

Item 1 – Cover Page

Part 2A of Form ADV

Brochure for:

PCO Investment Management LP

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This Brochure provides information about the qualifications and business practices of PCO Investment Management LP (“PCO” or the “Firm”). If you have any questions about the contents of this Brochure, please contact the Firm at the address listed above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

PCO Investment Management LP is a registered investment adviser with the SEC. Registration of an investment adviser does not imply any certain level of skill or training.

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

Item 2 – Material Changes

PCO is currently registered as an investment adviser with the SEC. This Brochure was prepared for PCO's other-than-annual amendment.

The following is a summary of material changes made to this Brochure since PCO submitted its last Brochure on March 28, 2014:

- Item 4.C has been revised to reflect PCO's advisory services for Separate Account Clients.
- Item 4.E is updated with PCO's current assets under management.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes.

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Item 4 – Advisory Business

A. Description of the Advisory Firm

PCO Investment Management LP (“PCO”), a Delaware limited partnership, is an investment adviser to the Clients, as defined below. PCO was formed on June 13, 2013. The general partner of PCO is PCO Capital Management LLC, a Delaware liability company whose managing members are T.J. Leverte, David Stadlin and Ross Berner (collectively, the “Principals”). The Principals are responsible for managing the Clients’ (as defined below) investment program.

B. Types of Advisory Services

PCO provides investment advice and management to privately placed investment funds including a limited partnership (the “Partnership”) and a non-U.S. company (the “Offshore Fund,” jointly with the Partnership, the “Funds”). The Funds intend to pursue their investment activities by investing all or a portion of their investable assets into a master fund (the “Master Fund”) of which PCO is the investment manager. An affiliate of PCO serves as the sponsor and general partner of the Onshore Fund and the Master Fund (the “General Partner”). PCO’s clients also include a separately managed account for a pooled investment vehicle, and may in the future include additional separate accounts (collectively, the “Separate Accounts”). The Funds, the Master Fund and Separate Accounts are jointly referred to herein as “Clients.”

The Clients’ investment objective is to generate an appropriate level of risk-adjusted return on capital regardless of market conditions. PCO will utilize a variety of investment strategies in order to generate investment returns, including but not limited to, the purchase and sale of securities based primarily upon fundamental factors such as valuation, earnings growth, cash flow, and dividend and interest income. In addition to the security specific fundamental factors listed, PCO will also consider global economic factors, relative valuation of various types of securities, and other supply and demand factors for various securities. PCO expects to utilize an opportunistic approach in order to take advantage of dislocations which occur from time to time in the marketplace. In addition to common stocks, the Clients may invest in a broad range of securities and other instruments including, without limitation, preferred stock, options (including covered and uncovered puts and calls and over-the-counter options), corporate debt, sovereign debt, publicly traded master limited partnerships (“MLPs”), real estate investment trusts (“REITs”), exchange traded funds (“ETFs”), convertible and non-convertible bonds, currencies, and money market instruments. While PCO does not believe that derivatives are central to achieving the Clients’ investment objectives, PCO may utilize derivatives when deemed appropriate, including but not limited to, total return swaps, credit default swaps, futures and forwards, options on futures and forwards or other derivative securities. PCO attempts to preserve capital and limit drawdowns through active risk management. Please see Item 8 below for a more detailed description of the investment strategies pursued by the Clients and applicable risk factors.

The Funds are offering interests (the “Interest(s)”) to certain qualified investors as described in response to Item 7, below (investors in the Funds or Separate Accounts, including prospective investors, are referred to herein as “Investors”).

C. Client Tailored Services and Client Imposed Restrictions

Advisory services are tailored to achieve the Clients' investment objectives. Separate Accounts are generally managed pari passu to the Master Fund or by any other mandate as may be agreed upon with a Separate Account Client. Currently PCO manages a Separate Account pari passu with the Master Fund that employs additional leverage beyond that of the Master Fund. Generally, PCO has the authority to select which and how many securities and other instruments to buy or sell without consultation with the Clients or their Investors.

D. Wrap Fee Programs

PCO does not participate in wrap fee programs.

E. Amounts Under Management

PCO manages the assets of the Clients and has the following assets under management:

Discretionary Amounts:	Non-Discretionary Amounts:	Date Calculated:
\$263,020,000	\$0	June 30, 2014

Item 5 – Fees and Compensation

A. Fee Schedule

The fees and compensation payable to PCO are negotiable and vary among its Clients. However, the range of compensation is generally as follows:

1. Management Fee

PCO typically receives an annual asset-based management fee calculated as a percentage of each Investor's capital account, payable quarterly in advance. The management fee is generally 1.5% (0.375% per quarter). From Separate Accounts, PCO generally receives management fees comparable to those paid by the Funds; however, fee structures are subject to negotiation and may vary from those paid by the Funds.

