

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

- A. Name: Value Holdings, L.P.
Business address: 116 Newtown Road
Hampton Bays, NY 11946
Contact information: Phone: 917 836-9480
Website address: None
Date of the *brochure*: February 9, 2015



Value Holdings, L.P., is a New York limited partnership. The general partner of Value Holdings, L.P., is VH, LLC. VH, LLC, is a New York, sole-member limited liability company. The managing member of VH, LLC, is Timothy J. Curro. Mr. Curro's email address is tcurro@vhlp.net.

Importance of general partner. The success of the partnership depends to a great extent on the ability and experience of the general partner, VH, LLC, and specifically its managing member, Timothy Curro. No assurance can be given that the general partner will generate any net capital appreciation.

- B. **This brochure provides information about the qualifications and business practices of Value Holdings, L.P. If you have any questions about the contents of this brochure, please contact us at 917 836-9480 and/or tcurro@vhlp.net. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

Additional information about Value Holdings, L.P. also is available on the SEC's website at www.adviserinfo.sec.gov.

- C. If, in the course of its business operations, disclosures, or communications, Value Holdings, L.P., refers to itself as a "registered investment adviser" or describes itself as being "registered," such references or descriptions do not imply a certain level of skill or training.

Item 2 Material Changes

This brochure dated February 9, 2015 is the partnership's most recent Form ADV Part 2 filing prepared according to the SEC's requirements and rules. Two material changes occurred to this brochure since our previous filing dated February 12, 2014.

In October, the partnership completed a competitive process to determine what firm or firms would serve as the partnership's prime broker and custodian. After a constructive 12-year relationship with Morgan Stanley as the partnership's prime broker and custodian, the partnership changed its prime broker to ConvergeEx Prime Services, LLC and its custodian to The Goldman Sachs Group, Inc. The change to ConvergeEx as prime broker occurred in October, 2014. The change to Goldman Sachs as custodian occurred in January, 2015. There were no disagreements with Morgan Stanley on any matter of accounting or investment principles or practices, financial statement disclosure, or auditing scope or procedure.

Second, the partnership changed its policy with respect to segregation of financial transactions. Historically, all financial activity was transacted through the prime brokerage account. These transactions included all securities-related transactions like the purchase and sale of securities, the receipt of dividends, and the payment of interest on borrowed securities, and all non-securities-related transactions like capital additions and withdrawals by partners, the payment of management fees to the general partner, payments for professional services like auditing and tax accounting, and the payment of regulatory fees. As of October, 2014, only securities-related transactions occur in the prime brokerage account and all non-securities-related transactions occur in the partnership's checking account at Citibank. The checking account is funded through wires to and from the prime brokerage account. As a result of this change in policy, the partnership, through its checking account, has temporary custody of a small percentage of partners' cash. See Form ADV Part 1, Item 9, and Form ADV Part 2, herein, Item 15 for disclosures and discussion regarding custody.

Pursuant to SEC Rules, the partnership will ensure that you receive a summary of any material changes to this and subsequent brochures within 90 days of the close of the partnership's fiscal year. Additional ongoing disclosure information about material changes will be provided as necessary.

The partnership will provide you with a new brochure as necessary based on changes or new information, at any time, without charge. Contact Timothy J. Curro, the managing member of the general partner, at tcurro@vhlp.net.

The brochure is also available via the SEC's www.adviserinfo.sec.gov web site.

Item 3 Table of Contents

ITEM 1	COVER PAGE	1
ITEM 2	MATERIAL CHANGES	2
ITEM 3	TABLE OF CONTENTS	3
ITEM 4	ADVISORY BUSINESS	4
	A. DESCRIPTION OF VALUE HOLDINGS, L.P.	4
	B. SERVICE OFFERED BY THE PARTNERSHIP.....	4
	C. LACK OF LIMITED PARTNER INFLUENCE.....	8
	D. NON PARTICIPATION IN WRAP FEE PROGRAMS	8
	E. FULL DISCRETION OF CLIENT ASSETS.....	8
ITEM 5	FEES AND COMPENSATION	8
	A. COMPENSATION FOR SERVICES	8
	B. TIMING OF MANAGEMENT FEE DEDUCTIONS	9
	C. OTHER EXPENSES	9
	D. REFUNDS OF PREPAID FEES.....	10
	E. OTHER COMPENSATION-RELATED DISCLOSURES	10
ITEM 6	PERFORMANCE-BASED FEES	10
ITEM 7	TYPES OF LIMITED PARTNERS	11
ITEM 8	METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	13
ITEM 9	DISCIPLINARY INFORMATION	15
ITEM 10	OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	16
ITEM 11	CODE OF ETHICS, PARTICIPATION IN TRANSACTIONS, PERSONAL TRADING	17
ITEM 12	BROKERAGE PRACTICES	20
ITEM 13	REVIEW OF ACCOUNTS	21
ITEM 14	LIMITED PARTNER REFERRALS AND OTHER COMPENSATION	39
ITEM 15	CUSTODY	39
ITEM 16	INVESTMENT DISCRETION	40
ITEM 17	VOTING PARTNERSHIP SECURITIES	40
ITEM 18	FINANCIAL INFORMATION.....	41
Figure 1	Investment Criteria for Value Holdings, L.P.	5
Figure 2	Sample Limited Partner Statement for Value Holdings, L.P.	22
Figure 3	Sample Monthly Supplement for Value Holdings, L.P.	23
Figure 4	Fiscal Year-EndBalance Sheet for Value Holdings, L.P.	42

Item 4 Advisory Business

A. Description of Value Holdings, L.P.

Value Holdings, L.P. is a New York limited partnership. It received its Certificate of Limited Partnership on August 22, 1995. VH, LLC, is the general partner of the partnership. It was formed on September 26, 2002, and is a sole-member limited liability company. The managing member of VH, LLC, is Timothy Curro. Mr. Curro has had over 28 years of experience in the securities industry. Mr. Curro also has been the managing member of the managing general partner of Springbank Value Partners, L.P., a New York limited partnership, organized in January, 2001, that is registered with the SEC.

The partnership's primary investment objective is to achieve capital preservation by investing and trading in securities. Consistent with that conservative objective, the partnership seeks long-term capital appreciation. There can be no assurance that capital preservation or appreciation will be achieved.

VH, LLC, has full, complete and exclusive management control of the partnership. Without limitation, VH, LLC, in its sole discretion has the power to buy and sell securities, to conduct a margin account, to employ persons to assist in the operation of the partnership, including brokers, accountants and attorneys, and to incur all expenses on behalf of the partnership as deemed necessary or desirable.

Mr. Curro is permitted to conduct, participate in, and/or receive compensation in respect of other endeavors including endeavors involving securities. However, the partnership prohibits personal securities trades, including options, futures, and warrants, by all personnel, including Mr. Curro.

Mr. Curro's more than 28 years of experience in the securities industry include more than 19 years as the managing member of the general partner of the partnership and more than 14 years as the managing member of the managing general partner of Springbank. Mr. Curro divides his time devoted to these two endeavors approximately equally.

Mr. Curro was a general partner with Omega Advisors, Inc. from March, 1993, through March, 1994. At Omega, he focused on investments in special situations and energy. From May, 1985, through February, 1993, Mr. Curro was a vice president in the equity research departments of Lehman Brothers, Credit Suisse First Boston, and UBS Securities, Inc. At Lehman Brothers, Mr. Curro focused on special situations and energy securities. At First Boston and UBS, Mr. Curro focused on energy securities. He was named to *Institutional Investor's* "All America" research team in 1991 and 1992. Mr. Curro returned to UBS Securities from April, 1994, through May, 1995, focusing on special situations, prior to organizing the partnership.

In 1996 and 1997, simultaneous with operating the partnership, Mr. Curro was employed as a vice president at Oppenheimer Capital Corp. and as an expert witness for Ballard Spahr, LLP. At Oppenheimer, Mr. Curro was a portfolio manager investing in small capitalization domestic equities. Mr. Curro's expert witness work for Ballard Spahr involved the provision of research and analysis in the defense of a domestic oil and gas exploration company.

Mr. Curro is a *Phi Beta Kappa* graduate of the University of California, Davis, where he graduated summa cum laude in economics and magna cum laude in English in September, 1983. He earned a Master of Business Administration in December, 1984, from the University of California, Berkeley, where he wrote "Analysis of Petroleum Company Equity Value."

B. Service Offered by the Partnership

The partnership's investment objective is to achieve capital preservation of assets by investing and trading in securities. Consistent with that conservative objective, the partnership seeks significant long-term appreciation. The partnership invests primarily in securities trading at a discount to their "intrinsic value" as determined by the general partner, and that generate significant free cash flow, as defined by

the general partner. These securities include, and are limited to, marketable securities of financially solvent companies, including small to medium size companies that may thinly trade. The partnership also, to a limited degree, engages in arbitrage transactions and sells short securities determined by the general partner to be overvalued. In general, the partnership uses such techniques both to (i) capture the potential for growth and/or current income as suggested by the general partner's research and (ii) hedge the partnership's investments to facilitate the exploitation of investment opportunities with an acceptable degree of risk. The partnership does not invest in "hot issues". The partnership may utilize put and call options (exchange listed and unlisted) in a manner intended to reduce partnership risk.

The partnership may purchase securities on margin or otherwise employ leverage in its investment activities. The partnership may sell securities not owned by it ("short sales"); however, "short selling" does not account for a significant portion of the partnership's investment activities.

The partnership's investment exposure may vary from a highly liquid status to a fully invested status depending on market conditions and investment selections. The partnership, at times, uses hedging techniques to attain its investment objective. Current income is not an investment objective.

The partnership invests primarily in companies that meet many or all of the following criteria: (1) Significant free cash flow (cash flow after dividends and minimum capital spending required to sustain plant and equipment) as percentage of revenue, which leads to sustainable growth; (2) Increasing free cash flow and earnings; (3) Low-debt balance sheets (based on fixed-charge coverage and the ratio of debt-to-total capital), which can lead to free cash flow accretion through business expansion, acquisitions, or other accretive actions; (4) Shareholder managements; (5) Significant market share; (6) Attractive valuation based on earnings, cash flow and EBITDA (earnings before net interest expense, taxes and depreciation & amortization); (7) Presence of a catalyst, such as an unappreciated demographic or industry trend, a change in key personnel, regulatory change, or entry into a complementary business; and (8) Market values on initial investment in the range of \$200 million to \$2 billion.

