out in a way that does not endanger the interest of any Client. At the same time, the Firm believes that if investment goals are similar for Clients and for employees of the Firm, it is logical and even desirable that there be common ownership of some securities. The Firm and its related persons may invest their personal funds in Client transactions. Therefore, in order to address conflicts of interest, the Firm has adopted a set of procedures, included in its Code of Ethics, with respect to transactions effected by its officers, directors and employees (hereafter in this Item 11, “Employees”) for their personal accounts. In order to monitor compliance with its personal trading policy, the Firm has adopted a quarterly securities transaction reporting system for all of its Employees. For purposes of the policy, an Employee’s “personal account” generally includes any account (a) in the name of the Employee, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which the Employee is a trustee or executor, or (c) which the Employee controls, including the Firm’s Client accounts which the Employee controls and in which the Employee

or a member of his/her household has a direct or indirect beneficial interest.

Associated persons of the Firm may recommend to Clients the purchase or sale of investment products in which it or a related person may have some financial interest, including, but not limited to, the receipt of compensation. Records will be maintained of all securities bought and sold by associated persons and related persons.

Additionally, the Code of Ethics sets forth the Firm's policies and procedures with respect to material, non-public information and other confidential information, and the fiduciary duties that the Firm and each of its Employees has to each of its Clients. The Code of Ethics is circulated at least annually to all Employees, and each Employee, at least annually, must certify, in writing, that he or she has received and followed the Code of Ethics and any amendments thereto.

Other Activities of the Firm and its Affiliates: Neither the Firm, nor any affiliate or Employee, is required to manage Client accounts as its sole and exclusive function. Each of them may engage in other business activities, including competing ventures and/or other unrelated employment. In addition to managing Client accounts, the Firm, and its affiliates or Employees may provide investment advice to other parties and may manage other accounts in the future.

Trade Errors: The Firm has internal controls in place to prevent trade errors from occurring. On those occasions when such an error nonetheless occurs, the Firm will use reasonable efforts to correct the error. The Firm will endeavor to maintain a record of each trade error, including information about the trade and how such error was corrected or attempted to be corrected.

Privacy Policy: The Firm has adopted a privacy policy that explains the manner in which the Firm collects, utilizes and maintains nonpublic personal information about Clients, as required under federal legislation.

Collection of Information and Disclosure of Nonpublic Personal Information:

To provide Clients with effective service, the Firm may collect several types of nonpublic personal information about Clients, including:

- Information from forms that Clients may fill out, such as subscription forms, questionnaires and other information provided by Clients in writing, in person, by telephone, electronically or by any other means. This information includes name, address, nationality, tax identification number, and financial and investment qualifications;
- Information Clients may give orally;
- Information about transactions within the Firm, including account balances, investments and withdrawals;
- Information about the amount Clients have invested, such as initial investment and any additions to and withdrawals from an investment in the Clients; and
- Information about any bank accounts Clients may use for transfers to or from separately managed accounts (if applicable).

Disclosure of Nonpublic Personal Information:

The Firm does not sell or rent Client information. The Firm uses this information to conduct business with its Clients: to develop or enhance its products and services; to understand the financial needs of its Clients so that the Firm can provide such Clients with quality products and superior service; and to protect and administer its Clients' records, accounts and funds. The Firm does not disclose nonpublic personal information about its Clients to nonaffiliated third parties or to affiliated entities, except as permitted or required by law. For example, the Firm may share nonpublic personal information in the following situations:

- To service providers in connection with the administration and servicing of the Firm; this may include attorneys, accountants, auditors and other professionals. The Firm may also share information in connection with the servicing or processing of Client transactions;
- To affiliated companies in order to provide Clients with ongoing personal advice and assistance with respect to the products and services Clients have purchased through the Firm and to introduce Clients to other products and services that may be of value to such Clients;

- To respond to a subpoena or court order, judicial process or regulatory authorities;
- To protect against fraud, unauthorized transactions (such as money laundering), claims or other liabilities; and
- Upon consent of a Client to release such information, including authorization to disclose such information to persons acting in a fiduciary or representative capacity on behalf of the Client.