2. Incentive Allocation

PCO generally receives an incentive allocation equal to a percentage of the net income (including realized and unrealized gains and losses) allocated to each Investor for the year, but only to the extent net income allocated to that Investor exceeds any cumulative losses that were allocated to that Investor for earlier periods and that have not been recovered (a "high water mark"). This incentive allocation is generally 20% and is typically made at the end of each calendar year. From Separate Accounts, PCO generally receives performance fees comparable to those paid by the Funds; however, fee structures are subject to negotiation and may vary from those paid by the Funds.

The incentive allocation will only be charged to accounts of those Investors who are "qualified clients" as defined in Rule 205-3 of the Investment Advisers Act of 1940, as amended ("Advisers Act").

Fees and other compensation are negotiable in certain circumstances and arrangements with any particular Investor or Client may vary. Although PCO believes its fees are competitive, lower fees for comparable services may be available from other investment advisers.

B. Payment of Fees

Management fees, incentive allocations, and third-party fees (discussed below) are typically deducted from Client assets. Management fees, which are generally paid in advance, are withdrawn at the beginning of the quarter. Incentive allocations are allocated as of the last business day of the calendar year and as of any date on which an Investor makes a withdrawal or receives a distribution from such Investor's capital account(s). Arrangements with Separate Accounts may vary.

C. Third-Party Fees

The Client shall pay such costs and expenses as PCO shall reasonably determine to be necessary, appropriate, advisable or convenient to carry on its business and realize its objective, including but not limited to: (i) management fees; (ii) all general investment expenses (i.e., expenses which PCO reasonably determines to be directly related to the

investment of the Client's assets); (iii) all administrative, legal, accounting, auditing, record-keeping, tax form preparation, compliance and consulting costs and expenses; (iv) fees, costs and expenses of third-party service providers that provide such services; and, (v) any extraordinary expenses, among other expenses. Certain of these expenses may be paid by brokers via "soft dollars" as further described in Item 12 of this Brochure. Investors should refer to a Fund's offering and governing documents or a Separate Account investment management agreement (the "Constituent Documents") for a full disclosure of costs and expenses that may be borne by the Clients.

Please see Item 12 of this Brochure regarding brokerage.

D. Prepayment of Fees

Generally, PCO does not permit withdrawals on dates other than the last day of each calendar quarter. In the event that PCO makes an exception to this policy, it will not return the prepaid management fee for Interests held for less than a full quarter. Arrangements with Separate Accounts may vary.

E. Outside Compensation for the Sale of Securities

Neither PCO nor its supervised persons accepts compensation for the sale of securities or other investment products outside of its association with PCO.

The foregoing discussion in Items 5 represents PCO's basic compensation arrangements. The management fees and incentive allocations described above are structured to comply with Rule 205-3 under the Advisers Act and applicable state laws. Fees and other compensation are negotiable in certain circumstances and arrangements with any particular Investor may vary. Although PCO believes its fees are competitive, lower fees for comparable services may be available from other investment advisers.

Item 6 - Performance-Based Fees and Side-By-Side Management

As discussed in Item 5.A., PCO generally receives an incentive allocation equal to a percentage of the net income allocated to each Investor for the year. PCO may also receive similar incentive-based compensation with respect to Separate Accounts.

Differences in PCO's compensation arrangements with its Clients, particularly if some Clients were to pay higher performance-based compensation, could create incentives for PCO to manage Client portfolios so as to favor those portfolios of Clients paying higher performance-based compensation, as could PCO's affiliates ownership interest (e.g., as the general partner) in some Client accounts. Notwithstanding these conflicts, PCO will allocate transactions and opportunities among the various Client accounts it manages in a manner it believes to be as equitable as possible, considering each account's objectives, programs, limitations and capital available for investment, but even accounts with similar objectives may have different investment portfolios.

The incentive allocation may provide a possible incentive for PCO to make riskier or more speculative investments on behalf of a Client than it might make otherwise.

Notwithstanding this potential incentive, PCO will evaluate investments in a manner that it considers to be in the best interest of its Clients, given those Clients' investment objectives, investment strategies, suitability of the investment, and risk profile.

Item 7 – Types of Clients

PCO provides investment advice and management to the Funds and to a Separate Account for a pooled investment vehicle. PCO may in the future provide the same or similar services to other privately placed investment funds and/or separately managed accounts.