The Partnership's stock selection process initially focuses on finding businesses that exhibit sound fundamentals, namely, consistent growth in revenue and earnings over a period of years while maintaining a strong balance sheet. The businesses must be managed by executives who have a record of acting as a fiduciary for shareholders. After these businesses are found, their financial statements are rigorously analyzed and detailed models projecting future results are constructed. Each company's model becomes part of a large database to enable rigorous comparisons among approximately one hundred companies. Each company receives a score based on its relative rankings in three categories: valuation, business fundamentals and growth. The following table lists these criteria, which are subject to change. Weightings are given to each criterion in determining a company's score. If an investment prospect scores within the top quartile, additional analysis is conducted, typically participation in meetings and conference calls with management and additional competitive analysis.

Figure 1 Investment Criteria for Value Holdings, L.P.

Valuation	Business Fundamentals	Growth
<ul style="list-style-type: none"> • Forecast price based on historical EBITDA multiples • Forecast price based on historical free cash flow multiples • EBITDA multiple • Free cash flow multiple • Leveraged acquisition value 	<ul style="list-style-type: none"> • Financial leverage • Cash flow return on assets • Net margin • Free cash flow as a percentage of revenue • Change in cash flow return on assets • Change in net margin 	<ul style="list-style-type: none"> • Sustainable growth rate • Estimated cash flow per share

Although the partnership makes the majority of its investments in long positions of domestic common stocks meeting many of the above criteria, the general partner has discretion to invest in companies that do not meet any of these criteria, as well as to make short sales of securities. The partnership may also invest in other publicly traded business interests, including put and call options (exchange listed and unlisted), warrants, debt instruments and money market instruments and in all rights and options relating thereto and, for hedging purposes, may enter into transactions in futures contracts on financial instruments and options on stocks and stock indices.

The partnership may sell securities not owned by it; however, “short selling” is not expected to account for a significant portion of the partnership’s investment activities. Prospective limited partners should be aware that the potential risks inherent in short selling securities are greater than virtually any other type of securities trading or investing. An investor can lose more than the capital invested. However, the liability of the limited partner in the partnership is limited to his/her capital invested in the partnership.

The general partner’s approach to investing is based on fundamental analysis: company-specific or industry-specific (“bottom up”) considerations rather than technical analysis or market judgments. Such an approach generally is not dependent upon the direction, valuation parameters or expectation of broader stock market averages. However, the partnership’s systematic risk, or, beta (the historical percentage change in a portfolio given a change in the broader market) is likely to range between 0.5 and 1.0.

Investing in securities using company-specific considerations requires in-depth analysis. The general partner works to: (a) understand as fully as possible the fundamental characteristics of the companies whose securities in which he is investing, primarily utilizing reports filed by companies with the Securities and Exchange Commission, reports written by securities analysts, and meetings or conference calls with management, suppliers or customers; (b) evaluate the potential returns of investing in the securities under review; and (c) assess any offsetting risks and how such risks may be mitigated. The potential risks and returns of investment positions are continually monitored in light of any fundamental changes in the underlying companies.

While capital appreciation is an objective of the partnership, the general partner strongly believes in the importance of capital preservation. Capital will be allocated to investments only as specific ideas are generated. If there are an insufficient number of ideas, then capital will be held in reserve as cash or by investing in U.S. Treasury securities of a short-term maturity.

The partnership may also buy and sell commodity interests; however, such activity is not expected to account for a significant portion of the partnership’s investment activities. The partnership will not enter into commodity futures and commodity options contracts for which the aggregate initial margin and premiums exceed 10% of the fair market value of the partnership’s assets, after taking into account unrealized profits and unrealized losses on any such contracts it has entered into.

The partnership may purchase securities on margin or otherwise employ leverage in its investment activities. The partnership’s investment exposure varies from a highly liquid status to a fully invested status depending on market conditions and investment selections. The partnership, at times, uses hedging techniques to attain its investment objective. Current income is not an investment objective and any current income derived from the portfolio will be incidental.

The partnership may at times concentrate as much as 40% of the partnership’s total assets in a single industry, but may not invest more than 20% of the partnership’s assets in any single issuer, except as otherwise prohibited by applicable law. To the extent that the partnership’s assets are invested in a smaller number of issues, there may be a greater risk in an investment in the partnership than in a diversified investment portfolio.

- a. **Short Selling.** The partnership’s primary focus is to invest in long positions. However, the general partner will also focus on shorting equity securities of companies that are fundamentally weak or

deteriorating due to a number of factors including, but not limited to: loss of key customer(s) or supplier(s), pricing or margin pressure, excessive operating and/or financial leverage, improper management, product or process obsolescence, regulatory change, loss of protective barriers to entry (such as patents or copyrights), and inability to exit capital-losing businesses.

The partnership may also make short sales as a hedging device. For example, short sales may be made to offset a potential decline in a long position or a group of long positions or to protect against market fluctuations in the securities to be received upon the consummation of an exchange offer or merger.

A short sale allows an investor to profit from a decline in the value of a security. To sell short, a security is borrowed and then sold. At a later point in time an equivalent amount of the security is purchased and used to replace the loan and thus the position is closed. Excluding the effect of transaction costs, a profit results if the purchase price is lower than the sale price; a loss is generated if the sale price is lower than the subsequent purchase price.

The proceeds of a short sale must be left with the broker from whom the securities are borrowed. In addition, the short seller must also deposit with the broker an amount of cash or U.S. Government or other securities sufficient under current margin regulations to collateralize its obligation to replace the borrowed securities which have been sold. As a general rule, margin regulations require that short positions be backed by collateral valued initially at not less than 50% of the market value in cash or cash equivalents of the securities sold short. This percentage is subject to change by the Federal Reserve Board at any time. In the event the value of the collateral falls below the required percentage, the short seller must either post additional collateral or liquidate its short position. During the period in which the securities are borrowed, the lender typically retains the right to receive dividends and interest accruing to the securities. The lender generally pays the partnership a fee (based upon prevailing interest rates) for the use of the Partnership's cash if the short position exceeds a certain minimum dollar amount which is set by the lender in its sole discretion.

A short sale involves the risk of a theoretically unlimited increase in the market price of the security. Furthermore, if the partnership has sold short the securities offered in an exchange offer or merger and has purchased securities of the target company, the partnership is exposed to the risk that, if the transaction is not consummated, it may suffer losses with respect to both its long and short positions.

- b. **Stock Options and Stock Index Options.** From time to time, the partnership may purchase or sell (write) put and call options on stocks and stock index options. A call option is a short-term contract (usually having a duration of nine months or less) pursuant to which the purchaser of the call option, in return for a premium paid, has the right to buy the security underlying the option from the writer of the call option at a specified exercise price at any time during the term of the option. A put option is a similar contract with gives the purchaser of the put option, in return for a premium, the right to sell the underlying security to the writer of the put option at a specified price during the term of the option.

Purchases of call options may be made as a pure investment when the price of the underlying securities is expected to rise, or as a hedge against a short position. Purchases of put options may be made as a pure investment when the price of the underlying securities is expected to decline, or as a hedge against a long position. Options on stock indices are similar to options on stock except that, rather than the right to take or make delivery of a stock at a specified price, an option on a stock index gives the holder the right to receive, upon exercise of the option, an amount of cash if the closing level of the stock index upon which the option is based is greater than, in the case of a call, or less than, in the case of a put, the exercise price of the option. The practice of investing in put and call options may maximize the adverse impact of any economic decline to which the partnership's investment portfolio may be subject.

- c. **Portfolio Turnover.** The Partnership has no definite policy with respect to portfolio turnover; however, the general partner expects that the partnership's portfolio turnover rate will not exceed 100%, i.e., that the value of the securities purchased or sold during the year (whichever is less) will not exceed the average value of the partnership's portfolio securities for the year.
 - d. **Leverage.** A partnership objective is to maintain a modest cash or cash-equivalent balance in order to maintain flexibility and a conservative investment profile. However, instances may arise where the Partnership may borrow money from financial intermediaries at prevailing rates of interest and invest such funds in additional securities. For example, during a transitional period when the partnership is investing in one or more securities and attempting to liquidate one more other securities, borrowing may be required. Also, short sales involve trading on margin.
- C. **Lack of Limited Partner Influence**
The partnership is an investment pool and, as such, does not tailor its investment strategy to the individual needs of limited partners. Limited partners may not impose restrictions on investing in certain securities or types of securities.
- D. **Non Participation in Wrap Fee Programs**
The partnership does not participate in *wrap fee programs* as part of its provision of portfolio management services.
- E. **Full Discretion of Client Assets**
The partnership manages 100% of limited partnership assets on a discretionary basis; as of January 31, 2015, the partnership managed \$141,713,779 of such assets for 74 limited partners. This amount is based on securities priced by Bloomberg L.P. at the close of U.S. securities markets on January 30, 2015 and cash balances at the partnership's custodian and in the partnership's checking account, adjusted for accrued dividends, accrued interest income and expense, and accrued expenses for professional services, namely, auditing and tax accounting and reporting services. This information is consistent with "regulatory assets under management and total number of accounts" required for Item 5, sections F(1)(a) and F(1)(c).

