

Item 1 – Cover Page



Old Orchard Capital Management LP

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This brochure (the “Brochure”) provides information about the qualifications and business practices of Old Orchard Capital Management LP. If you have any questions about the contents of this brochure, please contact us at 212-848-0854. 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.

Old Orchard Capital Management LP is an SEC-registered investment adviser. Registration of an investment adviser with the SEC or with any state securities authority does not imply a certain level of skill or training. Additional information about Old Orchard Capital Management LP is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Not applicable.

Item 3 – Table of Contents

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Item 4 – Advisory Business

Old Orchard Capital Management LP (“Old Orchard”) is a Delaware limited partnership which was formed on January 14, 2014 and is managed by the two managing members of Old Orchard Capital Management GP LLC (the general partner of Old Orchard), Ross Jackman and Lawrence R. Fox. Old Orchard is seeking to commence business soon after the effectiveness of its registration as an investment adviser.

Old Orchard acts as a discretionary investment adviser to a US private investment vehicle (the “Fund”) which is sponsored by a related entity, Old Orchard Capital GP LLC (“General Partner”). Old Orchard may manage additional private investment vehicles in the future (together with the Fund, the “Funds”). Old Orchard also advises institutional investors and high net worth individuals through separate accounts (the “Separate Accounts” and together with the Funds, “Accounts”) that will, in most cases, follow similar investment strategies to the Fund.

The terms for each Account are disclosed in detail in the relevant Account’s governing documents that are provided to prospective investors prior to investment. Each Account is managed in accordance with the investment objectives, strategies and guidelines and the terms and conditions of investment, set out in their respective private placement memoranda, organizational, governing, investment advisory and other related documents (together, the “Governing Documents”). A prospective Separate Account holder or Fund Investor must consider whether an Account is an appropriate investment, including with respect to such person’s investment objectives and risk tolerance.

Old Orchard neither tailors its advisory services to the individual needs of investors in the Funds (each, a “Fund Investor”) nor accepts Fund Investor-imposed investment restrictions with respect to the Funds. Old Orchard may take into consideration the general characteristics of its target Fund Investors, but not necessarily the characteristics of any specific Fund Investor. An investment in a Fund does not, in and of itself, create a client-adviser relationship between any Fund Investor and Old Orchard.

Old Orchard’s investment strategy revolves around a disciplined credit analysis process and is based on the belief that a thorough understanding of credit markets is essential to generating positive absolute returns. Old Orchard will apply its substantial experience in analyzing and assessing credit instruments, particularly taxable and tax-exempt municipal bonds, in order to capitalize on market imbalances and other mispriced opportunities.

Old Orchard may invest in a wide range of financial instruments, including, without limitation: investment grade and high yield bonds; municipal and sovereign securities; distressed securities; leveraged loans; secured bank debt (first and second lien); subordinate bank debt; mezzanine securities; equity securities (including the equities of public and private issuers, listed and unlisted equities, U.S. and non-U.S. equities, ADRs and preferred stock); convertible securities; collateralized obligations (such as collateralized loan obligations (“CLOs”), collateralized bond obligations (“CBOs”) and collateralized debt obligations (“CDOs”)); options; warrants; when-issued securities; leases; and credit and other derivatives, such as swaps, forward contracts and futures. Investments may also include performing and non-performing real estate assets, including mortgage loans and mortgage-backed securities and asset-

backed securities as well as other assets, businesses or other types of financial claims that Old Orchard perceives as compelling investment prospects. Old Orchard may also participate in the origination of loans. There are no limitations on the types of assets, securities, futures or other financial instruments or jurisdictions in which Old Orchard may invest on behalf of the Fund and the Separate Accounts in seeking to achieve their respective investment objectives or on the percentage of their assets that may be invested in any single type of asset, security, investment or jurisdiction.

However, it is expected that, at least initially, a significant majority of the Fund's portfolio and that of the Separate Accounts will be invested in taxable and tax-exempt municipal bonds. In this regard, it should be noted that Old Orchard follows an investment strategy that is opportunistic and does not establish fixed guidelines regarding instruments in which it will invest and at any given time, an Account's assets could be concentrated in other securities or asset classes that Old Orchard believes offer an optimal opportunity for capital appreciation.

Old Orchard expects, where appropriate and feasible, to hedge its credit, currency, interest rate, corporate and market exposures. Investments may also include short-term investments, asset-backed and non-asset-backed commercial paper, U.S. Government securities, money market funds, certificates of deposit and bankers' acceptances.

Separate Accounts

The Separate Accounts will be managed on a fully discretionary basis.

Old Orchard will enter into an advisory agreement with the account owner pursuant to which Old Orchard will construct and manage the assets in the Separate Account on a discretionary basis.

Old Orchard may agree to tailor advisory services to the individual needs of each Separate Account based upon the terms of the investment advisory agreements. Old Orchard expects that Separate Accounts will, in most cases, follow investment strategies similar to the Fund as described above.

Assets under Management

As of April 15, 2014, Old Orchard does not currently have any assets under management.

Item 5 - Fees and Compensation

The Fund

Pursuant to the Fund's Governing Documents, the Fund will pay Old Orchard a management fee and a performance allocation, if earned. The amount of the management fee and the calculation of the performance allocation are set forth in the Fund's Governing Documents. The management fee will be pro-rated for partial periods.

Old Orchard may, in its sole discretion, waive or reduce the management fee or performance allocation with regard to Fund Investors that are partners or employees of Old Orchard, relatives of such persons and for certain strategic investors without notice to or the consent of any other Fund Investor.

As more fully set out in the Governing Documents of the Fund, the Fund will bear its own operating expenses, including, but not limited to, investment expenses; the fees of the administrator and the custodian; accounting, audit, tax preparation, administration and legal expenses; government filing, licensing and registration fees; costs of holding any meetings of the partners of the Fund; costs of any liability insurance obtained on behalf of the Fund, the General Partner or Old Orchard; taxes; costs of any litigation or investigation involving Fund activities; costs associated with reporting and providing information to existing and prospective investors; other expenses associated with the operation of the Fund; and all extraordinary expenses.

Fees and expenses are deducted directly from the Fund or the capital accounts of the Fund Investors in accordance with the Fund's Governing Documents.

Separate Accounts

The Governing Documents for each Separate Account will specify the fees payable to Old Orchard which may include management and/or performance-based fees. Any management fee will be pro-rated for partial periods in accordance with the Governing Documents of the Separate Account. The Governing Documents for each Separate Account will specify how the fees will be paid, however Old Orchard anticipates that fees will be either deducted from the Separate Accounts or Old Orchard will invoice the Separate Accounts.

See Item 6 for discussion of potential conflicts of interest associated with the performance-based compensation received by Old Orchard or its affiliates.