Protection of Client Information:

The Firm's policy is to require that all Employees, financial professionals and companies providing services on its behalf keep Client information confidential.

The Firm maintains safeguards that comply with federal standards to protect Client information. The Firm restricts access to the personal and account information of Clients to those Employees who need to know that information in the course of their job responsibilities. Third parties with whom the Firm shares Client information must agree to follow appropriate standards of security and confidentiality.

The Firm's privacy policy applies to both current and former Clients. The Firm may disclose nonpublic personal information about a former Client to the same extent as for a current Client.

Changes to Privacy Policy:

The Firm may make changes to its privacy policy in the future. The Firm will not make any change affecting any Client without first sending to that Client a revised privacy policy describing the change.

Opt Out Provision:

Please be advised that Clients have the right to "opt out" of the information sharing as set forth above.

- (B)** If the Firm or a related person recommends to Clients, or buys or sells for Client accounts, securities in which the Firm or a related person has a material financial interest, describe the Firm's practice and discuss the conflicts of interest it presents. Describe

generally how the Firm addresses conflicts that arise. *Please refer to Item 11.(A).*

- (C) If the Firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that the Firm or a related person recommends to Clients, describe the Firm's practice and discuss the conflicts of interest this presents and generally how the Firm addresses the conflicts that arise in connection with personal trading. *Please refer to Item 11.(A).*
- (D) If the Firm or a related person recommends securities to Clients, or buys or sells securities for Client accounts, at or about the same time that the Firm or a related person buys or sells the same securities for the Firm's own (or the related person's own) account, describe the Firm's practice and discuss the conflicts of interest it presents. Describe generally how the Firm addresses conflicts that arise. *Please refer to Item 11.(A).*

Item 12. Brokerage Practices:

The considerations described below apply to the Funds, as well as to any other clients of the Firm (as applicable and as the context may require).

- (A) **Selection of Broker-Dealers:** Securities transactions for the Clients are executed through brokers selected by the Firm in its sole discretion and without the consent of the Clients. In placing portfolio transactions, the Firm will seek to obtain the best execution for the Clients, taking into account the following factors: the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected and the efficiency of error resolution, taking into account the size of order and difficulty of execution; the financial strength, integrity and stability of the broker; special execution capabilities; clearance; settlement; reputation; on-line pricing; block trading and block positioning capabilities; willingness to execute related or unrelated difficult transactions in the future; order of call; on-line access to computerized data regarding clients' accounts; performance measurement data; the quality, comprehensiveness and frequency of available research and related services considered to be of value; the availability of stocks to borrow for short trades; and the competitiveness of commission rates in comparison with other brokers satisfying the Firm's other selection criteria.
 - (1) **"Soft Dollar" Policy :** In addition to research services, The Firm may be offered other non-monetary benefits by