PCO intends to restrict the number of Investors in the Funds and will offer Interests only through non-public transactions in order to maintain the Funds' exclusion from "investment company" status under the Investment Company Act of 1940, as amended (the "Investment Company Act").

Prospective Investors in the Funds must meet eligibility criteria, and are subject to certain withdrawal requirements and limitations. Prospective Investors are encouraged to thoroughly review the applicable Constituent Documents which set forth all of the terms in detail. Though the Clients generally pursue the same strategy, offering terms may differ. Terms for Separate Accounts are generally similar to the Funds, but can be negotiated on a case by case basis and may differ from those of the Funds.

The Funds. Each Investor must be an "accredited investor" (as defined in Regulation D under the Securities Act of 1933), a "qualified purchaser" (as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended), and must meet other criteria as specified in the Constituent Documents. The minimum initial investment is \$1,000,000, and the minimum additional investment is \$25,000, subject to waiver at the discretion of PCO.

Separate Accounts. Generally, similar terms will apply to Separate Accounts, though such Separate Accounts may have terms that differ or are more favorable than those for the Funds. PCO generally requires a minimum of \$75 million to open an individually managed account but may waive this minimum.

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

A. Methods of Analysis

PCO employs a fundamentally driven research orientation combined with an opportunistic approach as a means toward identifying investments. PCO will seek to identify investment opportunities in numerous ways, including but not limited to, news flow, industry publications and research, changing economic factors, changing company valuations, company specific financial information, industry contacts, as well as technology, such as screening tools to identify companies displaying various financial characteristics.

B. Investment Strategies

The Clients' investment objective is to generate an appropriate level of risk-adjusted return on capital regardless of market conditions. PCO will utilize a variety of investment

strategies in order to generate investment returns, including but not limited to, the purchase and sale of securities based primarily upon fundamental factors such as valuation, earnings growth, cash flow, and dividend and interest income. In addition to the security specific fundamental factors listed, PCO will also consider global economic factors, relative valuation of various types of securities, and other supply and demand factors for various securities. PCO expects to utilize an opportunistic approach in order to take advantage of dislocations which occur from time to time in the marketplace. In addition to common stocks, the Clients may invest in a broad range of securities and other instruments including, without limitation, preferred stock, options (including covered and uncovered puts and calls and over-the-counter options), corporate debt, sovereign debt, publicly traded MLPs, REITs, ETFs, convertible and non-convertible bonds, currencies, and money market instruments. While PCO does not believe that derivatives are central to achieving the Clients' investment objectives, PCO may utilize derivatives when deemed appropriate, including but not limited to, total return swaps, credit default swaps, futures and forwards, options on futures and forwards or other derivative securities. PCO attempts to preserve capital and limit drawdowns through active risk management.

C. Risks of Investments and Strategies Utilized

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

Investment and trading risk factors may include:

General Risks of Investment with PCO. The investment strategies summarized above represent PCO's current intentions, are general in nature and are not exhaustive. There are no limits on the types of securities in which PCO may take positions on behalf of its Clients, the types of positions it may take, the concentration of its investments or the amount of leverage that it may use. PCO may use any trading or investment technique, whether or not contemplated by the expected investment strategies described above. In addition, there are limitations in describing any investment strategy due to its complexity, confidentiality and indefinite nature. Depending on conditions and trends in securities markets and the economy generally, PCO may pursue any objectives or use any technique that it considers appropriate and in the interest of its Clients. Client accounts may not achieve their investment objectives. An account strategy may not be successful and investors may lose some or all of their investment.

General Investment and Trading Risks. Clients may invest in securities and other financial instruments using strategies and investment techniques with significant risk characteristics. The investment program utilizes such investment techniques as option transactions, margin transactions, short sales, forwards, leverage and derivatives trading, the use of which can, in certain circumstances, maximize the adverse impact to which a client may be subject.

Equity-Related Securities. Prices of common stock are subject to industry and market conditions, economic conditions of the issuer, as well as numerous other factors and may fluctuate widely. Investments related to the value of stocks may rise and fall based on an issuer's actual and anticipated earnings, changes in management, the potential for takeovers and acquisitions, and other economic factors. Similarly the value of other equity-related securities, including preferred stock, warrants and options may also vary widely.

Small- and Mid-Cap Risks. Securities of small-cap issuers may present greater risks than those of large-cap issuers. For example, some small- and mid-cap issuers often have limited product lines, markets, or financial resources. They may be subject to high volatility in revenues, expenses and earnings. Their securities may be thinly traded, may be followed by fewer investment research analysts and may be subject to wider price swings and thus may create a greater chance of loss than when investing in securities of larger-cap issuers. The market prices of securities of small- and mid-cap issuers generally are more sensitive to changes in earnings expectations, to corporate developments and to market rumors than are the market prices of large-cap issuers.