It is critical that Account holders and Fund Investors refer to the relevant Account's Governing Documents for a complete understanding of how Old Orchard is compensated for its advisory services. The information contained in this Item 5 is a summary only and is qualified in its entirety by the relevant Account's Governing Documents.

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

As described in Item 5, Old Orchard receives performance-based fees and allocations and as such this may create an incentive for Old Orchard to make investments on behalf of Accounts that are riskier and more speculative than would be the case in the absence of such compensation arrangements or to direct investments in favor of Accounts whereby it receives a higher performance fee. Performance-based compensation could be based on unrealized gains that an Account may never realize.

The management fee and the performance-based compensation both depend on the value of the Account's investments. Old Orchard may value investments of the Accounts in certain circumstances as permitted by an Account's Governing Documents. As a result, Old Orchard may benefit by receiving a management fee or performance-based compensation that is increased by the impact, if any, of such valuation. Even where a security is accurately valued, an Account may not ultimately realize the value upon which a performance-based allocation was charged upon its ultimate sale due to subsequent market movements. Absent bad faith or manifest error, Old Orchard's valuation determinations are conclusive and binding on all Account holders and Fund Investors.

Additionally, where a Fund Investor purchases or withdraws or redeems interests or shares in a Fund at a net asset value that is impacted by a discrepancy in valuation, such Fund Investor may receive a greater or lesser interest in (or increased or decreased withdrawal or redemption proceeds from) such Fund than would have been the case absent the discrepancy. Similarly, existing and continuing Fund Investors may be subject to dilution or accretion. While the Funds do not generally seek to invest in illiquid securities, a portion of the assets in which the Funds invest may, at any time or from time to time, be illiquid, thinly traded or otherwise difficult to value. As a result, Old Orchard has established valuation policies and procedures to mitigate the conflicts and potential for material pricing discrepancies in respect of Fund assets and to assure that assets are valued in good faith. Under these procedures, assets held by or on behalf of a Fund are valued as described in the relevant Fund's Governing Documents or, in the absence of specific and stated valuation procedures, at fair or market value.

Old Orchard has adopted and implemented policies and procedures intended to address the conflicts of interest relating to the management of multiple accounts, including conflicts pertaining to those accounts with differing fee arrangements and/or where the allocation of limited investment opportunities may preclude a pro rata distribution of the same. Old Orchard maintains policies and procedures containing guidelines for circumstances in which an investment opportunity may be allocated across multiple Accounts on a basis other than pro rata. Old Orchard allocates trades in a manner that seeks to ensure that all accounts with substantially similar investment objectives are treated equitably over time. The performance of Accounts with similar strategies is regularly evaluated to determine whether there are any unexplained material discrepancies or dispersion of performance. In addition the allocation of investment opportunities across Accounts with a similar strategy generally is done pro rata based on the asset size of each Account subject to mandated restrictions, if any.

Item 7 - Types of Clients

Old Orchard provides investment advisory services to the Fund and to Separate Accounts. The Fund Investors and the Separate Account holders are expected to be institutional investors, funds of funds and high net worth individuals. Old Orchard will generally require that a Separate Account is opened

with a minimum of US\$25 million. The minimum initial investment for each Fund is disclosed in the Fund's Governing Documents. Minimum thresholds may be waived by Old Orchard on a case-by-case basis in accordance with the Governing Documents and applicable law.

In addition to the minimum subscription amount, Fund Investors must also meet a Fund's eligibility requirements which generally require a Fund Investor to qualify as an "accredited investor" as defined in Rule 501 under Regulation D under the Securities Act of 1933, as amended and a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended. Fund Investors also need to meet additional requirements set forth in a Fund's Governing Documents, including the subscription agreement.

This Brochure may be provided to current or prospective Fund Investors or Account holders, together with the Account's Governing Documents, prior to or in connection with such prospective investor's consideration or execution of an investment in an Account, and may subsequently be provided periodically to a Account holder or Fund Investor. Investors and other recipients should be aware that while this Brochure may include information about the Accounts, as necessary or appropriate, it should not be considered to represent a complete discussion of the features, risks or conflicts associated with any Account. More complete information about the Accounts is included in the Governing Documents, which may be provided to current and eligible prospective investors only by Old Orchard or another authorized party.

In no event should this Brochure be considered to be an offer of interests or shares in a Fund or relied upon in determining whether to invest. It is also not an offer of, or agreement to provide, advisory services directly to any recipient. Rather, this Brochure is designed solely to provide information about Old Orchard for the purpose of compliance with certain obligations under the Investment Advisers Act of 1940, as amended ("Advisers Act"), and, as such, responds to relevant regulatory requirements under the Advisers Act, which may differ from the information provided in the Governing Documents. **To the extent that there is any conflict between discussions herein and similar or related discussions in any of the Governing Documents, the Governing Documents shall control.**

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

Investing in securities involves the risk of loss that Separate Account holders and Fund Investors should be prepared to bear. Separate Account holders and Fund Investors could lose some or all of their investment.

Investment Strategy

Old Orchard's investment strategy will revolve around a disciplined credit analysis process and is based on the belief that a thorough understanding of credit markets is essential to generating positive absolute returns. Old Orchard will apply its substantial experience in analyzing and assessing credit instruments, particularly taxable and tax-exempt municipal bonds, in order to capitalize on market imbalances and other mispriced opportunities.

In seeking to achieve an Account's investment objective and as permitted by the Account's Governing Documents, Old Orchard may invest in a wide range of financial instruments, including, without limitation: investment grade and high yield bonds; municipal and sovereign securities; distressed securities; leveraged loans; secured bank debt (first and second lien); subordinate bank debt; mezzanine securities; equity securities (including the equities of public and private issuers, listed and unlisted equities, U.S. and non-U.S. equities, ADRs and preferred stock); convertible securities; collateralized obligations (such as collateralized loan obligations ("CLOs"), collateralized bond obligations ("CBOs") and collateralized debt obligations ("CDOs")); options; warrants; when-issued securities; leases; and credit and other derivatives, such as swaps, forward contracts and futures. Investments may also include performing and non-performing real estate assets, including mortgage loans and mortgage-backed securities and asset-backed securities as well as other assets, businesses or other types of financial claims that Old Orchard perceives as compelling investment prospects. Old Orchard, on behalf of Accounts, may also participate in the origination of loans. There are no limitations on the types of assets, securities, futures or other financial instruments or jurisdictions in which Old Orchard may invest in seeking to achieve an Account's objective or on the percentage of an Account's assets that may be invested in any single type of asset, security, investment or jurisdiction.