broker-dealers that it may engage to execute securities transactions on behalf of clients. These benefits may take the form of special execution capabilities, clearance, settlement, online pricing, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, order of call, online access to computerized data regarding clients' accounts, performance measurement data, consultations, economic and market information, portfolio strategy advice, industry and company comments, technical data, recommendations, general reports, efficiency of execution and error resolution, quotation equipment and services, the availability of stocks to borrow for short trades, custody, travel, record keeping and similar services. These other services may also include payment of all or a portion of the clients' or the Firm's or its affiliates' administrative costs and expenses of operation, such as office rent; office equipment and supplies; utilities (e.g., electricity, gas, oil, water); taxes; storage; employee salaries, including, but not limited to, bonuses, contingent salaries, and any other form of compensation determined by the Firm, and benefits (including medical, dental and worker's compensation insurance); temporary help; recruiting services; newswire and quotation equipment and services (e.g., Reuters, Bloomberg, Bridge, First Call); data processing charges; periodical subscription fees (e.g., The Financial Times, The Wall Street Journal, The New York Times, Investors Business Daily); computer equipment used for brokerage or research purposes (e.g., computers, computer hardware, software, hard drives, monitors, PDAs, LANs) and related technical support, repair and maintenance; television and cable services used for research purposes; telephone and facsimile charges, equipment and installation and maintenance costs (e.g., telephones, telephone lease, telephone and facsimile lines, cellular phones used for business purposes, telephone call recording equipment, headsets, cordless phones, speaker phones, telephone switchboards and monthly and long distance telephone charges); facsimile machines and facsimile rental and repair costs; account record-keeping and related clerical services; printing services; messenger services; postal and courier expenses; car service; expenses incurred in connection with investigating and researching issuers of securities and attending research conferences (e.g., airfare, car rentals, taxi fares, conference fees and related expenses, hotel accommodations and meals); economic consulting

services; placement fees and other marketing costs; legal and accounting fees; and other reasonable expenses as determined by the Firm.

The foregoing benefits may be available for use by the Firm in connection with transactions in which clients will not participate. The availability of these benefits may influence the Firm to select one broker rather than another to perform services for clients. Nevertheless, the Firm will attempt to assure either that the fees and costs for services provided to clients by brokers offering these benefits are not materially greater than they would be if the services were performed by equally capable brokers not offering such services or that clients also will benefit from the services.

The Firm has the option to use “soft dollars” generated by clients to pay for the research and non-research related services described above. The term “soft dollars” refers to the receipt by an investment adviser of products and services provided by brokers, without any cash payment by the investment adviser, based on the volume of brokerage commission revenues generated from securities transactions executed through those brokers on behalf of the investment adviser’s clients. The products and services available from brokers include both internally generated items (such as research reports prepared by employees of the broker) as well as items acquired by the broker from third parties (such as quotation equipment). Section 28(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), provides a “safe harbor” to investment managers who use soft dollars generated by their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the investment adviser in the performance of investment decision-making responsibilities. In the event the Firm elects to use its soft dollars for payment of all or a portion of the Firm’s or its affiliates’ administrative costs and expenses of operation such as office rent, office equipment and supplies, utilities, employee benefits and salaries, newswire and quotation equipment, data processing charges, periodical subscription fees, computer equipment, telephone and facsimile charges and equipment costs, record-keeping services, consulting fees, issuer due diligence expenses, placement fees and other marketing costs, and legal and accounting fees, as more fully

described above, such uses of soft dollars are not within the safe harbor afforded by Section 28(e) of the Exchange Act.

The use of brokerage commissions to obtain investment research services and to pay for the administrative costs and expenses of the Firm or its affiliates creates a conflict of interest between the Firm and clients because the clients pay for such products and services that are not exclusively for the benefit of clients and that may be primarily or exclusively for the benefit of the Firm. To the extent that the Firm is able to acquire these products and services without expending its own resources (including management fees paid by clients), The Firm's use of soft-dollars would tend to increase the Firm's profitability. In addition, the availability of these non-monetary benefits may influence the Firm to select one broker rather than another to perform services for clients. The Firm has 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 a client's interest in receiving the most favorable execution. Moreover, the Firm may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits. In the event that the Firm uses soft dollar benefits, the Firm will use such benefits to service all client accounts rather than only those accounts that paid for the benefits.

The offering documents for Funds specifically authorize these practices to the fullest extent permitted by law.