Item 5 Fees and Compensation

- A. **Compensation for Services**
Separate capital accounts are maintained for each partner. In addition to increases or decreases in such accounts by reason of additional contributions and/or withdrawals, capital accounts are increased or decreased by reason of the allocation of "net income" or "net loss" of the partnership.
- The "net income" or "net loss" of the partnership as of the end of each accounting period are allocated to each partner in accordance with his/her respective interest in the partnership as of the beginning of such accounting period. "Net income" and "net loss" of the partnership are determined on the accrual basis of accounting in accordance with generally accepted accounting principles consistently applied and are deemed to include net unrealized profits or losses on securities positions as of the end of each accounting period.
- If in any fiscal year a limited partner has been allocated "net income," an amount equal to 15% of the "net income" is, as of the end of such year, deducted from the capital account of such limited partner, and the total amount so deducted from the capital accounts of all limited partners is allocated to the general partner (the "special allocation"). For example, if a limited partner's "net income" is 16% of his/her total capital in a fiscal year, the general partner shall be allocated 15% of the 16% as the special allocation. No special allocation is made in the event the partnership does not earn "net income." In the event that a limited partner retires or is required to retire from the partnership (as discussed in the following section) at any time other than at the end of a fiscal year, such allocation is made at the time of his/her retirement as though it were being made at the end of a fiscal year. The general partner does not have the authority to add any amounts so deducted to the capital accounts of any limited partner.

Inasmuch as “net income” includes unrealized appreciation of securities, the general partner’s special allocation is credited to his/her capital account in respect to a fiscal year notwithstanding that such appreciated securities when actually disposed of in a subsequent fiscal year may result in a lesser gain or even a loss. No redistribution from the general partner’s accounts to the limited partners’ accounts may be made by reason of any subsequent depreciation in security values. Further, should the partnership experience a loss for the accounting period, such loss is subtracted from the profit in the following accounting period(s) or added to subsequent losses in calculating future profits.

For federal income tax purposes, all items of gain, loss, deduction or credit are allocated so as to equitably reflect allocations of net profit and net loss made under the partnership agreement, provided that such allocations take account of each partner’s varying interest for any fiscal year and withdrawals made under the partnership agreement.

Performance-based compensation may create an incentive for the general partner to make investments or trade securities that may carry a higher degree of risk to the limited partner.

Value Holdings Management Co., LLC, a New York, sole-member LLC whose managing member is Timothy Curro, receives an asset management fee each fiscal quarter equal to $\frac{1}{4}$ of 1 percent (1% on an annualized basis) of the asset value of the capital account of each limited partner. Value Holdings Management Co., LLC, at its sole discretion, may reduce the asset management fee for one or more limited partners. The only exception to the assessment of a management fee pertains to the managing member’s Keogh account, as such assessment could be interpreted by the Internal Revenue Service as an early distribution from a retirement account.

B. Timing of Management Fee Deductions

Value Holdings Management Co., LLC, a New York, sole-member LLC whose managing member is Timothy Curro, receives an asset management fee each fiscal quarter equal to $\frac{1}{4}$ of 1 percent (1% on an annualized basis) of the asset value of the capital account of each limited partner. This asset management fee is deducted from the asset value of the capital account of each limited partner at the beginning of each fiscal quarter. The only exception to the assessment of a management fee pertains to the managing member’s Keogh account, as such assessment could be interpreted by the Internal Revenue Service as an early distribution from a retirement account. Limited partners do not have the option of being billed for fees incurred.

C. Other Expenses

The partnership agreement permits the general partner to incur all expenses on behalf of the partnership which it deems necessary or desirable in its sole discretion. The general partner is authorized to incur and pay on behalf of the partnership all expenses incurred in connection with the offer and sale of interests in the partnership, although in practice Mr. Curro has paid these expenses. The general partner is responsible for all “overhead expenses” of the partnership. Overhead expenses consist of all reasonable expenses necessary to conduct the various recurring routine and administrative operations of the partnership as determined by the general partner in its sole discretion. Overhead expenses do not include legal and audit expenses and investment expenses (i.e., expenses related to the purchase, sale or transmittal of partnership assets). Limited partners do not incur custodian fees. Limited partners incur brokerage transaction costs. Such brokerage transaction costs are reflected in the prices paid or received for securities that are purchased or sold. The following two paragraphs contain addition discussion of brokerage.

Transactions for the partnership generally are allocated to brokers on the basis of best execution, and in consideration of such brokers' provision of, or payment of the costs of, certain research or research related products or services. Accordingly, the partnership may be deemed to be paying for research with "soft" or commission dollars. The partnership may pay a brokerage commission in excess of that which another broker might charge for effecting the same transaction in recognition of the value for the brokerage, research and other research related products and services.

Section 28(e) of the 1934 Act provides a "safe harbor" to investment managers who use commission dollars to obtain investment research and brokerage services that provide lawful and appropriate assistance to the general partner in performing investment decision making responsibilities. Conduct outside of the safe harbor afforded by section 28(e) is subject to the traditional standards of fiduciary duty under state and federal law. The general partner intends that any research or research related products provided by brokers used by the partnership are expected to come within the safe harbor of section 28(e).

D. Refunds of Prepaid Fees

Limited partners are not entitled to obtain refunds of fees paid in advance if the limited partner *voluntarily* closes out his or her limited partnership investment. Limited partners who are *required* by the general partner to withdraw are entitled to obtain refunds of fees paid in advance. The amount of the refund will be determined pro rata based on the number of months that remain in the fiscal quarter during which the limited partner is required to exit. The general has never required a limited partner to close out his or her limited partnership interest, and a limited partner has never been refunded any prepaid fees.

The general partner is authorized, in its sole discretion, to expel any limited partner from the partnership at any time, with or without cause, on not less than 20 days prior notice. The general partner may, in its sole discretion, treat the death or judicial determination of incompetence of a limited partner as a full withdrawal of such limited partner from the partnership.

E. Other Compensation-Related Disclosures

Value Holdings, L.P., VH, LLC, and Timothy Curro do not sell, and therefore do not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. Therefore, no conflict of interest exists between Value Holdings, L.P., VH, LLC, and Mr. Curro on the one side and the partnership's limited partners on the other with respect to marketable securities selected for investment for the partnership by Mr. Curro. Further, Value Holdings, L.P., VH, LLC, and Timothy Curro do not recommend to the partnership's limited partners other brokers or agents that are not affiliated with Value Holdings, L.P., VH, LLC, or Timothy Curro. In addition, none of the revenue received by the general partner from the limited partners derives from commissions or other compensation for the sale of investment products recommended to the partnership's limited partners, including asset-based distribution fees from the sale of mutual funds, as the general partner does not make such recommendations.

Item 6 Performance-Based Fees

Separate capital accounts are maintained for each partner. In addition to increases or decreases in capital account balances by reason of additional contributions and/or withdrawals, capital account balances are increased or decreased by reason of the allocation of "net income" or "net loss" of the partnership.

The "net income" or "net loss" of the partnership as of the end of each accounting period are allocated to each partner in accordance with his/her respective interest in the partnership as of the beginning of such accounting period. "Net income" and "net loss" of the partnership are determined on the accrual basis of accounting in accordance with generally accepted accounting principles consistently applied and are deemed to include net unrealized profits or losses on securities positions as of the end of each accounting period.

If in any fiscal year a limited partner has been allocated "net income," an amount equal to 15% of the "net income" is, as of the end of such year, deducted from the capital account of such limited partner, and the total amount so deducted from the capital accounts of all limited partners is allocated to the general partner (the "special allocation"). For example, if a limited partner's "net income" is 16% of his/her total capital in a fiscal year, the general partner shall be allocated 15% of the 16% as the special allocation. No special allocation is made in the event the partnership does not earn "net income." In the event that a limited partner retires or is required to retire from the partnership (as discussed in the following section) at any time other than at the end of a fiscal year, such allocation is made at the time of his/her retirement as

though it were being made at the end of a fiscal year. The general partner does not have the authority to add any amounts so deducted to the capital accounts of any limited partner.

Inasmuch as “net income” includes unrealized appreciation of securities, the general partner’s special allocation is credited to his/her capital account in respect to a fiscal year notwithstanding that such appreciated securities when actually disposed of in a subsequent fiscal year may result in a lesser gain or even a loss. No redistribution from the general partner’s accounts to the limited partners’ accounts may be made by reason of any subsequent depreciation in security values. Further, should the partnership experience a loss for the accounting period, such loss is subtracted from the profit in the following accounting period(s) or added to subsequent losses in calculating future profits.

Value Holdings, L.P., VH, LLC, and Timothy Curro do not, and have never, managed both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee. As a result, Value Holdings, L.P., VH, LLC, and Timothy Curro do not, and have never, faced any conflicts pertaining to managing such accounts at the same time, including an incentive to favor accounts for which performance-based fees are received.

Item 7 Types of Limited Partners

As of January 31, 2015, Value Holdings, L.P., had 74 limited partners, of which 66 are high net worth individuals, four are individuals, two are pooled investment vehicles, one is a profit sharing plan, and one is a charitable organization. Included in the 74 limited partners, Mr. Curro is an individual limited partner and has a Keogh account limited partnership investment.

The partnership’s limited partners as of January 31, 2015 have been continuous investors in the partnership for an average of 13 years and a median of 15 years. Seven limited partners have capital account balances exceeding \$5 million. Five limited partners have capital account balances exceeding 5% of partnership capital. One of these five limited partners owns two limited partnership investments, both exceeding 5% of partnership capital.

To open a limited partnership investment with the partnership, an investor must represent, warrant, acknowledge and agree that either:

- (1) He/she is a natural person whose individual net worth, or joint net worth with that of his/her spouse, at the time of his/her purchase exceeds \$1,000,000, excluding the value of his/her primary residence. (A mortgage or indebtedness on the primary residence does not count against net worth except to the extent that the indebtedness exceeds the fair market value of the residence.);
- (2) He/she is a natural person whose individual income was in excess of \$200,000 in each of the two most recent years or whose joint income with his/her spouse was in excess of \$300,000 in each of the two most recent years, and he/she has a reasonable expectation of reaching the same income level in the current year;
- (3) It is a corporation, Massachusetts or similar business trust, or partnership, was not formed for the specific purpose of acquiring an interest in the partnership, and has total assets in excess of \$5,000,000;
- (4) It is an irrevocable trust (other than a Massachusetts or similar business trust) with total assets in excess of \$5,000,000, was not formed for the specific purpose of acquiring an interest in the partnership, and whose purchase of an interest in the partnership is directed by a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of an investment in the partnership;
- (5) It is a corporation, Massachusetts or similar business trust, or partnership, of which each of the equity owners therein meets either the first or second test set forth earlier in this paragraph; or
- (6) It is a revocable trust, the grantor of which meets either the first or second test set forth earlier in this paragraph.