Initially, it is expected that a significant majority of Account portfolios will be invested in taxable and tax-exempt municipal bonds. In this regard, it should be noted that Old Orchard, in managing Account assets, follows an investment strategy that is opportunistic. Consistent with this approach, Old Orchard does not establish fixed guidelines regarding instruments in which Accounts will invest and at any given time, Account assets could be concentrated in other securities or asset classes that Old Orchard believes offer an optimal opportunity for capital appreciation.

Old Orchard expects, where appropriate and feasible, to hedge Account credit, currency, interest rate, corporate and market exposures. Old Orchard is under no obligation, however, to hedge any of its

investments. Investments may also include short-term investments, asset-backed and non-asset-backed commercial paper, U.S. Government securities, money market funds, certificates of deposit and bankers' acceptances.

Old Orchard's investment program is speculative and entails substantial risks. There can be no assurance that these investment strategies will allow an Account to achieve its investment objective. In fact, the investment techniques which Old Orchard may employ from time to time can, in certain circumstances, substantially increase the adverse impact that market fluctuations have on investment portfolios. Accordingly, Old Orchard's activities could result in substantial losses under certain circumstances.

Leverage

Old Orchard, on behalf of the Accounts, has the power to borrow in accordance with the Account's Governing Documents, and may do so when deemed appropriate, including to enhance returns and manage cash flow. Leverage may take a variety of forms including, without limitation, through the use of derivative instruments with inherent leverage, trading on margin, short-term loans, long-term loans, convertible notes and repurchase arrangements. The amount of borrowing may vary depending on market conditions and investment opportunities, as well as the types of investments held and the total market value of such investments, and may be significant at times. Generally, there is no limit, cap or restriction on the amount of borrowing that an Account may use or the exposure the Account may have.

GENERAL RISKS

General Economic Conditions. There can be no assurance of the state of the equity and credit markets going forward. No assurance can be given that the current dislocation in the credit markets will not lead to a prolonged recession. The success of any investment activity is affected by general economic conditions and Accounts may be subject to substantial losses in the event of a serious or prolonged recession in the United States.

Overall Investment Risk. All securities investments risk the loss of capital. The investment techniques and strategies and the nature of the securities to be purchased and traded by Old Orchard may increase this risk. There can be no assurance that Accounts will not incur losses. Many unforeseeable events may cause sharp market fluctuations, which could adversely affect Accounts. Changes in economic conditions, including, for example, interest rates, inflation rates, industry conditions, competition, technological developments, political events and trends, changes to tax laws and innumerable other factors, can substantially and adversely affect the performance of Old Orchard and, thereby, Accounts. None of these conditions will be within the control of Old Orchard. The extent to which Accounts will be able to achieve their investment objectives will depend on the ability of Old Orchard to evaluate and develop the information it receives into a successful investment program. The values of the securities and other instruments in which Old Orchard will invest fluctuate, and, therefore, the value of the

Account at the time of withdrawal or redemption may be more or less than such Account's value at the time of subscription.

Unregulated Transactions. Instruments traded by Old Orchard will not necessarily be traded on regulated exchanges. As a result, investments may experience price volatility that would not exist if such products were traded on regulated marketplaces. In addition, the absence of regulated exchanges may increase the risks of transacting in the underlying securities, commodities, or derivatives at prices that do not accurately reflect the market clearing price. In addition, the regulation of the municipal bond market is materially less extensive than the regulation of the market for corporate securities. This may increase the risk of loss arising from, amongst other market distortions, incomplete or incorrect disclosure, market fraud, or manipulation.

Tax Law Change. Investment prospects may be materially affected by tax law changes. Prospective investors should recognize that it is impossible to forecast future tax law changes and that certain tax law changes and/or adverse interpretations of tax laws could have a material negative impact on the overall performance.

Interest Rate Changes. Returns will depend on a positively sloped yield curve and the relationship between the tax-exempt and taxable yield curves. Adverse changes in the slope of the municipal bond yield curve as well as its relationship to the taxable yield curve, among other things, could have a material adverse effect on performance.

MARKET RISKS

Market Risk. Old Orchard will not be broadly diversified across various capital markets, but rather will concentrate on relative value strategies in and among the municipal bond market. The diversification of positions and strategies within the municipal bond market may be limited and may not provide meaningful risk control.

Old Orchard's strategies are subject to some dimension of market risk: directional price movements, exceptional deviations from historical pricing relationships, changes in the regulatory environment and/or tax law, changes in market volatility, "flights to quality," "credit squeezes," etc. Any of these factors could cause losses for an Account.

Volatility. The instruments traded by Old Orchard have been subject to periods of increased price volatility in the past, and such periods could recur. While volatility can create profit opportunities, it can also create comparable risk.

Market Disruptions. An Account may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships (on which Old Orchard bases a number of its trading positions) become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions.

Market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for an Account, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

Liquidity Risk. Illiquid markets create the risk of Old Orchard being unable to close out positions so as to recognize profits or limit losses. In addition, illiquidity can interfere with the ability to obtain accurate market values for positions. Portfolios can be subject to liquidity risk because of the fragmentation of the municipal bond market and the unique effect that political, legislative and/or regulatory actions can have on the municipal bond market, compared to the taxable markets. The derivative and other taxable transactions executed by Old Orchard may also be subject to illiquidity.

Accelerating Effect of Rising Interest Rates on Municipal Bond Prices. The Internal Revenue Service (the “IRS”) taxes gains on municipal bonds purchased at a market discount as ordinary income rather than as a capital gain, with the exception of (1) the market discount at the time of issuance (i.e., OID, or the Original Issue Discount), which is treated as a tax-exempt interest payment, plus (2) an additional market discount protected by the de minimis rule (i.e., an amount equal to 0.25% of the face value of a bond times the number of complete years between the bond’s acquisition date and its maturity date, which is taxable as capital gain). Because potential investors in otherwise tax-exempt bonds find the ordinary income treatment of such market discount highly undesirable, the price of a municipal bond subject to this tax treatment will be discounted even below a level sufficient to adjust for this tax treatment. This can have the impact of a decline in the value of the municipal bond beyond a corresponding increase in value of the applicable derivative position held by an Account for hedging purposes.

Issuer and Counterparty Credit Risk. The issuer or the guarantor of a debt security or the counterparty to a derivatives contract, may, in certain circumstances, be unable or unwilling to make timely principal and/or interest payments, to return posted collateral or margin (as discussed further below), or to otherwise honor its obligations. While care is taken in both selecting reputable financial institutions to trade with Old Orchard and to maintain custody of certain Account assets, there is a residual risk that any of such financial institutions could become insolvent. Any such insolvency could result in material losses.