- (a) When the Firm uses Client brokerage commissions (or markups or markdowns) to obtain research or other products or services, the Firm receives a benefit because the Firm does not have to produce or pay for the research, products or services. *Please refer to this Item 12.(A)(i) above.*
- (b) The Firm may have an incentive to select or recommend a broker-dealer based on the Firm's interest in receiving the research or other products or services, rather than on Clients' interest in receiving most favorable execution. *Please refer to this Item 12.(A)(i) above.*

- (c) The Firm may cause Clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up). *Please refer to this Item 12.(A)(i) above.*
- (d) The Firm may use soft dollar benefits to service all Clients or only those Clients that paid for the benefits. The Firm may or may not seek to allocate soft dollar benefits to Clients proportionately to the soft dollar credits the accounts generate. *Please refer to this Item 12.(A)(i) above.*
- (e) The types of products and services the Firm or any related persons acquired with Client brokerage commissions (or markups or markdowns) within the Firm's last fiscal year were: *Please refer to this Item 12.(A)(i) above.*
- (f) The procedures the Firm used during its last fiscal year to direct transactions to a particular broker-dealer in return for soft dollar benefits the Firm received were: *Please refer to this Item 12.(A)(i) above.*

(2) **Brokerage for Client Referrals:**

- a. The Firm reserves the right to pay a fee or commission, in its sole discretion, to brokers or other persons who introduce Clients to the Firm, provided that any such fee or commission will be paid solely by the Firm or its affiliates and no portion thereof will be paid by Clients. As a result, the Firm may have an incentive to select or recommend a broker based on the Firm's interest in receiving Client referrals rather than on Clients' interest in receiving most favorable execution. Because such referrals, if any, are likely to benefit the Firm but will provide an insignificant (if any) benefit to Clients, The Firm will have a conflict of interest with Clients when allocating Client brokerage business to a broker who has referred investors to a Client. To prevent Client brokerage commissions from being used to pay referral fees, the Firm will not allocate Client brokerage business to a referring broker unless the Firm determines in

good faith that the commissions payable to such broker are not materially higher than those available from non-referring brokers offering services of substantially equal value to Clients.

- b. The procedures used during the last fiscal year to direct Client transactions to a particular broker-dealer in return for Client referrals were: *Please refer to Item 12.(A)(i).*

(3) **Directed Brokerage:**

- a. The Firm does not recommend, request, or require a Client to direct the Firm to execute transactions through a specified broker-dealer.
- b. The Firm does not permit a Client to direct the Firm to execute transactions through a specified broker-dealer.

- (B) **Aggregation of Orders:** The Firm may aggregate purchase and sale orders of securities held by a Client with similar orders being made simultaneously for other Clients or accounts if, in the Firm's reasonable judgment, such aggregation is reasonably likely to result in an overall economic benefit to the Clients based on an evaluation that the Clients will be benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions, or a combination of these and other factors. In many instances, the purchase or sale of securities for a Client will be affected simultaneously with the purchase or sale of like securities for other accounts or entities. Such transactions may be made at slightly different prices, due to the volume of securities purchased or sold. In such instances, the Firm will average the price of all units of such security bought or sold by any Client and/or other accounts in any single trading day (the "Average Price"). The price that such Client and/or other accounts pay or receive for such securities bought or sold in the same trading day will be the Average Price multiplied by the number of units of such security bought or sold by such Client and/or other accounts, respectively. In rare circumstances, the Firm may elect to use the actual purchase or sale price instead of the Average Price if it determines, in its sole discretion that using the Average Price would be unfairly prejudicial to such Client and/or other accounts. An individual trade may be effected at a price that is higher than would have been the case without the aggregation of orders. The Firm, however, believes that the relationship as a whole will result in a net benefit to the Clients.

Allocation of Trades: The Firm may, at times, determine that certain securities will be suitable for acquisition by the Clients and by other accounts managed by the Firm, possibly including the Firm's own accounts or accounts of an affiliate. If that occurs, and the Firm is not able to acquire the desired aggregate amount of such securities on terms and conditions which the Firm deems advisable, the Firm will endeavor in good faith to allocate the limited amount of such securities acquired among the various accounts for which the Firm considers them suitable. The Firm may make such allocations among the accounts in any manner that it considers fair under the circumstances, including, but not limited to, allocations based on relative account sizes, the degree of risk involved in the securities acquired, and the extent to which a position in such securities is consistent with the investment policies and strategies of the various accounts involved.