The new limited partner also must represent, warrant, acknowledge and agree, knowing that the partnership and the general partner will expressly rely on the truth of such representation, warranty, acknowledgment and agreement, that:

- (1) He/she is a person who is able to bear the economic risk of the complete loss of his/her investment in the partnership;

- (2) He/she has received and carefully read the limited partnership agreement, and by virtue of his/her knowledge and experience in business and financial affairs or that of his/her financial adviser, if any, who has been designated by the undersigned, is capable of evaluating the merits and risks of an investment in the Partnership;
- (3) He/she has been given the opportunity to ask questions of, and receive answers from, the general partner or persons acting on the general partner's behalf concerning the terms and conditions of the offering and the partnership's business and to conduct any other investigation of due diligence nature to his/her satisfaction;
- (4) He/she understands that all documents, records and books pertaining to this investment have been made available for inspection by his/her attorney and/or accountant and/or financial adviser and himself, and that the books and records of the partnership will be available upon reasonable notice for inspection during reasonable business hours at the partnership's principal place of business;
- (5) He/she will be acquiring the limited partner interest for investment, for his/her own account and not for the interest or any other person and not for distribution or resale to others. He/she understands that the limited partner interests have not been registered under the Securities Act of 1933, as amended (the "Act") and he/she agrees that his/her interest in the partnership may not be sold, transferred, or otherwise disposed of except pursuant to an exemption for registration under the Act. He/she will not assign his/her interest in the partnership or any beneficial interest therein, in whole or in part, to any other person, nor will he/she be entitled to substitute for himself/herself as a limited partner any other person except pursuant to an exemption for registration under the Act;
- (6) He/she understands the effect of the limitations on disposition and of his/her representation that his/her interest in the partnership will not be resold without an exemption from registration under the Act being available. He/she understands that transfers can be made only pursuant to an exemption for registration under the Act;
- (7) He understands, however, that none of the restrictions set forth in (5) above affect his/her right to retire from the partnership upon the terms and conditions set forth in the limited partnership agreement; and
- (8) No person is acting or authorized to act as his/her financial adviser in connection with his/her capital contribution, except as set forth on the last page of the partnership agreement.

A new limited partner also must acknowledge that he/she understands the meaning and legal consequences of the representations and warranties, and he/she hereby agrees to indemnify and hold harmless the partnership, each limited partner thereof and the general partner, and its respective officers, directors, controlling persons, agents and employees, from and against any and all loss, damage or liability due to or arising out of a breach of any such representation or warranty. Notwithstanding the foregoing, however, no representation, warranty, acknowledgment or agreement made in the partnership agreement by the new limited partner shall in any manner be deemed to constitute a waiver of any rights granted to him under federal or state securities laws. All representations and warranties contained in the partnership agreement, and the indemnification contained in this paragraph, shall survive the acceptance of the partnership subscription.

A new limited partner also must agree that any representation made in the partnership agreement is deemed to be reaffirmed by him/her at any time the new limited partner makes an additional capital contribution to the partnership, without the need to execute or re-execute any additional document, the act of making such additional contribution to be deemed evidence of such reaffirmation.

A new limited partner also must agree that, concurrently with the execution of the partnership agreement, the new limited partner has executed and delivered to the partnership a counterpart of the limited partnership agreement of the partnership, to be effective upon the new limited partner's admission as a limited partner in the partnership.

A new limited partner also must acknowledge and agree that, after receipt of the agreement for admission and the limited partnership agreement, the general partner will notify the prospective limited partner of the date by which it will be required to transmit the amount of his/her capital contribution subscribed to under the agreement for admission, either by electronic payment or by mail to the address instructed by the general partner. Promptly after the date specified in such notice, the general partner will return to each new limited partner his/her copy of the agreement for admission and limited partnership agreement as executed

by the general partner. As soon as practicable, the general partner will advise the new limited partner of the total capitalization of the partnership and the percentage interest therein of the new limited Partner.

A new limited partner also must agree that the agreement for admission shall inure to the benefit of and be binding upon each of the parties hereto, his/her or its heirs and legal representatives.

The minimum initial investment by a new limited partner in the partnership is \$750,000. The general partner, however, has discretion to accept a lesser amount.

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

- A. Item 4.B, above, describes the methods of analysis and investment strategies used by the partnership in managing assets.

Investing in securities involves risk of loss that limited partners in the partnership should be prepared to bear. Risks are involved in investing in securities as contemplated by the partnership. Although the partnership intends long investment positions to be its predominant investment strategy, it may from time to time engage in trading and short selling of securities, including options. Trading is speculative, prices are volatile, and market movements are difficult to predict. Also, because short sales involve trading on margin, the partnership's strategies may involve greater risk than investments based on unleveraged long positions. The general partner believes that in many instances, however, that short sales can reduce portfolio risk. Nevertheless, the purchase of an interest in the partnership requires the ability and willingness to accept the risk of total loss.

An investment in the partnership involves a high degree of risk. In making such an investment, prospective investors should carefully consider, among other factors, the following risk factors concerning the partnership:

1. The partnership's investment activities. The partnership's securities trading and other investment activities involve a high degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by the general partner. Such factors include a wide range of economic, political, market, competitive and other conditions which may affect investments in general or specific industries or companies. The partnership's investment objectives are based on the ability of the general partner to take advantage of very short-term market trends, if desired, and the market's volatility. Because market trends in general and changes in market trends during a trading day cannot be predicted with any degree of accuracy or consistency, the partnership's performance may fluctuate substantially from period to period, and it is possible that the partnership may sustain substantial and continuing losses. Furthermore, although the general partner intends to monitor the Partnership's investments on an ongoing basis and will seek to structure transactions to minimize losses on any single transaction, no assurance can be given that such efforts will be successful or that the partnership will not sustain substantial losses on single positions. In addition, the nature of the partnership's investment objectives require the partnership to, at times, make very short term transactions, with the possibility of making several transactions in one security in a single trading day. As a result, the commissions payable by the partnership may be substantially in excess of those normally paid by a fund comparable in size to the partnership.
2. Importance of general partner. The success of the partnership depends to a great extent on the ability and experience of the general partner, VH, LLC, and its managing member, Timothy Curro. No assurance can be given that the general partner will generate any net capital appreciation. Further, the limited partners have no right to participate in the management of the partnership.
3. Economic climate. The partnership's business is, and the securities or other property in which the partnership may invest, will be affected by general economic, market and political conditions and/or economic or political conditions affecting particular industries or types of investments over which the partnership has no control.

4. Regulations. From time to time legislation has been proposed and adopted at both the federal and state level which could adversely affect the tax status, tax treatment and profitability of companies in general and investment companies in particular. Such legislation includes legislation which could discourage the type of takeover activity and tender and exchange offers that result in stock volatility and thereby create investment opportunities for the partnership. In addition, federal tax legislation and regulations issued by the Internal Revenue Service can significantly affect stock volatility by the market's reaction to changes in the tax laws, including changes in depreciation and interest deductions.
5. Restrictions on partial withdrawal or withdrawal of capital. The limited partnership agreement restricts the ability of limited partners to withdraw as limited partners or make partial or complete withdrawals of capital from their respective capital accounts. A limited partner may only withdraw entirely or in part from the partnership as of the end of any fiscal quarter provided that notice of exercise of this right is given to the general partner at least 30 days prior to the date on which such withdrawal is to be made, either by email or in writing.
6. Limited transferability. The partnership interests are subject to restrictions on transfer under the Securities Act and state securities laws. The limited partnership agreement prevents any transfers without the consent of the general partner, and, without limiting the power of the general partner to withhold such consent, the general partner may withhold consent if the transfer may result in adverse tax consequences to the partnership or other limited partners and will withhold consent if the transfer will result in more than ninety-nine (99) limited partners. Consequently, a limited partner may liquidate its investment only by withdrawing its capital in accordance with the restrictions in the limited partnership agreement.
7. Removal of a limited partner: Death or incompetence of a limited partner. The general partner is authorized, in its sole discretion, to expel any limited partner from the partnership at any time, with or without cause, on not less than 20 days prior notice. The general partner may, in its sole discretion, treat the death or judicial determination of incompetence of a limited partner as a full withdrawal of such limited partner from the partnership.
8. Competition. All aspects of securities industry are extremely competitive. The partnership is in competition with firms, including many large investment banking firms, that have substantially greater financial resources, more securities traders and larger research staffs than the partnership. The competition in the business of trading securities and other instruments of the types to be purchased and sold by the partnership is likely to increase. The partnership may also be in competition with other firms for investment managers and personnel in the securities industry.
9. ERISA considerations. An investment in the partnership by an employee benefit plan could violate the prudence, diversification, prohibited transaction or other standards of ERISA or related provisions of the Code, particularly if partnership assets were deemed to be plan assets. Any potential investor subject to ERISA should consult with counsel to determine whether an investment in partnership interests is a permissible investment. Furthermore, all or a portion of any net capital appreciation accruing to such benefit plan or to an individual retirement account ("IRA") could be subject to federal and state income tax as unrelated business income.
10. Lack of separate representation. Neither the limited partnership agreement nor any of the agreements, contracts and arrangements between the partnership and the general partner were or will be the result of arms-length negotiations. The investors have not been represented by separate counsel in connection with the preparation of the limited partnership agreement or in establishing the terms upon which the partnership interests are being offered for sale. The attorneys, accountants and others who have performed services for the partnership in connection with the offering memorandum and partnership agreement have been employed by the general partner. Attorneys, accountants and others who will perform services for the partnership in the future will be selected by the general partner and may also perform services for the general partner and its affiliates, if any.