Collateral. Accounts will have significant credit and operational risk exposure to counterparties, which will require Old Orchard to post collateral to support its obligations in connection with transactions involving swaps, options, and other derivative instruments. Generally, counterparties will have the right to sell, pledge, rehypothecate, assign, use or otherwise dispose of the collateral posted by Old Orchard in connection with such transactions. This could increase exposure to the risk of a counterparty default since, under such circumstances, such collateral could be lost or Old Orchard may be unable to recover such collateral promptly. Also, counterparties have an interest in maximizing the return from such collateral. This interest could conflict with the interests of Old Orchard in preserving and protecting the portfolios. The CFTC has proposed certain rules regarding the treatment of segregated collateral. While these rules, if adopted, may reduce counterparty exposure, they cannot completely eliminate it.

Further, the economic costs of complying with such regulatory requirements regarding collateral may adversely affect Account returns.

Counterparty Risk. Some of the markets in which Old Orchard may effect transactions are “over-the-counter” or “interdealer” markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as members of “exchange-based” markets are. This exposes Old Orchard to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where Old Orchard has concentrated its transactions with a single or small group of counterparties. Old Orchard is not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. Moreover, Old Orchard’s internal credit function which evaluates the creditworthiness of their counterparties may prove insufficient. This lack of a complete and “foolproof” evaluation of the financial capabilities of counterparties and the absence of a regulated market to facilitate settlement may increase the potential for losses.

STRATEGY RISKS

Leverage and Financing Risk. Old Orchard may leverage an Account’s capital because it believes that the use of leverage may enable the Account to achieve a higher rate of return. Accordingly, Accounts may pledge securities in order to borrow additional funds for investment purposes. Accounts may also leverage investment return through purchasing financial instruments that are inherently leveraged such as trust tender option bonds, options, short sales, swaps, forwards and other derivative instruments. The amount of borrowings which an Account may have outstanding at any time may be substantial in relation to capital.

While leverage presents opportunities for increasing total return, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment would be magnified to the extent an Account is leveraged. The cumulative effect of the use of leverage in a market that moves adversely to investments could result in a substantial loss which would be greater than if the Account were not leveraged.

In general, the use of short-term margin borrowings results in certain additional risks. For example, should the securities pledged to brokers to secure margin accounts decline in value, an Account could be subject to a “margin call,” pursuant to which the Account must either deposit additional funds or securities with the broker, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of assets, an Account might not be able to liquidate assets quickly enough to satisfy its margin requirements.

Old Orchard may enter into repurchase and reverse repurchase agreements. When Old Orchard enters into a repurchase agreement, it “sells” securities to a broker-dealer or financial institution, and agrees to repurchase such securities for the price paid by the broker-dealer or financial institution, plus interest at a negotiated rate. In a reverse repurchase transaction, Old Orchard “buys” securities from a broker-

dealer or financial institution, subject to the obligation of the broker-dealer or financial institution to repurchase such securities at the price paid by Old Orchard, plus interest at a negotiated rate. The use of repurchase and reverse repurchase agreements by Old Orchard involves certain risks. For example, if the seller of securities to Old Orchard under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, Old Orchard will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganization under applicable bankruptcy or other laws, Old Orchard's ability to dispose of the underlying securities may be restricted. It is possible, in a bankruptcy or liquidation scenario, that Old Orchard may not be able to substantiate its interest in the underlying securities. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, an Account may suffer a loss to the extent that they are forced to liquidate positions in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.

The financing used by Old Orchard to leverage its portfolio will be extended by securities brokers and dealers in the marketplace in which Old Orchard invests. While Old Orchard will attempt to negotiate the terms of these financing arrangements with such brokers and dealers, its ability to do so will be limited. Old Orchard is therefore subject to changes in the value that the broker-dealer ascribes to a given security or position, the amount of margin required to support such security or position, the borrowing rate to finance such security or position and/or such broker-dealer's willingness to continue to provide any such credit to the Accounts. Because Old Orchard currently has no alternative credit facility which could be used to finance its portfolio in the absence of financing from broker-dealers, it could be forced to liquidate its portfolio on short notice to meet its financing obligations. The forced liquidation of all or a portion of a portfolio at distressed prices could result in significant losses to an Account.

Municipal Market Securities Risk. Various factors may adversely affect the value and yield of municipal securities. These factors include imbalances in demand, potential legislative changes as well as uncertainties related to the tax status of municipal bonds or the rights of others holding these securities. Any of these factors could cause losses for an Account. In addition, unlike other financial markets, the municipal bond market has no centralized exchange and suffers from inconsistent disclosure. As liquidity becomes scarce, these factors put downward pressure on prices (upward on yields) as buyers seek to obtain the necessary data to understand and evaluate the bond's current credit fundamentals and performance.

Recent Market Conditions; Rating Agencies; Bond Insurers. Accounts are subject to the risk that the issuers of, as well as the insurers of, municipal bonds or other instruments in which Old Orchard invests may default on their obligations under such instruments, or that the credit quality of those issuers or insurers may decline significantly. This risk has been further magnified in light of recent events in the credit market.

The market's perception of the creditworthiness of the monoline bond insurers affects the pricing of municipal bonds. Monoline insurers guarantee the timely repayment of principal and interest by

municipal bond issuers. The major monoline insurance companies were recently reviewed and continue to be reviewed by one or more of the Nationally Recognized Statistical Rating Organizations (“NRSROs”) for possible downgrades. Downgrades and other adverse ratings actions with respect to these monolines will likely exacerbate current market conditions and further increase illiquidity and negatively impact pricing in the municipal bond market. For example, due to a lack of confidence in the creditworthiness of the monoline insurers in early 2008, many municipal bonds were trading at prices as if they were uninsured, effectively discounting the monoline insurance completely.

Changes in the NRSROs’ capital models and rating methodology with respect to the monoline insurers may lead to a requirement of increased capital reserves for specified credit risks in the monolines’ insured portfolio. The current market has already precipitated changes in capital models and rating methodology, causing the monoline insurers to raise additional capital from the market. There can be no assurance that capital will be available to the monoline insurers on favorable terms and conditions, or if capital will be available at all, and the failure to raise such capital could have a material adverse impact on their business, results of operations and financial condition, possibly creating a further devaluation of, and increased credit risk in, the municipal bond issuances that they insure.

Additionally, credit ratings of debt securities such as municipal bonds and other instruments in which Old Orchard invests represent the opinions of the applicable NRSRO only and are not a guarantee of quality. NRSROs may fail to make timely changes in credit ratings in response to subsequent events, so that an issuer’s current financial condition may be worse than a particular credit rating indicates.

Municipal Bonds Are Not General Government Obligations. Even though municipal bonds are issued by state and local governments or their agencies and authorities, none of the municipal bonds will constitute a general obligation of any of the municipalities issuing such bonds nor is the general taxing power of any government pledged to the payment of principal or interest on the municipal bonds, unless otherwise stated in the bond documents.