Commodities and Derivative Investments. The prices of commodities contracts and derivative instruments, including futures and options, are highly volatile. Payments made pursuant to swap agreements may also be highly volatile. Price movements of commodities, futures and 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 futures, options and swap agreements also depends upon the price of the commodities underlying them. In addition, client assets are also subject to the risk of the failure of any of the exchanges on which its positions trade or of its clearinghouses or counterparties.

Exchange Traded Funds. ETFs are a type of index fund bought and sold on a securities exchange. The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although lack of liquidity in an ETF could result in it being more volatile and ETFs have management fees that increase their costs. ETFs are also subject to other risks, including: (i) the risk that their prices may not correlate perfectly with changes in the underlying index; and (ii) the risk of possible trading halts due to market conditions or other reasons that, in the view of the exchange upon which an ETF trades, would make trading in the ETF inadvisable.

MLP Risk. Risks of investing in MLPs include risks related to limited control and limited rights to vote on matters affecting the MLP, risks related to potential conflicts of interest between the MLP and the MLP's general partner, cash flow risks, dilution risks and risks related to the general partner's right to require unit holders to sell their common units at an undesirable time or price. MLP common units, like other equity securities, can be affected by macro-economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards an issuer or certain market sector, changes in a particular issuer's financial condition, or unfavorable or unanticipated poor performance of a particular issuer. Prices of common units of individual MLPs, like the prices of other equity securities, also can be affected by fundamentals unique to the partnership or company, including earnings power and coverage ratios. A change in current tax law, or a change in the underlying business mix of a given MLP, could result in an MLP being treated as a corporation for U.S. federal income tax purposes, which would result in such MLP being required to pay U.S. federal income tax on its taxable income.

REIT Risk. Risks of investing in REITs include risks of adverse developments affecting the real estate industry and real property values, interest rate risk, as well as risks of REIT ownership. Investment in real estate is highly sensitive to general and local economic conditions and developments. Rising interest rates may cause investors to demand a high annual yield from future distributions that, in turn, could decrease the market prices for

such REITs. In addition, rising interest rates also increase the costs of obtaining financing for real estate projects. Risks of investing in REIT preferred stock include the risk that the issuer may defer or omit distributions for a certain period of time, which may subject the Fund to certain adverse tax consequences. Preferred stock may be less liquid than many other securities, such as common stocks, may be subordinated to other securities and generally offer no voting rights with respect to the issuer. Certain REITs may be subject to special U.S. federal tax requirements and a REIT that fails to comply with such tax requirements may be subject to U.S. federal income taxation, which may affect the value of the REIT and the characterization of the REIT's distributions.

Credit Default Swaps. A credit default swap is a contract between two parties which transfers the risk of loss if a company fails to pay principal or interest on time or files for bankruptcy. Swap transactions dependent upon credit events are priced incorporating many variables including the pricing and volatility of the common stock, potential loss upon default and the shape of the U.S. Treasury Market curve, among other factors. As such, there are many factors upon which market participants may have divergent views.

Convertible Securities. The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the investment value of convertible securities. The conversion value of a convertible security is determined by the market price of the underlying common stock. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security is called for redemption, a client will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third-party. Any of these actions could have an adverse effect on the client's ability to achieve its investment objective.

Special Situations. Investment in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions involves the risk that the contemplated transaction will either be unsuccessful, take considerable time or result in a distribution of cash or a new security the value of which will be less than the purchase price of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the investor may be required to sell its investment at a loss.

Highly Volatile Markets. The prices of financial instruments can be highly volatile. Price movements of forward and other derivative contracts 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. Clients are also subject to the risk of failure of any of the exchanges on which their positions trade or of its clearinghouses.

Net Cash. In the event Clients hold a portion of their portfolio in cash and cash equivalents, such Client's investment results may underperform market indices, or a portfolio which is 100% invested without any net cash holdings.

Use of Leverage and Financing. A client may pledge its securities in order to borrow additional funds for investment purposes. Any event which adversely affects the value of an investment by the client would be magnified to the extent the client is leveraged. The cumulative effect of the use of leverage by a client in a market that moves adversely to the client's investments could result in a substantial loss that would be greater than if the client were not leveraged.

Hedging Transactions. While a client may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the client than if it had not engaged in any such hedging transactions. For a variety of reasons, PCO may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent a client from achieving the intended hedge or expose the client to risk of loss.

Derivatives and Hedging. Derivatives are financial instruments or arrangements in which the risk and return are related to changes in the value of other assets, reference rates or indices. A client's ability to profit or avoid risk through investment or trading in derivatives will depend on PCO's ability to anticipate changes in the underlying assets, reference rates or indices.