11. Tax Risks.

- a. Status as a partnership: Absence of ruling or opinion. The partnership files for federal and state income tax purposes as a partnership. The partnership, however, has neither applied for a ruling from the Internal Revenue Service nor obtained an opinion of counsel on this or any other tax issue affecting the partnership. Each limited partner of a partnership reports on its federal income tax returns its allocable share of the net realized profit and losses of the partnership whether or not any part of such profits are actually distributed to him. If the partnership were to be classified as an association taxable as a corporation, its profits and losses would be reported only by the partnership; the taxable income of the partnership would be subject to corporate tax; and losses incurred by the partnership, if any, would only be allowed as deductions to the partnership, rather than being passed through to the limited partners. Distributions from the partnership would be treated as dividend income to the limited partners to the extent of the current and accumulated earnings and profits of the partnership.
- b. Re-characterization of the general partner's incentive allocation as a fee. The general partner is reallocated a share of the partnership's net capital appreciation allocable to the limited partners for services to the partnership, as well as an asset management fee to Value Holdings Management Co., LLC. If the Internal Revenue Service were to contend successfully that some or all of the net capital appreciation allocated to the general partner represents a "fee" for services, rather than a distributive share of partnership income, then a portion or all of such "fee" may be non-deductible, and the limited partners' share of partnership income would therefore increase.
- c. Other tax risks. Investors should also consider other tax risks, including the possibility: (i) that the Internal Revenue Service will disagree with the partnership's characterization of certain transactions and thus re-characterize capital gains as ordinary income or ordinary losses as capital losses; (ii) that certain losses or deductions claimed by the partnership will be disallowed; (iii) that a limited partner will be subject to the straddle rules because one or more of his/her personal holdings are offset by the partnership holdings and consequently that losses sustained on the disposition of such limited partner's personal holdings (or partnership holdings) will not be currently deductible but will be deferred; (iv) that a limited partner's tax liability in a given year as a result of partnership operations may exceed his/her allocable share of net capital appreciation, if any; (v) that, in a given year, even though the partnership operated at a loss from an economic standpoint, a limited partner may be required to realize taxable income from the partnership as a result of the limitation on the deductibility of capital losses or due to differences between tax accounting rules and such limited partner's allocable share of the partnership's net capital appreciation and net losses; and (vi) that there may be adverse changes in the tax laws and their interpretation. In addition, an audit of the partnership's tax return may result in an audit of a limited partner's individual return. In such event, the limited partners would be responsible for the conduct of his/her audit and paying any expenses related thereto. Furthermore, since the partnership may leverage its investments, all or a portion of the net capital appreciation allocable to a limited partner which is an employee benefit plan or an IRA may be subject to federal and state income tax as unrelated business income. Similar problems may also affect any exempt organizations which become limited partners. Limited partners should consult with their tax advisors regarding the impact of state tax laws on their investment in the partnership.

Item 9 Disciplinary Information

Value Holdings, L.P., VH, LLC, and Timothy Curro have *never* been sued or disciplined by any regulatory authority for any reason.

There are *no* legal or disciplinary events that are material to a limited partner's or prospective limited partner's evaluation of Value Holdings, L.P. There are *no* legal or disciplinary events that are material to a

limited partner's or prospective limited partner's evaluation of the integrity of the managing member of the general partner.

Items 9.A, 9.B, and 9.C

Value Holdings, L.P., general partner VH, LLC, and managing member of the general partner Timothy Curro do not have *any* legal or disciplinary events, specific or otherwise, presumed to be material for Item 9. In particular, Value Holdings, L.P., VH, LLC, and Timothy Curro have never been party to:

- A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which Value Holdings, L.P., VH, LLC, and Mr. Curro:
 - 1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any *felony*; (b) a *misdemeanor* that *involved* investments or an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
 - 2. is the named subject of a pending criminal *proceeding* that involves an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
 - 3. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation; or
 - 4. was the subject of any *order*, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, Value Holdings, L.P., VH, LLC, or Mr. Curro from engaging in any *investment-related* activity, or from violating any *investment-related* statute, rule, or *order*.
- B. An administrative *proceeding* before the SEC, any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority* in which your firm or a *management person*
 - 1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or
 - 2. was *found* to have been *involved* in a violation of an *investment-related* statute or regulation and was the subject of an *order* by the agency or authority
 - (a) denying, suspending, or revoking the authorization of Value Holdings, L.P., VH, LLC, or Mr. Curro to act in an *investment-related* business;
 - (b) barring or suspending Value Holdings, L.P.'s, VH, LLC's, or Mr. Curro's association with an *investment-related* business;
 - (c) otherwise significantly limiting Value Holdings, L.P.'s, VH, LLC's, or Mr. Curro's *investment-related* activities; or (d) imposing a civil money penalty of more than \$2,500 on Value Holdings, L.P., VH, LLC, or Mr. Curro.
- C. A *self-regulatory organization (SRO) proceeding* in which Value Holdings, L.P., VH, LLC, or Mr. Curro
 - 1. was *found* to have caused an *investment-related* business to lose its authorization to do business; or
 - 2. was *found* to have been *involved* in a violation of the *SRO's* rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from *investment-related* activities; or (iii) fined more than \$2,500.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. Given that Value Holdings, L.P., VH, LLC, or Timothy Curro have *never* been involved in a legal or disciplinary event of any kind, the partnership is not aware of any material fact in this regard that would negatively affect a limited partner's or prospective limited partner's evaluation of Value Holdings, L.P., or VH, LLC, or the integrity of Mr. Curro.

Item 10 Other Financial Industry Activities and Affiliations

- A. Value Holdings, L.P., VH, LLC, and Timothy Curro are not registered, and do not have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Value Holdings, L.P., VH, LLC, and Timothy Curro are not registered, and do not have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.
- C. Value Holdings, L.P., VH, LLC, and Timothy Curro do not have any relationships or arrangements that are material to the limited partners with any of the following related persons: (1) broker-dealer,

municipal securities dealer, or government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) insurance company or agency, (9) pension consultant, (10) real estate broker or dealer, (11) sponsor or syndicator of limited partnerships.. As such no conflicts of interest are created in this regard.

- D. Value Holdings, L.P., VH, LLC, and Timothy Curro do not recommend or select other investment advisers for Value Holdings, L.P.’s limited partners. As such, no conflicts of interest exist in this regard.

Item 11 Code of Ethics, Participation in Transactions, Personal Trading

- A. Code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. The partnership has adopted a code of ethics that prohibits personal securities trades by all personnel. Consistent with the antifraud prohibitions of Section 206 of the Investment Advisors Act, the general partner VH, LLC, and its managing member Timothy Curro disclose all material conflicts between its interests and the interests of the partnership’s limited partners. The SEC has stated that a conflict would be material if there is a “substantial likelihood” that disclosure of the conflict would be viewed by a reasonable investor as “significantly altering the total mix” of information available about the investment pool. The general partner will provide a copy of the partnership’s code of ethics to any limited partner or prospective limited partner upon request.

The partnership upholds high standards of conduct in all aspects of its operations. Consistent with Investment Advisors Act Rule 206(4)-7 (the COMPLIANCE RULE), the partnership has adopted compliance policies and procedures designed to prevent, detect and correct violations of applicable securities laws, and are committed to reviewing these policies and procedures periodically in an attempt to ascertain their adequacy and the effectiveness of their implementation.

Once registered under section 203 of the Act (15 U.S.C. 80b-3), the partnership must establish, maintain and enforce a written code of ethics that, at a minimum, includes: (1) A standard (or standards) of business conduct that it requires of its supervised person, which standard must reflect the partnership’s fiduciary obligations and those of its supervised person; (2) Provisions requiring the partnership’s supervised person to comply with applicable federal securities laws; (3) Provisions that require the partnership’s access person to report, and the partnership to review, his personal securities transactions and holdings periodically as provided below; (4) Provisions requiring the supervised person to report any violations of the partnership’s code of ethics promptly to its chief compliance officer; and (5) Provisions requiring the partnership to provide its supervised person with a copy of its code of ethics and any amendments, and requiring its supervised person to provide the partnership with a written acknowledgment of his receipt of the code and any amendments.

Reporting requirements. (1) Holdings reports. The code of ethics requires access persons to submit to a chief compliance officer a report of the access persons’ current securities holdings; the partnership prohibits all personnel from personally trading or holding securities and therefore there will not be any holdings reports. (2) Transaction reports. The code of ethics requires access persons to submit to a chief compliance officer quarterly securities transactions reports; given that the partnership prohibits any personal securities transactions by all personnel, there will be no transaction reports to submit, and the partnership will not be taking advantage of the exceptions from reporting requirements provided for in Rule 17j-1 of the Investment Company Act.

The partnership’s code of ethics prohibits the acceptance of gifts in excess of \$200 by any employee of the partnership during any fiscal quarter. It also prohibits any access person from serving as a director of a publicly traded company. The partnership’s chief compliance officer reviews periodically, and at a minimum once per fiscal year, the code of ethics as well as reports, if any, made pursuant to it. The code of ethics also prohibits access persons and any other personnel of the partnership from investing in an initial public offering (“IPO”) or private placement. Under rule 204A-1, the partnership’s code of ethics requires prompt internal reporting of any violations of the code. Violations must be reported to

the partnership's chief compliance officer. The partnership's access persons are allowed to own, and to make additions to and withdrawals from, their general partnership and limited partnership investments in the partnership and in Springbank Value Partners, L.P. Records of any additions or withdrawals will be maintained by each partnership for a minimum of five years.

The managing member of the general partner, Timothy Curro, has investment activities associated with Springbank Value Partners, L.P. ("Springbank"). Mr. Curro also may manage separate accounts and other investment partnerships which may be managed similarly to the partnership, although he does not do so currently. As a result, the partnership, Springbank, and other managed accounts may purchase or sell the same equity securities, requiring an allocation of investment opportunities among the partnership, Springbank, and other managed accounts. There may also be conflicts of interest among the partnership, Springbank, and other managed accounts with respect to allocation of personnel, other resources and expenses.