Possible Increases in State and/or Federal Regulation. The monoline financial guarantee insurance industry has historically been, and will continue to be, subject to the direct and indirect effects of a variety of U.S. governmental regulation, including insurance laws, securities laws, tax laws and legal precedents affecting asset-backed securities and municipal debt obligations, as well as changes in those laws and regulations. Failure to comply with applicable laws and regulations could expose the monolines to fines, the loss of their insurance licenses and/or the inability to engage in certain business activity. Additionally, any changes to such laws and regulations could subject the monolines to increased reserving and capital requirements and/or more stringent regulation generally, which could materially adversely affect their ability to make payments under their insurance policies. This inability, or perceived inability, to make such payments may negatively impact the municipal bonds insured by such monoline insurers.

Failures in the Auction-Rate Preferred Securities Market. Many municipalities also issue debt through investments known as auction-rate preferred securities. In February of 2008 auctions for these securities began to fail en masse. The failure in the auction-rate preferred market forced many

investment funds holding municipal bonds to liquidate large portions of their portfolios to satisfy their obligations to pay penalty interest rates due to such failed auctions. This forced selling has had the effect of driving the yields on municipal debt to high levels, making it very expensive for municipalities to issue new debt, which is an increasing concern as tax revenues are beginning to reflect the overall market slowdown. If municipalities begin defaulting on their obligations, this will adversely affect the value of Account investment portfolios.

Reimbursement Agreements. Old Orchard will enter into reimbursement agreements with various third party financial institutions which will require Accounts to reimburse the financial institutions for payments made by the financial institutions under certain conditions. These agreements will also require that Accounts post collateral, in the form of cash or securities, to secure the reimbursement obligation to the financial institutions. Any collateral posted would be pledged to such financial institutions and may not be available to Fund Investors in the event a Fund failed to perform under its reimbursement agreement with a financial institution. Further, Accounts will likely be required to post collateral to the financial institutions at a time when either interest rates have risen or the value of the municipal securities underlying certain of the investments have declined in value. While Old Orchard expects to be able to perform under the reimbursement agreements and expects to be able to post collateral as required by the reimbursement agreements, there can be no guarantee that an Account will in fact be able to perform obligations under the reimbursement agreements. Failure to perform under the reimbursement agreements could result in the financial institutions liquidating the collateral posted and exercising legal remedies for the payment of amounts due. Such actions would likely have an adverse effect on financial performance.

Imperfect Hedges. The pricing relationship between the municipal bonds controlled directly or indirectly by Old Orchard and the hedging strategies used by Old Orchard will be imperfect. An absence or imperfect level and/or application of hedges could result in losses. This may occur, for example, where the price of a debt security falls as a result of an increase in interest rates and such price loss is not offset by an increase in the related hedge position. Moreover, Old Orchard may choose not or determine that it is economically unattractive to hedge certain risks -- either in respect of particular positions or in respect of the overall portfolio. This could result in various portions of the directional market risks remaining unhedged and in subsequent losses.

Short Sales. Although it is not practicable to “short” municipal bonds directly, Old Orchard’s ability to take short positions through municipal bonds derivatives and taxable instruments is essentially unrestricted. A short sale involves the sale of a security that is not owned in the expectation of purchasing the same security (or a security exchangeable therefor) at a later date at a lower price. A short sale involves the risk of a theoretically unlimited increase in the market price of the security. In addition, a short sale involves the risk that borrowed securities will have to be returned to the lender at a time when such securities cannot be borrowed from other sources, potentially requiring Old Orchard to close a short sale transaction under disadvantageous circumstances.

Derivative Risks. Old Orchard will use derivative fixed-income instruments for hedging and for other trading purposes. The use of derivative instruments involves a variety of material risks, including the

degree of leverage often embedded in such instruments and the possibility of counter party nonperformance and/or disputes over the terms of the contract as well as material deviations between the performance of the derivative and the instrument hedged by the derivative. In addition, the markets for certain derivatives may be characterized by limited liquidity, which may make it difficult as well as costly for Old Orchard to close out positions. As well, since many derivatives are valued on the basis of dealers' pricing of these instruments, the price at which a dealer values a particular derivative and the price at which the same dealer executes may be materially different. This can result in an overstatement of an Account's net asset value and, with respect to a Fund, in turn, the aggregate capital account balances of the Fund Investors, or result in requiring an Account to meet more onerous collateral provisions to secure such derivative position(s) than would be the case otherwise.

Index or Index Derivatives. Old Orchard may purchase and sell exchange traded funds based on indices of municipal securities as well as various derivatives on such indices, including BMA Swaps, MMD rate locks, and MCDX. An index or index derivative fluctuates with changes in the market values of the instruments included in the index. Because the value of an index or index derivative depends upon movements in the level of the index rather than the price of a particular instrument, whether Old Orchard will realize gains or losses from the purchase or sale of derivatives on indices depends upon movements in the level of instrument prices in the instrument market generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular instruments. Also, an Account's holdings of particular instruments may not correspond to available index derivatives and consequently losses may result or be exacerbated by the lack of correlation between the particular instruments held and the available index derivatives.

Credit Default Swaps. The "buyer" in a credit default swap contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred (a "credit event"), in return for a contingent payment upon the occurrence of a credit event with respect to the underlying reference obligation. Generally, a credit event means bankruptcy, failure to pay, obligation acceleration or modified restructuring. A seller receives a fixed rate of income throughout the term of the contract, which typically is between one month and five years, provided that no credit event occurs. If a credit event occurs, the seller typically must pay the contingent payment to the buyer, which is typically the "par value" (full notional value) of the reference obligation. The contingent payment may be either a cash settlement or physical delivery of the reference obligation in return for payment of the face amount of the obligation. A buyer, if no credit event occurs, will lose its investment and recover nothing. However, if a credit event occurs, the buyer will receive the full notional value of the reference obligation that may have little or no value. Used in the manner described above, credit default swaps can be used to hedge a portion of the default risk on a single municipal bond or a portfolio of bonds and loans. In circumstances where the aggregate exposure in credit default swaps with respect to a reference obligation exceeds the available supply of deliverable indebtedness, physical settlement of the credit default swap may not be possible. The settlement value received by Old Orchard may or may not correspond to changes in the market value of the underlying reference indebtedness.

Credit default swaps can be used to implement Old Orchard's view that a particular credit, or group of credits, will experience credit improvement or deterioration. In the case of expected credit improvement, Old Orchard may sell credit default protection in which it receives a premium to take on the risk. In such an instance, the obligation to make payments upon the occurrence of a credit event creates leveraged exposure to the credit risk of the reference entity. Old Orchard may also "purchase" credit default protection even in the case in which it does not own the reference instrument if, in the judgment of Old Orchard, there is a high likelihood of credit deterioration.