Short Selling. Short selling involves selling securities which are not owned and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the client of buying those securities to cover the short position. There can be no assurance that the securities necessary to cover a short position are available for purchase at or near prices quoted in the market. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Limited Diversification. Investments may be primarily focused geographically in North American countries. Furthermore, broad diversification of investments in number or by industry or geography is not a primary investment of PCO. This limited diversity could expose clients to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in those investments.

Non-U.S. Securities. Investments in securities of non-U.S. issuers pose a range of potential risks which could include expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, political or social instability, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding securities of non-U.S. issuers, and non-U.S. issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. issuers.

Illiquid Investments. Securities and other assets, may be subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such investments tend to be volatile and may not be readily ascertainable, and a client may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale.

Currency. In the event Clients invest a portion of its assets in instruments denominated in currencies other than the U.S. dollar, the price of which is determined with reference to currencies other than the U.S. dollar. Client accounts will, however, be valued in U.S. dollars. To the extent unhedged, the value of the assets will fluctuate with U.S. dollar exchange rates as well as the price changes of investments in the various local markets and currencies. Thus, an increase in the value of the U.S. dollar compared to the other currencies will reduce, all other economic factors being constant, the effect of increases and magnify the effect of decreases in the prices of the account's securities in their local markets. Conversely, a decrease in the value of the U.S. dollar will have the opposite effect on non-U.S. dollar securities.

Stock Index Futures. Using stock index futures for hedging involves several risks. Price movement in the stock index and price movements in the Securities that are the subject of the hedge do not always correlate. Positions in futures contracts may be closed out only on the exchange on which they were entered into or through a linked exchange, and there is no secondary market for those contracts. In addition, there may be no active market for the contracts at any particular time. Some exchanges do not permit trading in particular contracts at prices that fluctuate more than a set limit in any day and it may not be possible to liquidate unfavorable positions promptly.

Counterparty Risk. Transactions are may be affected in "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. While PCO will attempt to mitigate these potential risks, the Clients may bear 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 Clients to suffer a loss.

More information about the Client's investments and the associated risk factors is available in the Constituent Documents.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment with PCO. Prospective Investors and Clients should read the entire Brochure as well the Constituent Documents, other materials that may be provided by PCO and consult with their own advisers prior to engaging PCO's services.

Item 9 – Disciplinary Information

PCO and its management persons have not been a party to any reportable legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

A. Registration as a Broker-Dealer or Broker-Dealer Representative

Neither PCO nor its management persons are registered as a broker-dealer or broker-dealer representative.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither PCO nor its management persons are registered as futures commission merchant, commodity pool operator, or a commodity trading advisor. PCO is exempt from registration with the Commodity Futures Trading Commission as a commodity pool operator and commodity trade adviser and has filed applicable exemptions with the National Futures Association.

C. Relationships Material to this Advisory Business and Possible Conflicts of Interest

As noted in Item 4 (Advisory Business) above, an affiliate of PCO (i.e., the General Partner) serves in a general partner capacity of the Onshore Fund and the Master Fund. In reliance on the SEC's no action letter to the American Bar Association dated January 18, 2012, the General Partner is relying on PCO's registration with the SEC. There are no other relationships or arrangements that are material to this advisory business.

D. Selection of Other Advisors or Managers

PCO does not utilize nor select other advisors or third party managers. All assets are managed by PCO.

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

A. Code of Ethics

PCO has adopted certain policies and procedures that constitute PCO's code of ethics (the "Code") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended. The Code governs the activities of each employee, officer, member or manager of PCO (collectively, "Employees"). PCO holds its Employees to a high standard of integrity and business practices that reflects its fiduciary duty to the Clients. In serving its Clients, PCO strives to avoid conflicts of interest or the appearance of conflicts of interest in connection with the personal trading activities of its Employees and Client securities transactions. When persons covered by the Code engage in personal securities transactions, they must adhere to the following general principles as well as to the Code's specific provisions: (a) at all times the interests of Client must be paramount; (b) personal transactions must be conducted consistent with the Code in manner that avoids any actual or potential conflict of interest; and (c) no inappropriate advantage should be taken of any position of trust and responsibility. Employees covered by the Code have certain trading restrictions and reporting obligations of their personal securities transactions. Each Employee is provided with a copy of the Code and must annually certify that they have received it and have complied with its provisions. In addition, any Employee who becomes aware of any potential violation of the Code is obligated to report the potential violation to the Chief Compliance Officer.