The general partner will resolve all conflicts of interest in good faith and on a fair and equitable basis. Investment opportunities and the purchases or sales of equity securities generally will be allocated taking into consideration the differing investment objectives of, the capital made available for each investment situation by, and the differing tax status of the partnership, Springbank, and other managed accounts, if any. Because they may have different investment objectives or due to other considerations, the partnership, Springbank, and other managed accounts may at any time, and from time to time, take different, even opposite, positions with respect to particular purchases or sales of stocks or securities.

A potential conflict of interest exists in allocating trades between the partnership and Springbank Value Partners, L.P. Frequently, trades are not allocated proportionately on the basis of each partnership's capital. Mr. Curro, as managing member of the general partner of the partnership, and as managing member of the managing general partner of Springbank, attempts to maintain similar net long percentages in both partnerships. Over time, as a result of investments by new or existing partners, and of withdrawals by existing partners, the partnerships' net long percentages may diverge. Mr. Curro typically elects not to immediately buy/sell securities when partnership capital increases/decreases through contributions/withdrawals, but rather to allocate new trades in order to gradually bring the net long percentages of the partnerships into convergence. As a result, the relative sizes of equity and options positions, and the number of equity and options positions, vary between the partnerships. Also, on some occasions, market conditions may result in only partial fulfillment of an order placed with a broker. If the portion of the order filled is very small, Mr. Curro may decide to allocate the entire portion to only one of the partnerships. The allocation decision will be based on overall investment objectives, including but not limited to the relative net long positions of the partnerships, risk management, and also convenience.

A potential conflict of interest exists in that the percentage of the incentive allocation that Mr. Curro receives as managing member of the general partner of the partnership and as managing member of the managing general partner of Springbank Value Partners, L.P., and the percentage of the management fee that Mr. Curro receives as managing member of Value Holdings Management Company, LLC, varies between the partnerships. Mr. Curro receives 100% of the incentive allocation and management fee associated with the partnership, but materially less than 100% of the incentive allocations and management fees of Springbank. Mr. Curro attempts to maximize the risk-adjusted return of the partnerships irrespective of his actual or expected incentive allocation or management fees in one partnership relative to the other.

A potential conflict of interest exists because the amount of capital invested directly by Mr. Curro in the partnership and Springbank Value Partners, L.P., and indirectly by Mr. Curro as managing member of the general partner of the partnership, and as managing member of the managing general partner of Springbank, relative to total capital varies between the partnerships. Mr. Curro treats each partnership fairly irrespective of his personal exposure to, or investment in, the partnerships.

A potential conflict of interest exists because, with the exception of a checking account and cash on hand, all of Mr. Curro's liquid net worth is invested in the partnership and in Springbank Value

Partners, L.P. Mr. Curro adheres to the partnership's principles of capital preservation and maximum risk-adjusted return irrespective of his personal exposure to, or investment in, the partnership.

A potential conflict of interest exists because the majority of the Mr. Curro's income from the partnership is taxable, while the income of some of the other investors in the partnership is nontaxable. Mr. Curro has consistently attempted, and intends to continue to attempt, to maximize the after tax income of the partnership.

A potential conflict of interest exists based on the allocation of Mr. Curro's time between investing and managing existing capital and attempting to raise additional capital for the partnership and Springbank Value Partners, L.P. Mr. Curro attempts to consistently emphasize the performance of the partnership, as measured by risk-adjusted net returns, over capital-raising objectives.

The partnership has not made, and does not intend to make, any loans to Springbank or any separately managed accounts. Assets of the partnership, Springbank, and separately managed accounts, if any, are maintained in separate accounts and are not, and will not be, commingled.

Consistent with Investment Advisors Act Rule 204-2 (the RECORDS RULE), the partnership maintains comprehensive books and records and maintains all records that are necessary to form the basis for, or demonstrate the calculation of, any reported performance figures, and these documents are kept for a minimum of five years after the performance information is last used. The books and records of the partnership are open to inspection by any limited partner or limited partner representative with reasonable notice during office hours at our principal place of business, as provided for in the partnership agreement.

Consistent with Investment Advisors Act Rule 206(4)-2 (the CUSTODY RULE), the partnership distributes audited financial statements to investors within 180 days of the end of the partnership's fiscal year. In fact, audited statements of the partnerships have been distributed to the partnership's limited partners within 90 days of the end of the partnership's fiscal year in each full year of the partnership's existence. The partnership expects to be able to satisfy its obligations consistent with this rule in the future.

Registered advisers who have explicit or implicit authority to vote proxies on their clients' behalf must comply with Advisers Act Rule 206(4)-6 (the PROXY VOTING RULE). As fiduciaries, investment advisers owe their clients duties of care and loyalty which implies an obligation to monitor corporate events and vote proxies on behalf of every client who has authorized the adviser to do so. Under general principles of agency law, clients have a right to obtain information regarding how their proxies have been voted. However, advisers need not vote proxies where the cost and consumption of time in doing so would outweigh the benefits. Also, depending on its management style, an adviser might decide that it is not going to vote proxies on behalf of its private funds. In such a case, the registered adviser would have to make full and fair disclosure to its investors. Depending on the facts and circumstances, this disclosure might have to include disclosure that the adviser's failure to vote proxies could potentially harm investors in the fund. The partnership's proxy voting policies and procedures are discussed in Item 17, below.

- B. The general partner buys and sells securities for the partnership, securities in which the general partner and Mr. Curro have a material financial interest as a result of their ownership interests in the partnership. A conflict of interest could exist were the general partner to attempt to use the partnership's capital in an effort to manipulate the prices of the partnership's securities prior to a month-end withdrawal by the general partner or Mr. Curro. The partnership's code of ethics prohibits such activity.
- C. The partnership prohibits personal securities trades, including options, futures, and warrants, by all personnel. As a result, no conflicts of interest derive therefrom.
- D. See Item 11.C, above.

Item 12 Brokerage Practices

A. The general partner is authorized to determine the broker to be used for each transaction for the partnership. In selecting brokers or dealers to execute transactions, the general partner need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the general partner's practice to negotiate "execution only" commission rates; thus, the partnership may be deemed to be paying for other services provided by the broker which are included in the commission rate. In negotiating commission rates, the general partner takes into account the financial stability, reputation, trading and research services of brokerage firms, although the partnership may not, in any particular instance, be the direct or indirect beneficiary of the services so provided. In addition, the general partner may direct commissions to certain brokers who may be willing to furnish other services, such as telephone lines, news and quotation equipment, electronic office equipment, account record keeping, financial publications and economic consulting services.

1. Research and other soft dollar benefits. The partnership does not receive investment research from its prime broker, ConvergeX Prime Services, LLC. The partnership does receive investment research created and developed by analysts employed by its custodian, The Goldman Sachs Group, Inc., i.e., "proprietary research," and, as such it receives "research or other products or services other than execution from a broker-dealer or a third party in connection with limited partner securities transactions ("soft dollar benefits")" required to be disclosed herein. The partnership does not receive from Goldman Sachs research created or developed by a third party. The partnership does not receive the opportunity to attend research conferences sponsored by Goldman Sachs.
 - a. When the partnership uses brokerage commissions (or markups or markdowns) to obtain research or other products or services, it receives a benefit because it does not have to produce or pay for the research, products or services.
 - b. Value Holdings, L.P., VH, LLC, and Timothy Curro may have an incentive to select a broker-dealer based on their interest in receiving research or other products or services, rather than on the limited partners' interest in receiving most favorable execution.
 - c. The general partner does not believe that it causes limited partners to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up).
 - d. The partnership uses the soft dollar benefits obtained from receiving Goldman Sachs proprietary research to service all of its limited partners, all of whom effectively pay for the benefits proportionately.
 - e. The products and services the partnership acquired within the last fiscal year with partnership brokerage commissions consist of proprietary Morgan Stanley research and the opportunity to attend research conferences sponsored by Morgan Stanley. The general partner and Timothy Curro did not directly receive any products or services associated with directing the partnership's brokerage commissions. The general partner and Timothy Curro believe that no conflicts of interest are created as a result of these activities, as these products and services aid in investment decision-making and therefore qualify for the safe harbor in section 28(e) of the Securities Exchange Act of 1934.
 - f. In the past fiscal year, the general partner directed 100% of its brokerage to Morgan Stanley through October 22, 2014, and 100% to ConvergeX Prime Services, LLC from October 23, 2014 through December 31, 2014. As such, that is the procedure the general partner took during the last fiscal year to direct partnership "transactions to a particular broker-dealer in return for soft dollar benefits" received by the partnership.
2. Brokerage for limited partner referrals. The general partner considers, in selecting broker-dealers, whether the partnership receives limited partner referrals from the broker-dealer. Due to the partnership's relatively small size, however, the partnership has been unsuccessful in this regard. As a result, no conflicts of interest have been created or exist related to limited partner referrals.
 - a. The partnership may have an incentive to select a broker-dealer based on the partnership's interest in receiving limited partner referrals, rather than on its limited partners' interest in receiving the most favorable execution.

- b. In the last fiscal year, the general partner did not direct any partnership transactions to a particular broker-dealer in return for limited partner referrals. The general partner directed 100% of its transactions to its prime broker during the last fiscal year, and given the partnership's relatively small size, the general partner did not expect to obtain any limited partner referrals from the partnership's prime broker during the period.
 - 3. Directed Brokerage.
 - a. Value Holdings, L.P., VH, LLC, and Timothy Curro do not, routinely or otherwise, recommend, request or require that a limited partner direct them to execute transactions through a specified broker-dealer. Value Holdings, L.P., VH, LLC, and Timothy Curro do not have an economic relationship that creates a conflict of interest, material or otherwise. The partnership's general partner has full, complete and exclusive management control of the partnership. Without limitation, the general partner in its sole discretion has the power to buy and sell securities.
 - b. Not applicable.
- B. As an investment pool, the partnership does not and cannot aggregate the purchase or sale of securities for various limited partner accounts.