Item 13. Review of Accounts:

- (A) All Clients managed by the Firm are reviewed, at least on a monthly basis for conformity with Client objectives and guidelines.
- (B) The calendar is the main triggering factor of a review of an account. More frequent reviews may also be triggered by, among other things, Client capital injections and/or withdrawals. From an investment management perspective, triggers for review include emerging trends and developments, market volatility, economic factors, financial results of a portfolio company, analyst commentary, and news.
- (C) In general, reports showing transactions and positions are sent to the Clients by qualified custodians. Monthly account statements showing performance (unaudited) are sent to Investors by the administrator. In addition, the Clients' realized gains/losses, interest and dividends earned are reported to Clients annually. Each Investor in a Fund also will receive the following: (i) annual financial statements of a Fund, audited by an independent certified public accounting firm; (ii) in the discretion of the Firm or an affiliate of the Firm, a periodic letter and/or report discussing the results of the accounts; (iii) copies of such Investor's Schedule K-1 to a Fund's tax returns (this applies to Investors in onshore Funds only); and (iv) other reports, as determined by the Firm or an affiliate of the Firm in its sole discretion. Additionally, within 120 days of year-end, Investors receive GAAP-compliant audited financial statements.

Item 14. Client Referrals and Other Compensation:

- (A) The Firm does not receive, from any non-Client, any economic benefit associated with advising Clients.
- (B) The Firm may use independent third-party solicitors to refer Clients to the Firm and pay a portion of its advisory fees to such solicitors, in accordance with the Advisers Act. The Firm may engage underwriters, brokers, dealers or finders to assist in the offering of Interests in a Fund, or in finding other Clients. Except for commissions on brokerage transactions (which will be paid by Clients), The Firm will pay (and will not charge Clients) fees and commissions that may be payable to any such brokers or finders for assisting in the offering or sale of Interests in a Fund, or in finding other Clients.

Item 15. Custody:

The Firm maintains Client funds and securities at qualified custodians. As indicated above at Item 13.(C), the qualified custodians send monthly account statements directly to the Clients. The administrator sends monthly account statements to Investors. Clients should carefully review the account statements. The Funds send a GAAP-compliant audited financial statement to their Investors within 120 days of their fiscal year-end.

Item 16. Investment Discretion:

The Firm has discretionary investment authority over Client assets that are managed by the Firm. Please also refer to Items 4(C) and 8(A).

Item 17. Voting Client Securities:

- (A) The Firm uses reasonable judgment to vote proxies in a manner it determines is in the best interest of its Clients. The Firm monitors corporate actions of those securities it has purchased on behalf of its Clients. Receipt of proxy materials is logged into a proxy control sheet. Proxy votes will generally be submitted electronically or by mail. A record of the proxy votes cast will be made and retained by the Firm. Investors can obtain information on how the proxies were voted and a detailed description of the Firm's policies and procedures regarding proxy voting by requesting such information from the Chief Compliance Officer.

In some foreign markets, where proxy voting demands fee payment for agent services, the Firm will balance the cost and

benefit of proxy voting and may give up the proxy voting if the cost associated with it is greater than the benefits from voting.

- (B) The Firm has authority to vote Client securities. Please refer to Item 17. (A). This is a requirement.

Item 18. Financial Information:

- (A) The Firm requires prepayment of Management Fees on a quarterly basis from the Clients. The Firm does not solicit prepayment of more than \$1,200 in fees per Client six months or more in advance, and thus has not provided a balance sheet according to the specifications of 17 CFR Parts 275 and 279. Required unless you are producing a balance sheet.
- (B) Because the Firm has discretionary authority over and/or custody of Client funds or securities, the Firm has disclosed, as follows, any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Clients: **None**.
- (C) The Firm has not been the subject of a bankruptcy petition during the past ten years.