PCO will provide a copy of its Code of Ethics to Clients and prospective Clients upon request. Such a request may be made by submitting a written request to PCO at the address on the cover page to this Brochure.

B. Recommendations Involving Material Financial Interests

Neither PCO nor its related persons recommends to Clients, or buys or sells for Client accounts, securities in which PCO or a related person has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

PCO, its Employees and/or the related persons may also personally buy or sell the same instruments that PCO buys or sells for Client accounts, and it or they may own securities, or options on securities, of issuers whose securities are subsequently bought for Client accounts because of PCO's recommendations regarding a particular security. PCO's policy as to such transactions is that all personal trading must be done in a manner that does not conflict with the interests of any Client. PCO addresses these conflicts by requiring employees to sign and adhere to PCO's Code of Ethics and to report personal securities holdings and transactions to PCO.

D. Trading Securities At/Around the Same Time as Clients' Securities

As discussed above, from time to time, PCO, its Employees, or related persons of PCO may buy or sell securities for themselves that PCO also recommends to the Client. PCO will always document any transactions that could be construed as conflicts of interest and will always transact Client business before the business of its Employees and/or related persons when similar securities are being bought or sold.

Item 12 – Brokerage Practices

A. Factors Used to Select or Recommending Broker-Dealers

PCO will always have discretion as to the placement of brokerage (and accordingly, the commission rates paid). In selecting brokers to effect portfolio transactions, PCO considers such factors as price, quality of execution, expertise in particular markets, the ability of the brokers to effect the transactions, the brokers' facilities, reliability, reputation, experience, financial responsibility in particular markets, familiarity both with investment practices generally and techniques employed by clients and certain brokerage or research services ("soft dollar items") provided by such brokers and clearing and settlement capabilities, subject at all times to principles of best execution, in accordance with PCO's policies and procedures. In selecting broker/dealers to execute transactions, PCO need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. PCO believes that the broker-dealers that it recommends provide competitive transaction and custody costs, helping clients to eliminate or control costs and optimize the custodial structure to the benefit of account holders. When possible, PCO seeks to pre-negotiate preferred terms for its clients providing clients with the benefits associated with the economy of scale and custodial knowledge of the firm.

PCO may select a broker to act as a "trading broker" for a Client. In such cases, PCO or the trading broker may select the executing broker, and the trading broker would then place or manage the order. The trading broker is compensated (through commissions or otherwise) for this trading service in addition to the commissions paid to the executing brokers. As with all soft dollar arrangements, using a trading broker in this manner causes the Client to

pay brokerage commissions, mark-ups and other transactions fees that are higher than might otherwise be paid if brokers were selected solely based on lowest execution cost. In addition, using a trading broker (rather than an employee of PCO) to provide those services may allow PCO to reduce its own personnel expenses.

Certain brokers utilized by PCO may provide general assistance to PCO, including, but not limited to technical support, consulting services, and consulting services related to staffing needs. In selecting a broker, PCO may consider the broker's general assistance and consulting services. To the extent PCO would otherwise be obligated to pay for such assistance, it has a conflict of interest in considering those services when selecting a broker.

1. Research and Other Soft Dollar Benefits

PCO may effect transactions with broker-dealers who provide research services (collectively, "soft-dollar items") to PCO that assist PCO in making investment and trading decisions on behalf of its Clients. The negotiated commissions paid to broker-dealers supplying soft-dollar items may not represent the lowest obtainable commission rates. In any such arrangement, the amount of the commission paid must be reasonable in relation to the value of the brokerage and soft-dollar items provided by the broker-dealer, viewed in terms of either the particular transaction or PCO's overall responsibilities with respect to its Clients. PCO intends to comply with the soft-dollar "safe harbor" afforded by Section 28(e) under the Securities Exchange Act of 1934, as amended.

When PCO uses Client brokerage commissions to obtain soft-dollar items, it receives a benefit because it does not have to produce or pay for such soft-dollar items. However, PCO believes that such soft dollar items may provide the Clients with benefits by supplementing the research and services otherwise available to the Clients. In addition, the research and other benefits resulting from a brokerage relationship benefit all Client accounts or PCO's operations as a whole, including any Client accounts that direct PCO to use a broker that does not provide soft dollar benefits.

PCO may have an incentive to select or recommend a broker-dealer based on its interest in receiving the soft-dollar items, rather than on the Client's interest in receiving most favorable execution. PCO periodically evaluates the execution services PCO receives from its brokers to ensure that any potential conflicts of interests are resolved, considering among other things, alternative brokers, the quality of execution services, the desirability of continuing with various soft dollar services and the desirability of adding or removing brokers and increasing or decreasing targets for each broker (based on PCO's assessment of the value that each broker adds to the Client accounts) and the appropriate level of commission rates.