Such swap agreements may involve greater risks than those associated with a direct investment in the reference obligation. Like other derivatives, credit default swaps present the risk of counterparty nonperformance. Credit default swap agreements are also subject to general market risk, liquidity risk and credit risk. Swap transactions dependent upon credit events are priced by incorporating many variables including the pricing and volatility of the common stock, potential loss upon default and the shape of the U.S. Treasury Yield curve, among other factors. As such, there are many factors upon which market participants may have divergent views and which may affect the value of any credit default swaps used by Old Orchard.

In addition, credit default swaps were perceived by some observers as having exacerbated the credit crisis. Consequently, there are certain legal, tax and market uncertainties relating to credit default swaps, including the risk of increased government regulation.

Debt Securities. Investing in debt securities will expose an Account to the risk that the issuers of such securities will not be able to make principal and/or interest payments when due. In particular, there is no assurance that a company will have sufficient cash necessary to service its debt obligations, and, in any such case, an Account may suffer a partial or total loss of invested capital. Investments may be subject to early redemption features, refinancing options, pre-payment options or similar provisions which, in each case, could result in the issuer repaying the principal on an obligation earlier than expected. Early repayments of investments may have a material adverse effect on Old Orchard's investment objectives and the rate of return on invested capital. In addition, depending on fluctuations of the equity markets, warrants and other equity securities may become worthless. Debt securities are subject to interest rate risk. As nominal interest rates rise, the value of debt securities is likely to decrease and vice-versa. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Debt securities are also subject to other creditor risks, including (a) the possible invalidation of an investment transaction as a "fraudulent conveyance" under relevant creditors' rights laws, (b) so-called "lender liability" claims by the issuer of the obligations and (c) environmental liabilities that may arise with respect to collateral securing the obligations.

Lower-Rated Securities. Old Orchard may invest and transact in lower-rated fixed income securities and other instruments. Investing in lower-rated securities involves special risks in addition to the risks associated with investments in higher-rated fixed income securities, including a high degree of credit risk. Lower-rated securities may be regarded as predominately speculative with respect to the issuer's

continuing ability to meet principal and interest payments. Analysis of the creditworthiness of issuers/issues of lower-rated securities may be more complex than for issuers/issues of higher quality debt securities. Lower-rated securities may be more susceptible to losses and real or perceived adverse economic and competitive industry conditions than higher-grade securities. Securities that are in the lowest rating category are considered to have poor prospects of ever attaining any real investment standing, to have a current identifiable vulnerability to default and to be unlikely to have the capacity to pay interest and repay principal. The secondary markets on which lower-rated securities are traded may be less liquid than the market for higher-grade securities. Less liquidity in the secondary trading markets could adversely affect and cause large fluctuations in the value of such investments. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may decrease the values and liquidity of lower-rated securities, especially in a thinly traded market.

The use of credit ratings as the sole method of evaluating lower-rated securities can involve certain risks. For example, credit ratings evaluate the safety of principal and interest payments, not the market value risk of lower-rated securities. In addition, credit rating agencies may fail to change credit ratings in a timely fashion to reflect events since the security was rated.

Futures Contracts. Trading in futures contracts may involve substantial risks. The low margin or premiums normally required in such trading may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce a disproportionately larger profit or loss. There is no assurance that a liquid secondary market will exist for futures contracts or options purchased or sold, and Old Orchard may be required to maintain a position until exercise or expiration, which could result in losses.

Futures positions may be illiquid because, for example, most U.S. exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits”. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Futures contract prices occasionally have moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent Old Orchard from promptly liquidating unfavorable positions and subject Accounts to substantial losses. In addition, Old Orchard may not be able to execute futures contract trades at favorable prices if trading volume in such contracts is low. It is also possible that an exchange or the U.S. Commodity Futures Trading Commission (the “CFTC”) may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract or order that trading in a particular contract be conducted for liquidation only. In addition, the CFTC and various exchanges impose speculative position limits on the number of positions that may be held in particular instruments. Trading in futures contracts and options are highly specialized activities that may entail greater than ordinary investment or trading risks.

Portfolio Concentration. Because an Account’s investment portfolios may not necessarily be widely diversified, the portfolios may be subject to more rapid changes in value than would be the case if they were required to maintain a wide diversification among different types of regions, markets and/or

securities and other instruments. Losses in one or more large positions, or a downturn in a region's municipal securities or market sector in which a portfolio is concentrated, could materially adversely affect performance in a particular period and could have a material adverse effect on overall financial condition.

Relative Value Trading Risks. Although Old Orchard's focus on a relative value strategy is considered to have a lower risk profile than a directional trading strategy, it is by no means without risk. The success of such a strategy will depend on Old Orchard's ability to exploit relative inter-and intra-market opportunities. Mispricings, even if correctly identified, may not converge within the time frame in which Old Orchard maintains its positions. A relative value strategy is also subject to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence or inaccuracy of valuation models belonging to Old Orchard or third parties. Market disruptions may also force Old Orchard close out one or more positions prematurely. Any of these factors could cause losses.

The Accounts generally have broad and flexible investment authority. Old Orchard may have other investment strategies or methods of analysis, or engage in other activities, than those described herein. The foregoing list of risk factors is not an exhaustive explanation of the risks involved in an investment in an Account. It is critical that investors refer to the relevant Account's Governing Documents for a more complete understanding of that Account's investment objectives and strategies. The information contained in this Item 8 is a summary only and is qualified in its entirety by the relevant Account's Governing Documents.

An investment in an Account may be deemed speculative and is not intended as a complete investment program. There can be no assurance that the investment objective of an Account will be achieved. The Accounts are designed only for experienced and sophisticated persons who are able to bear the risk of substantial impairment or total loss of their investment in the Accounts.

Item 9 - Disciplinary Information

This Item is not applicable.

Item 10 - Other Financial Industry Activities and Affiliations

The General Partner of the Fund, Old Orchard Capital GP LLC, is under common control with Old Orchard. Because the General Partner and Old Orchard are affiliated, there is a disincentive for the General Partner to replace Old Orchard as investment manager to a Fund.

Old Orchard will register as a Commodity Pool Operator and a Commodity Trading Advisor with the Commodity Futures Trading Commission.

Old Orchard may recommend that Separate Account holders invest in a Fund, the General Partner of which is an affiliate of Old Orchard.

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

Old Orchard recognizes and believes that: (i) high ethical standards are essential for its success and to maintain the confidence of its clients; (ii) its long-term business interests are best served by adherence to the principle that the interests of clients come first; and (iii) it has a fiduciary duty to its clients under the Advisers Act. All personnel of Old Orchard must put the interest of clients before their own personal interests and must act honestly and fairly in all respects in dealings with clients. All Old Orchard personnel must also comply with all federal securities laws.