Item 19. Requirements for State-Registered Advisers: N/A

II. Part 2B – BROCHURE SUPPLEMENT

PART 2B OF FORM ADV: BROCHURE SUPPLEMENT

Item 1.

Cover page for:

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This supplement provides information about Mr. Laurent that supplements Laur Capital Management, LP brochure (the “Brochure”). You should have received a copy of the Brochure. Please contact David Laurent at (212) 321-0940 if you did not receive the Brochure or if you have any questions about the contents of this supplement.

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

The date of this Brochure is

March 26, 2014

Item 2. Educational Background and Business Experience:

David Laurent, born 1975.

Mr. Laurent is principal owner of Laur Capital GP, LLC, which is the owner of Laur Capital Management, LP, collectively referred to as (the “Firm”).

Education Background: Mr. Laurent successfully completed the following securities licensing examinations: Series 24, Series 7, Series 55 and Series 63.

Business Background: Mr. Laurent has over 20 years of direct trading experience in trading and finance. Mr. Laurent began his career in trading in 1991, working for a small boutique buy-side trading desk. In 1997, Mr. Laurent became a partner and chief operating officer of Andover Brokerage, LLC. In 2000, Mr. Laurent founded Trinx Securities LLC and served as the chief executive officer until its sale in 2005. In late 2004, Mr. Laurent entered into a joint venture with Schonfeld Securities to create Schonfeld Institutional Business Services. Mr. Laurent also served as a managing director at Schonfeld Securities. In 2005, Mr. Laurent created and became the managing member of Think Trade, LLC, a high frequency trading firm specializing in quantitative trading algorithms and computer driven trading models. Think Trade, LLC continues to operate today.

Item 3. Disciplinary Information:

Mr. Laurent has not been involved with any legal or disciplinary events material to a client’s or prospective client’s evaluation. Mr. Laurent has not been convicted of any felonies nor has he filed for bankruptcy. There have not been any reportable regulatory events in the past ten (10) years. In 1997, Mr. Laurent pled guilty to a misdemeanor charge and paid a \$2,000 fine regarding the alleged unauthorized use of certain copyrighted recordings, which Mr. Laurent utilized while working as disc-jockey. Mr. Laurent's FINRA record also reflects that he settled a FINRA related arbitration matter involving The Madrid Group, Inc. (“Madrid”) in 1999. Mr. Laurent was named in this arbitration proceeding as a Respondent. Mr. Laurent was not associated with Madrid at the time the matter was initiated nor was he involved with the trades which were the basis of the claims alleged by the Claimant. Mr. Laurent terminated his association with Madrid in early 1996. Mr. Laurent was not ordered to pay any damages. Madrid is no longer in business. Further information about these events can be found on FINRA's public website under investor tools broker check at:

www.finra.org/Investors/ToolsCalculators/BrokerCheckIn.

Item 4. Other Business Activities:

- (A) Mr. Laurent is not actively engaged in any investment-related business or occupation, including being registered, or having an application pending registration as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), or commodity trading advisor (“CTA”), nor is Mr. Laurent an associated person of an FCM, CPO, or CTA.
- (B) Mr. Laurent is not actively engaged in any business or occupation for compensation not discussed in response to Item 4.(A), above, that provides a substantial source of his income or involves a substantial amount of his time.

Item 5. Additional Compensation:

Mr. Laurent does not receive, from any non-client, any economic benefit associated with advising clients (such as sales awards and prizes, any bonus that is based on number or amount of sales, client referrals or new accounts (not including salary)).

Item 6. Supervision:

Mr. Laurent understands his fiduciary duty to the clients and therefore serves the interests of clients with a high standard of care and diligence in accordance with the Firm’s internal policies and procedures. As Chief Compliance Officer, Mr. Laurent takes the Firm’s compliance obligations seriously. Mr. Laurent can be reached at (212) 321-0940.

Item 5. Requirements for State-Registered Advisers: N/A