To the extent that PCO does engage in such "soft dollar" arrangements, the Client may be charged a brokerage commission in excess of that which another broker might charge for effecting the same transaction if PCO determines in good faith that such commission is reasonable in relation to the value of the brokerage, research, other services and soft dollar relationships provided by that broker, viewed in terms of either the specific transaction or PCO's overall responsibilities to the portfolios over which PCO exercises investment authority. PCO may receive soft dollar credits based on principal, as well as agency, securities transactions with brokerage firms.

Within the last fiscal year, PCO used “soft-dollars” to receive broker-dealer and independent research firm research reports, company financial data, economic data, and market data.

A broker from which PCO obtains soft dollar services generally establishes “credits” based on past transactional business (including markups and markdowns on principal transactions), which may be used to pay for specified expenses. In some cases the process is less formal and a broker simply may suggest a level of future business that would fully compensate the broker for services or products it provides. PCO monitors the soft dollar services provided to ensure that appropriate transactions are executed with a soft dollar provider.

2. Brokerage for Client Referrals

In selecting broker dealers PCO may consider the broker-dealer’s referrals of prospective Client accounts or Investors. PCO may place Client portfolio transactions with firms who have made such referrals or provided capital introduction opportunities if PCO determines that the selection of such broker-dealer is otherwise consistent with the principles of best execution, in accordance with PCO’s policies and procedures. To the extent that PCO would otherwise be obligated to pay for “finding” services, it has a conflict of interest in considering those services when selecting a broker-dealer. PCO also faces a conflict because it benefits from increases in the size of its assets under management.

3. Directed Brokerage

PCO does not direct brokerage. Securities transactions are executed by brokers selected by PCO in its discretion and without the consent of the Client or its Investors. PCO may enter into directed brokerage arrangements in its discretion.

B. Aggregating Trading for Multiple Client Accounts

PCO may (but is not required to) combine orders on behalf of one Client account with orders for other Client accounts to which it provides investment advisory services. PCO may aggregate orders for Client accounts if it believes that aggregation is in the overall best interest of the Client accounts that participate in the aggregated order. To ensure that no Client account is disadvantaged as a result of such aggregation, the Firm has adopted the following policies and procedures:

1. Best Execution/Client Agreements. PCO will not aggregate securities transactions for Client accounts, unless it believes that aggregation is consistent with its duty to seek best execution for Client accounts and is consistent with the applicable agreements of the Client accounts for which PCO aggregates securities transactions.

2. No Favoritism. No Client account is favored over any other Client account, and each Client account that participates in an aggregated securities transaction participates at the average share price for all transactions in the security for which that aggregated order is placed on the day that such aggregated order is placed. Subject to minimum ticket charges, transaction costs are shared in proportion to Client accounts’ participation.

3. Pre-Trade Allocations. Before entering an aggregated securities transaction, PCO prepares a written pre-allocation statement specifying the participating

Client accounts and how PCO intends to allocate the transaction among those Client accounts. If an investment opportunity arises unexpectedly and PCO is unable to prepare a pre-allocation statement before the investment can be made in Client accounts' best interests, PCO may complete the pre-allocation statement immediately after the trade.

4. Re-Allocation of Partially Filled Orders. If an aggregated securities transaction is filled in its entirety, it is allocated among Client accounts in accordance with the pre-allocation statement. If the order is partially filled, it is allocated in proportion to the allocations in the allocation statement.

5. Approval of Re-Allocation. The allocation of a completed securities transaction may differ from the pre-allocation statement, if all Client accounts receive fair and equitable treatment over time and if the reason for the difference is explained in writing and is approved in writing by the Chief Compliance Officer no later than one hour after the markets open on the trading day following the day the order is executed.

6. Recordkeeping. PCO's books and records separately reflect, for each Client account participating in any aggregated securities transaction, the securities held by or bought or sold for that Client account.

7. Custody of Client Accounts. Funds and securities of Client accounts participating in an aggregated securities transaction are deposited with the custodian for each such Client account, and neither cash nor securities belonging to any Client account participating in such transaction is held collectively any longer than is necessary to settle the transaction on a delivery versus payment basis, cash or securities held collectively for Client accounts participating in such transaction are delivered to the custodian for each such Client account as soon as practicable following settlement.

8. Compensation. PCO receives no additional compensation or remuneration of any kind as a result of aggregating securities transactions for Client accounts.