Old Orchard has adopted a Code of Ethics that memorializes Old Orchard's fundamental duties as a fiduciary. The Code of Ethics includes standards of business conduct and incorporates a personal investments policy. Each employee receives a copy of the Code of Ethics upon hiring and annually thereafter and must sign an attestation that such employee has read and understood such Code of Ethics. Personnel who fail to observe the Code of Ethics and related compliance policies risk serious sanctions, including dismissal and personal liability.

Among other requirements the Code of Ethics requires personnel to pre-clear all reportable personal trades with and to disclose all potential conflicts of interest with respect to the personal trade to the Chief Compliance Officer which approval is subject to a mandatory holding period and a restricted list. The Chief Compliance Officer may deny permission to execute the transaction if such transaction will have any adverse economic interest on any Account or will create a potential conflict of interest.

Employees are required to disclose their securities transactions on a quarterly basis and holdings on an annual basis; additionally they are also required to provide broker confirmations of each transaction in which they engage and a quarterly certification of such transactions. Trading in employee accounts is reviewed by the Chief Compliance Officer and compared with transactions for Accounts. The Chief Compliance Officer's personal trades are reviewed by a designated officer of Old Orchard to avoid self-review. Personal trading transactions may also include trading in securities in a manner that differs from or is inconsistent with advice given to the Funds.

The Code of Ethics requires reporting and pre-approval of certain political contributions to government officials. Political contributions to government officials by Old Orchard personnel above a de minimis threshold need to be reported to, and pre-approved by, the Chief Compliance Officer. This policy is designed to curtail the influence of "pay-to-play" based on political contributions to government officials who influence or control how government funds, such as state pension plans, invest. The Code of Ethics also requires notice and approval for gifts and entertainment that Old Orchard personnel receive from

third-parties with which Old Orchard or the Accounts conduct business. All gifts or entertainment above a de minimis amount must be reported to and approved by the Chief Compliance Officer.

Old Orchard serves as the investment manager to the Accounts. Old Orchard, its employees, affiliates or their related persons may also invest directly in an Account and in any one, some or all of the Funds. The fact that Old Orchard, its employees, affiliates or their related persons have a financial ownership interest in a Fund creates a potential conflict in that it could cause Old Orchard to make different investment decisions than if they did not have such a financial ownership interest. Further, Old Orchard or its affiliates charge fees based on a percentage of assets under management and receive compensation based on performance. The management fee is payable without regard to the overall success or income earned by the Accounts and therefore may create an incentive on the part of Old Orchard to raise or otherwise increase assets under management to a higher level than would be the case if Old Orchard were receiving a lower or no management fee. The receipt of performance-based compensation by Old Orchard or its affiliates may create an incentive for Old Orchard to make investments for the Accounts that are riskier or more speculative than it otherwise would.

Furthermore, Old Orchard and its affiliates are not restricted from forming additional Accounts (including Funds), from entering into other investment advisory relationships, or from engaging in other business activities, even though such activities may be in competition with the existing Accounts and/or may involve substantial time and resources of Old Orchard. These activities could be viewed as creating a conflict of interest in that the time and effort of the members of Old Orchard and its affiliates are not devoted exclusively to the business of the existing advisory clients (i.e., the Accounts), but are allocated between the business of the existing Accounts and the management of future Accounts. Old Orchard uses its best judgment to be fair and equitable to all advisory clients to minimize this conflict of interest.

Clients, Fund Investors and prospective clients and Fund Investors may obtain a copy of the Code of Ethics upon request by e-mail to l.fox@oldorchardcapital.com or by telephone at **212-848-0756**.

Item 12 - Brokerage Practices

Broker Selection

In selecting brokers or dealers to execute transactions for an Account, Old Orchard need not solicit competitive bids or offers and does not have an obligation to seek the lowest available transactional cost. Fixed income and cash instruments bought and sold by Old Orchard generally do not incur commission costs. In the case of futures or ETF transactions, commission rates may apply which are negotiated by Old Orchard on a case-by-case basis. In general, an Account pays for its own commissions in accordance with the Account's Governing Documents.

In selecting a broker, Old Orchard seeks best execution based on a variety of factors. Old Orchard may take into account, inter alia: the financial stability and reputation of the brokerage firm, financing and

counterparty factors, ability to transact illiquid securities, access to markets and new municipal bond issuance, confidentiality and the execution and settlement capabilities of the brokerage firm.

Old Orchard may choose to participate in seminars or conferences or other types of capital introduction service programs (collectively referred to as “Cap Intro Programs”) held by prime brokers for their current or prospective clients that are hedge funds or investment managers that manage funds or other types of vehicles. This creates a potential conflict of interest in that Old Orchard may have an incentive to select a broker based on its interest in receiving referrals of potential investors rather than on the investors’ interest in receiving most favorable execution.

Trade Allocation and Aggregation

Old Orchard often purchases or sells the same security for many Accounts at or near the same time using the same executing broker. It is Old Orchard’s practice, where possible to aggregate orders from multiple Accounts for the purchase or sale of the same security. Such aggregation may enable Old Orchard to obtain a more favorable price or a better commission rate based upon the volume of a particular transaction. Old Orchard’s procedures provide that the securities are to be allocated in a manner deemed fair and equitable to each Account over time. Those Accounts participating in aggregated trades generally will be allocated securities based upon the average price achieved for such trades.

If Old Orchard decides not to aggregate a particular trade, Accounts may, on average, bear higher trade execution expenses. In cases where trading or investment restrictions are placed in an Account, Old Orchard may be precluded from aggregating that Account’s transaction with others. In such a case, the Account may bear higher commission rates and /or receive less favorable prices than Accounts that are able to participate in an aggregated order.

In the event of aggregation across Accounts within a given strategy, transactions generally will be allocated among Accounts pro-rata based on assets under management or notional value in each respective Account unless the Governing Documents or other factors preclude pro-rata allocation. Such factors may include unique investment guidelines and restrictions, available cash, risk or liquidity profile and legal or regulatory requirements.

If a security or cash instrument is suitable for multiple investment strategies, it will generally be allocated pro-rata across the Accounts participating in such investment strategies. If allocation on a basis different than pro-rata is deemed necessary or appropriate, Old Orchard will make a determination as to how to allocate the security or instrument based upon relevant factors which may include the use of leverage in a particular strategy, position concentration, quality rating impact, available cash, minimum or round lot size restrictions and other pertinent factors. Taking into account these factors, Old Orchard will make trade allocation decisions in a manner that seeks to ensure overall fair and equitable treatment of all Accounts over time.

Soft Dollars

Old Orchard does not currently utilize soft dollars to purchase research or other services. Old Orchard receives research from broker-dealers with which Old Orchard enters into client transactions, but neither Old Orchard nor any Account pays any fees for such research either directly or through soft dollars.