Item 13 Review of Accounts

- A. The general partner reviews each limited partner's financial statement on a monthly basis prior to email distribution of the financial statement to the limited partner. The review entails (1) a comparison of the monthly return reported for the limited partner relative to the monthly return reported for the partnership, (2) an analysis to determine whether transactions specific to the limited partner, e.g., a capital addition or withdrawal, are accurately reflected, and (3) a brief perusal of the limited partner's income, expenses and gains in an effort to detect errors or discrepancies.
- B. Limited partners are entitled to trigger a review of their financial statements. These reviews are taken very seriously by the general partner and are not concluded until the limited partner is satisfied with outcome of the review and the accuracy of his or her financial statement.
- C. The books and records of the Partnership are audited as of the end of each fiscal year by certified public accountants designated from time to time by the general partner. The books and records are open to inspection by any partner or his/her representative with reasonable notice during office hours. The general partner presently distributes audited financials annually to all partners promptly after the same has been completed.

At the beginning of each month, typically prior to the opening of the U.S financial markets on the first day of that month, every limited partner is emailed a comprehensive statement reporting their investment results as well as the statement for the partnership. An example of a typical statement is shown in Figure 2.

Figure 2 Sample Limited Partner Statement for Value Holdings, L.P.

Value Holdings, L.P. (Unaudited)										Capital Accounts - Monthly 2014				
	Beginning Capital Balance	Contributions	Interest Income	Qualified Dividend Income	Other Income	Mgt. Fee	Professional Fees	Interest & Dividend Expense (1)	Withdrawals	S-T Realized Gain	L-T Realized Gain	Unrealized Gain	Ending Capital Balance	Net % Chg (2)
1/1-1/31	\$141,685,857.09	\$390,731.96	\$13,067.10	\$49,332.30		\$315,731.96	\$2,605.55	\$23,775.77			\$198,467.21	(\$3,356,067.51)	\$138,639,274.87	-2.42%
2/1-2/29	138,639,274.87		11,539.43	125,076.90			1,605.55	21,171.23	464,000.00			4,558,616.22	143,411,616.12	3.59%
3/1-3/31	143,411,616.12		13,503.85	135,638.32			1,855.53	75,663.97	12,000.00	(48,697.82)	1,300,323.65	(715,180.97)	144,008,283.64	0.36%
4/1-4/30	144,008,283.64	52,000.00	12,823.84	47,462.30		320,058.22	1,605.55	22,949.01	102,000.00			(1,630,336.65)	142,043,620.35	-1.13%
5/1-5/31	142,043,620.35	400,000.00	12,379.40	193,092.45			1,605.54	24,408.85	230,000.00			1,784,507.32	144,178,185.12	1.17%
6/1-6/30	144,178,185.12		13,093.43	116,269.45			1,605.54	25,365.46	395,000.00		488,514.08	4,082,388.12	148,457,073.26	2.77%
7/1-7/31	148,457,073.26	254,753.13	13,356.38	47,462.30		329,753.13	1,605.54	105,472.75	500,000.00	1,386.18	491,800.86	(6,210,141.47)	142,118,865.81	-3.52%
8/1-8/31	142,118,865.81	690,000.00	12,903.47	177,155.32		1,150.00	1,605.55	28,326.56	730,000.00	(84,092.60)	86,634.20	4,367,110.74	146,609,494.82	2.71%
9/1-9/30	146,609,494.82	0.01	11,910.56	31,873.43			1,608.62	77,082.12	650,000.00	(106,123.46)	710,823.06	(6,323,396.77)	140,265,890.90	-3.35%
10/1-10/31	140,265,890.90	239,009.05	7,671.36	55,333.22		312,859.05	1,647.07	29,444.77	515,000.00		432,398.07	7,406,264.77	147,548,616.48	4.61%
11/1-11/30	147,548,616.48			413,605.58			1,672.31	34,817.54	362,235.45	55,455.15	4,726,757.42	(6,018,010.45)	146,327,838.88	-0.50%
(3) 12/1-12/31	146,327,838.88		0.00	459,748.31		(0.00)	1,692.07	104,040.11	2,475,349.50	(282,087.93)	(354,794.06)	251,106.46	143,240,729.96	-0.36%
Subtotals		\$2,026,500.15	\$122,909.48	\$1,912,649.88		\$1,279,558.36	\$20,714.46	\$572,518.14	\$6,435,644.95	(\$464,160.48)	\$8,067,949.96	(\$1,802,540.13)		3.59%

Sample Statement (Unaudited)										Capital Accounts - Monthly 2014				
	Beginning Capital Balance	Contributions	Interest Income	Qualified Dividend Income	Other Income	Mgt. Fee	Professional Fees	Interest & Dividend Expense (1)	Withdrawals	S-T Realized Gain	L-T Realized Gain	Unrealized Gain	Ending Capital Balance	Net % Chg (2)
1/1-1/31	\$3,086,042.77		\$283.34	\$1,071.34		\$7,720.11	\$56.62	\$516.62			\$4,312.50	(\$12,924.01)	\$3,012,493.78	-2.45%
2/1-2/29	3,012,493.78		252.69	2,726.32			35.00	461.57			12,292.51	93,386.83	3,126,656.36	3.79%
3/1-3/31	3,126,656.36		294.44	2,957.43			40.46	1,649.76		(1,061.80)	28,365.08	(15,593.66)	3,139,327.62	0.42%
4/1-4/30	3,139,327.62		279.63	1,034.93		7,849.82	35.01	500.41				(35,550.02)	3,097,306.93	-1.36%
5/1-5/31	3,097,306.93		282.68	4,205.41			34.37	531.61				38,865.24	3,140,093.69	1.38%
6/1-6/30	3,140,093.69		285.35	2,539.22			35.06	553.96			10,668.70	93,168.74	3,242,167.28	3.25%
7/1-7/31	3,242,167.28		292.11	1,037.96		8,105.42	35.11	2,306.60		30.31	10,755.29	(135,810.73)	3,108,025.03	-4.14%
8/1-8/31	3,108,025.03		282.27	3,875.37			35.12	619.66		(1,839.57)	1,938.32	95,532.85	3,207,160.08	3.19%
9/1-9/30	3,207,160.08		261.71	2,018.73			35.35	1,693.72		(2,331.85)	15,618.88	(138,943.66)	3,082,054.83	-3.90%
10/1-10/31	3,082,054.83		168.85	1,231.11		7,705.14	36.25	648.09			9,530.47	163,014.96	3,247,610.75	5.37%
11/1-11/30	3,247,610.75			9,126.04			36.30	768.23		1,223.60	104,293.98	(132,704.95)	3,228,664.27	-0.58%
(3) 12/1-12/31	3,228,664.27			10,207.98			37.57	2,310.05		(6,263.32)	(31,227.05)	16,046.85	3,215,081.12	-0.42%
Subtotals			\$2,684.46	\$42,033.05		\$31,380.48	\$453.42	\$12,560.29		(\$10,242.62)	\$166,549.27	(\$29,591.61)		
Incentive allocation (4)														
Totals			\$2,684.46	\$42,033.05		\$31,380.48	\$453.42	\$12,560.29		(\$10,242.62)	\$166,549.27	(\$29,591.61)	\$3,215,081.12	4.11%

(1) All interest expense is related to dividends paid on short sales, which are not included when computing UBTI (IRC section 512(b)(1)).

(2) After all fees and accrued incentive allocation.

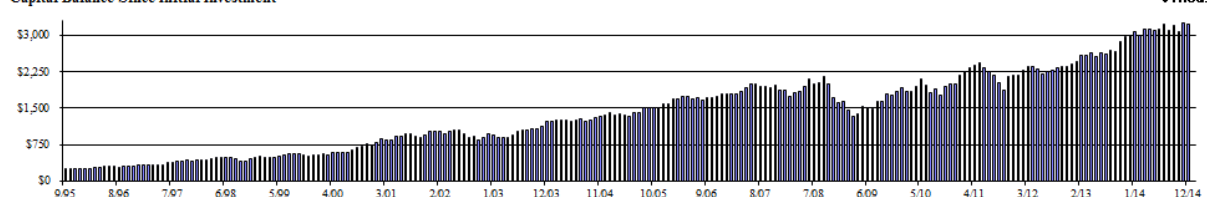
(3) Either after most recent market close, or, before the close on: 12/31/14

(4) The incentive allocation is distributed among income, gain and expense items for tax purposes. This row is empty in December because the allocation is recognized at year end and therefore included in the 12/1-12/31 row.

Capital Balance Since Initial Investment

Year	Capital Balance (\$)
9/95	0
9/96	0
9/97	0
9/98	0
9/99	0
9/00	0
9/01	0
9/02	0
9/03	0
9/04	0
9/05	0
9/06	0
9/07	0
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9/50	0
9/51	0
9/52	0
9/53	0
9/54	0
9/55	0
9/56	0
9/57	0
9/58	0
9	

Capital Balance Since Initial Investment



Percentage of Partnership's capital represented by your investment: 2.2445%

Value Holdings Mgt. Co., LLC, 116 Newtown Rd., Hampton Bays, NY 11946; Tim Curro: 917 836-9480
Prime broker: ConvergeX Group Prime Services; Shari Grant: (212) 468-8426. Custodian: J.P. Morgan

Tax accountant: BMV Mgt., CPA, 10 Nosband Ave. Ste. 1-L, White Plains, NY 10605; Ben Vetchler: 914-761-9195
Auditor: Fulvio & Assoc., LLP, 5 West 37th St., Fl. 4, NY, NY 10018; www.FulvioLLP.net; Judy Li: 212 490-3113

Also, at the beginning of each month, a statistical supplement is provided to each limited partner. This supplement includes: (1) performance charts, (2) unaudited financials, (3) a prime broker capital balance reconciliation, (4) a condensed schedule of investments, (5) statistical data, and (6) performance data.

An example of a typical supplement is shown in Figure 3.

Figure 3 Sample Monthly Supplement for Value Holdings, L.P.