9. Individual Advice. Individual investment advice and treatment are accorded by PCO to each Client account.

10. Annual Review. The Chief Compliance Officer annually reviews PCO's aggregation procedures to ensure that they are adequate to prevent any Client account from being systematically disadvantaged as a result of the aggregation of securities transactions.

11. No Proprietary Accounts. No proprietary accounts of PCO may be included in any aggregated securities transaction.

Item 13 – Review of Accounts

A. Frequency and Nature of Periodic Review and Who Makes Those Reviews

PCO reviews Client accounts on a weekly basis to ensure consistency with the Client's strategy and performance objectives. Asset allocation, cash management, market prospects

and individual issue prospects are considered. The reviews are conducted by the operations staff.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may take place more frequently if triggered by economic, market, or political conditions.

C. Content and Frequency of Regular Reports

Investors will generally receive unaudited reports of performance monthly and will receive audited year-end financial statements annually. Arrangements with Separate Accounts may vary.

Item 14 – Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties

PCO does not receive any economic benefit, directly or indirectly from any third party for advice rendered to the Client.

B. Compensation to Non-Advisory Personnel for Client Referrals

Currently, neither PCO nor its related persons directly or indirectly compensates any person who is not advisory personnel for Client referrals. If in the future PCO enters into such arrangements, this Brochure will be appropriately amended.

Item 15 – Custody

SEC rules provide that, because PCO and/or its related persons are the general partner of one or more of the Funds and have authority to obtain Client funds, for example, by deducting fees or otherwise withdrawing funds from a Client's account, PCO or its related persons are considered to have "custody" of those Funds' assets, even though independent custodians (Prime Brokers) actually hold those assets. PCO satisfies the SEC's custody requirements by holding Fund assets with a qualified custodian and providing Investors with audited financial statements by a specified time each year. PCO generally does not have custody of assets for Separate Account Clients.

Item 16 – Investment Discretion

The Constituent Documents generally authorize PCO to invest and trade the Clients' assets in a broad range of investments, to be selected at PCO's sole discretion, with no specific limitations as to type, amount, concentration, or leverage. Further, PCO may enter into any type of investment transaction and employ any investment methodology or strategy it deems appropriate.

Pursuant to the Funds' governing documents and investment management agreements between PCO and the Funds (or with Investors in Separate Accounts), each Investor

designates PCO as its attorney-in-fact to execute, certify, acknowledge, file, record and swear to all instruments, agreements and documents necessary or advisable to carrying out the Clients' business and affairs, including execution of the Clients' governing documents. An Investor's execution of a Fund's subscription agreement constitutes its execution of a Fund's Governing Documents.

Item 17 – Voting Client Securities

PCO exercises voting authority over Client proxies and has adopted proxy voting policies and procedures in accordance with Rule 206(4)-6 of the Investment Advisers Act of 1940, as amended. The policies require PCO to vote proxies received in a manner consistent with the best interests of the Client.

The policies also require PCO to vote proxies in a prudent and diligent manner intended to enhance the economic value of the assets of the Clients. However, the policies permit PCO to abstain from voting proxies when it believes that it is appropriate. Usually this occurs when PCO believes that a proposal holds negative but non-quantifiable implications for shareholder value but may express a legitimate concern.

Certain of PCO's proxy voting guidelines are summarized below:

- PCO votes for: proposals that would have a positive economic effect on shareholder value; proposals that pose no threat to existing rights of shareholders; dilution, if any, is warranted by benefits of the proposal; and if the proposal would not limit or impair the accountability of management and the board of directors to shareholders.
- PCO votes against proposals that would: have an adverse economic effect on shareholder value; limit the rights of shareholders in a manner or to an extent that is not warranted by the benefits of the proposal; cause significant dilution of shares that is not warranted by benefits of the proposal; would limit or impair accountability of management or the board of directors to shareholders; or if the proposal is a shareholder initiative that PCO believes wastes time and resources of the company or reflects the grievance of one individual.

Where a proxy proposal raises a material conflict between PCO's interests and the interests of the Clients, PCO will seek to resolve the conflict in the best interest of the Clients.

Clients may obtain a copy of PCO's complete proxy voting policies and procedures upon request. Clients may also obtain information from PCO about how PCO voted any proxies on behalf of their account(s).

Item 18 – Financial Information

PCO has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy petition.

A. Balance Sheet

PCO does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this Brochure.

B. Financial Condition

PCO has discretionary authority over the Client's assets. At this time, neither PCO nor its management persons have any financial conditions that are likely to reasonably impair its ability to meet contractual commitments to Clients.

C. Bankruptcy Petitions in Previous Years

PCO has not been the subject of a bankruptcy petition in the last ten years.

Item 19 – Requirements for State-Registered Advisers

Not applicable.