Directed Brokers

Old Orchard does not permit Separate Account holders or Fund Investors to direct brokerage.

Item 13 - Review of Accounts

The managing members of the general partner of Old Orchard are aware of the holdings in each Account on a continuous basis and Account holdings are monitored in light of trading activity and other activities which may dictate a change in portfolio positions.

Separate Account holders generally will be able to access the details of holdings and activity on a daily basis and will receive written electronic reports monthly detailing the positions and a profit and loss report for the prior month. Fund Investors will receive a written report from the Fund's administrator on a monthly basis. This report will reflect the Fund Investor's account balance and the gain or loss during the month. In addition, Fund Investors will receive annual audited financial statements. In addition to the foregoing, certain Fund Investors may, from time to time, negotiate the right to receive more frequent or detailed reports than other Fund Investors.

Old Orchard also supplies Schedules K-1s and other applicable tax information to Fund Investors.

Representatives of Old Orchard may be made available for discussions with Separate Accounts holders and Fund Investors on a periodic or agreed upon basis.

Item 14 - Client Referrals and Other Compensation

Old Orchard does not receive any economic benefits from non-clients for providing investment advice or other advisory services to clients.

Old Orchard may enter into agreements with its employees and/or third parties to solicit clients for Old Orchard's investment advisory services and to solicit Fund Investors for a Fund. Under such agreements,

persons may refer or solicit clients and/or Fund Investors and receive compensation for such services. The structure of any agreement with a third party, including the compensation payable to the solicitor, will be disclosed fully to the client or Fund Investor as required by applicable law. Different solicitors may receive varying amounts of compensation for their services. Solicitors and placement agents that solicit clients and/or Fund Investors may be entitled to receive placement fees equal to a percentage of the management fees and performance-based compensation received by Old Orchard. As a result, solicitors and placement agents have a substantial financial interest in referring clients to Old Orchard and in selling interests in the Funds.

Old Orchard may also receive client and Fund Investor referrals from broker-dealers. See Item 12 for the potential conflicts of interest such referrals may create.

Item 15 - Custody

Custody occurs when an adviser or related person directly or indirectly holds client funds or securities, or has the ability to gain possession of them.

Old Orchard maintains policies and procedures to comply with the requirements of the Advisers Act and Rule 206(4)-2 thereunder (the "Custody Rule"). The General Partner is deemed, in accordance with the Custody Rule, to have custody of the assets of the Fund for which it serves as general partner. All Fund assets that are required to be held by a custodian are generally held in an account at a qualified custodian. All Fund Investors in each Fund will be provided with audited financial statements after the end of the Fund's fiscal years. Fund Investors should carefully review the audited financial statements of the Fund upon receipt. If a Fund Investor has invested in a Fund and has not received such financial statements in a timely manner, such Fund Investor should contact Old Orchard immediately.

Old Orchard's Separate Account holders are required to engage qualified custodians directly to maintain safekeeping accounts for their funds and securities. Separate Account holders should carefully read statements received from the qualified custodian.

Item 16 - Investment Discretion

The Funds

Old Orchard has full discretionary authority to manage the investments of each Fund in accordance with each Fund's Governing Documents. The authority to make all investment decisions, including the selection of securities and execution, is entrusted to the complete discretion of Old Orchard. Accordingly, no prospective Fund Investor should invest in a Fund unless such Fund Investor is willing to entrust all aspects of the management of the Fund's investments to Old Orchard.

As explained in Item 4 above and pursuant to the Governing Documents, the Fund Investors generally do not have the ability to impose limitations on Old Orchard's discretionary authority.

Prospective Fund Investors are provided with an offering memorandum prior to their investment and are encouraged to carefully review the offering memorandum, along with all other relevant Governing Documents, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective Fund Investors must also execute a subscription agreement, which constitutes a legal, valid and binding obligation of the Fund Investor, enforceable in accordance with its terms.

Separate Accounts

Old Orchard's discretion with respect to each Separate Account will be specifically set forth in the Governing Documents of the applicable Account. Unless otherwise instructed or directed, Old Orchard has the authority to determine: (i) the securities to be purchased and sold for the Separate Account; and (ii) the amount and price of securities to be purchased or sold for the Separate Account. Due to the potential differences in Separate Account investment objective and strategies, risk tolerance, tax status and other criteria, there may be difference amount Separate Accounts in invested positions and securities held.

Item 17 - Voting Client Securities

Old Orchard generally maintains proxy voting authority over all Accounts. However, Old Orchard does not generally invest in securities that have voting rights. Old Orchard has adopted written proxy voting policies and procedures as required by Rule 206(4)-6. Under these policies and procedures, Old Orchard is responsible for ensuring that votes are cast and records are maintained with respect to the Accounts. Old Orchard will determine whether a conflict of interest exists with respect to a proxy and if no conflict of interest exists, Old Orchard will determine whether or not to vote such proxy and, if applicable, how to vote such proxy.

Old Orchard may abstain from voting a proxy if it reasonably believes that it is in the best interest of the Account. In most instances, including, but not limited to the following, Old Orchard expects to take a limited role in voting proxies: (i) if the effect on economic interests or the value of the portfolio holding is insignificant or if the cost of exercising a vote outweighs the potential benefit of voting the securities (e.g., securities which may require translation or travel); (ii) if the securities have been sold before the date of the shareholder meeting and are no longer held; (iii) if the maintenance of a security lending program inhibits the ability to vote proxies on securities during the period that such securities are out on loan; (iv) if proxy materials are received with insufficient time before the deadline to consider them appropriately; and (v) if voting is restricted or prohibited by the terms of the security, by applicable law, by the Governing Documents or otherwise.

Notwithstanding the foregoing, Old Orchard has discretion to determine the best interest of the Account based on the facts and circumstances of each proxy issue. Proxy issues are evaluated on their merits and considered in the context of Old Orchard's knowledge of the issuer, the issuer's current management, and management's past record. Although, as described above, Old Orchard may abstain from voting most proxies, each proxy vote may ultimately be cast on a case-by-case basis, taking into consideration all relevant facts and circumstances at the time of the vote.

Separate Account holders and Fund Investors generally are not permitted to direct how proxies will be voted in a particular solicitation.

Please let us know if you have any questions about, or would like to be provided with a copy of, our proxy voting procedures. Also, please let us know if you would like detailed information about how any proxies were actually voted by email at l.fox@oldorchardcapital.com or by telephone at **212-848-0756**.

Item 18 - Financial Information

Old Orchard does not require or solicit prepayment of more than \$1,200 in fees per Account, six months or more in advance.

Old Orchard has never filed for bankruptcy and is not currently aware of any financial condition that is expected to affect its ability to manage the Accounts.