VALUE HOLDINGS, L.P.					
MONTHLY SUPPLEMENT					
Performance charts.....	1	Condensed schedule of investments.....	5	Performance data.....	8
Unaudited financials.....	3	Statistical data.....	6		

Figure 1 VHLP vs. HFRI Long/Short Index

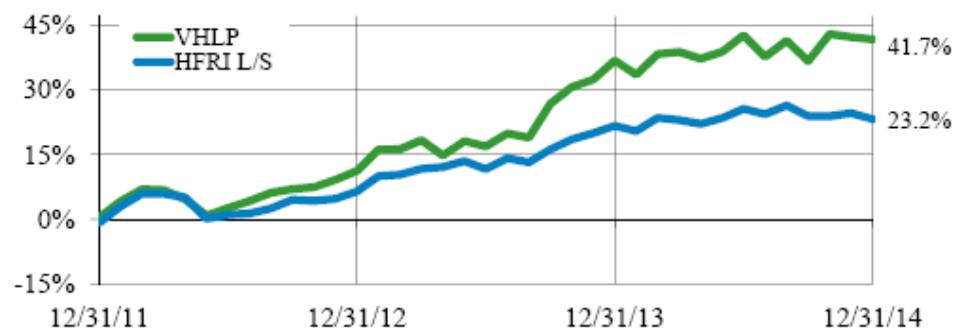


Figure 2 VHLP vs. HFRI Long/Short Index

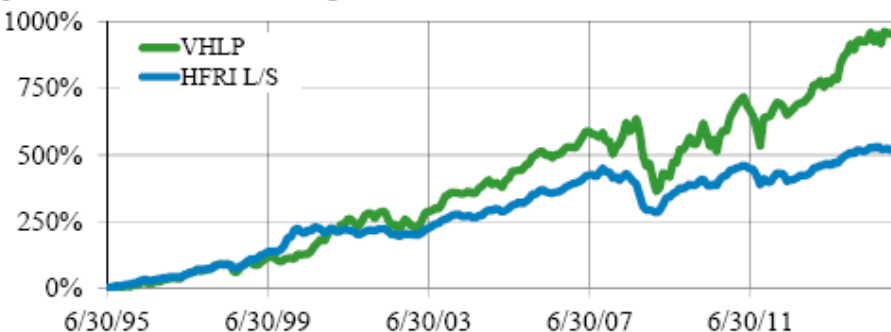


Figure 3 Net Long and Gross Short Percentages

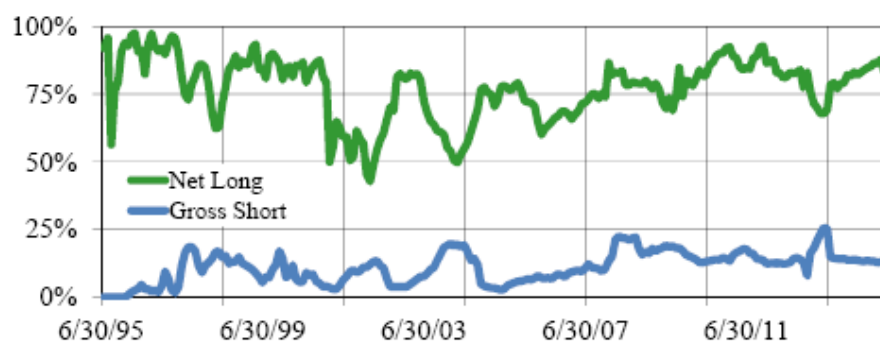


Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P.
MONTHLY SUPPLEMENT

Figure 4 VHLP vs. Stock Market Indices

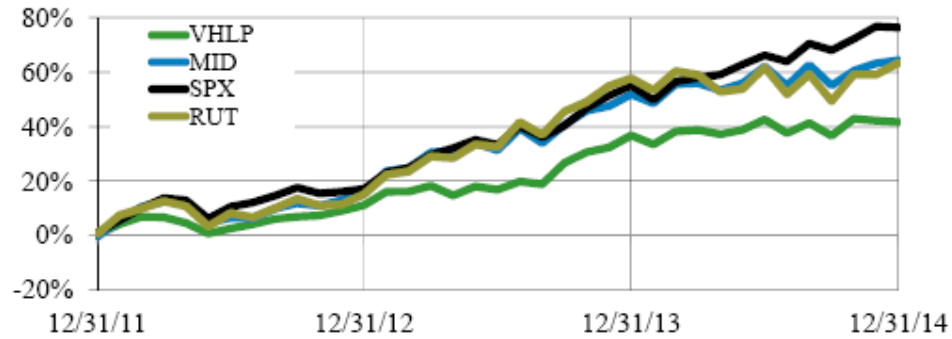


Figure 5 VHLP vs. Stock Market Indices

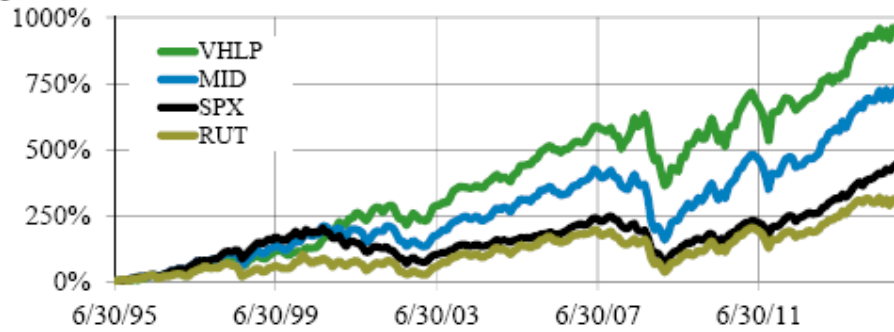


Figure 6 Total Assets Under Management \$Mil.

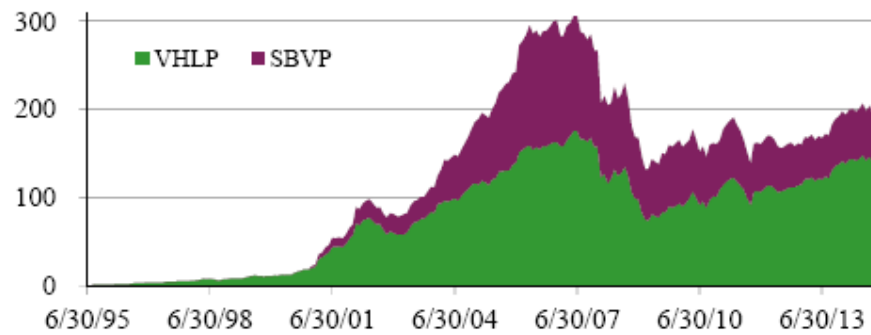


Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P.			
STATEMENT OF ASSETS, LIABILITIES AND PARTNERS' CAPITAL			
	12/31/14	% of Cap.	% of Assets
ASSETS			
Cash and cash equivalents	\$ 21,208,238	14.8060%	13.0582%
Investments in securities, at fair value (cost \$70,714,884)	141,105,819	98.5096%	86.8806%
Accounts receivable	-		
Dividends receivable	99,418	0.0694%	0.0612%
Interest receivable	-		
TOTAL ASSETS	\$ 162,413,476	113.3850%	100.0000%
LIABILITIES AND PARTNERS' CAPITAL			
Liabilities:			
Securities sold short, at fair value (proceeds \$14,419,877)	\$ 18,719,334	13.0684%	11.5257%
Partners' withdrawals payable	-		
Advance subscriptions	400,000	0.2793%	0.2463%
Dividends payable	-		
Interest payable	34,400	0.0240%	0.0212%
Accrued expenses	19,000	0.0133%	0.0117%
Accounts payable	12	0.0000%	0.0000%
TOTAL LIABILITIES	19,172,746	13.3850%	11.8049%
Partners' capital			
General partner and L.P. capital of managing member	15,604,263	10.8937%	9.6077%
L.P. capital of all other limited partners	127,636,467	89.1063%	78.5874%
	143,240,730	100.0000%	88.1951%
TOTAL LIABILITIES AND PARTNERS' CAPITAL	\$ 162,413,476	113.3850%	100.0000%

VALUE HOLDINGS, L.P.	
STATEMENT OF OPERATIONS	
FOR THE YEAR TO DATE	
Investment income:	
Dividend income	\$ 1,912,650
Interest income	122,909
Total investment income	\$2,035,559
Expenses:	
Management fee	1,279,558
Interest expense	324,155
Dividend expense	248,363
Professional fees	20,714
Total expenses	1,872,791
Net investment income	162,768
Realized and unrealized gain/loss on investments:	
Net realized gain on investments	7,603,789
Net change in unrealized appreciation on investments	(1,802,540)
Net gain on investments	5,801,249
Net income	\$ 5,964,018

VALUE HOLDINGS, L.P.			
STATEMENT OF CHANGES IN PARTNERS' CAPITAL			
FOR THE YEAR TO DATE			
	GENERAL PARTNER	LIMITED PARTNERS	TOTAL
Balance at prior year end	\$ 8,664,317	\$ 133,021,540	\$ 141,685,857
Capital contributions	0	2,026,500	2,026,500
Capital withdrawals	-	6,435,645	6,435,645
Net income	447,185	5,516,832	5,964,018
Performance reallocation	203,156	(203,156)	-
Balance at period end	\$ 9,314,659	\$ 133,926,071	\$ 143,240,730

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P.		
STATEMENTS OF CASH FLOW		
FOR THE YEAR TO DATE		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$	5,964,018
Adjustments to reconcile net income to net cash provided by operating activities:		
Net realized gain on investments	(7,603,789)	
Net change in unrealized appreciation on investments	1,802,340	
Purchases of investments	(15,981,785)	
Proceeds from sales of investments	17,123,674	
Proceeds from securities sold short	163,292	
Purchases to cover securities sold short	(1,605,052)	
Decrease in accounts receivable		
Increase in dividend and interest receivable	(17,743)	
Increase in accounts payable	12	
Increase in dividend and interest payable	10,396.45	
Increase in accrued expenses and other liabilities	1,300	
Net adjustments		(6,106,954)
Net cash provided by operating activities		(142,936)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contributions		2,351,500
Capital withdrawals		(7,902,280)
Net cash provided by financing activities		(5,550,780)
NET INCREASE IN CASH AND CASH EQUIVALENTS		(5,693,716)
Cash and cash equivalents, beginning of year		26,901,954
Cash and cash equivalents, end of period		\$21,208,238
Supplementary disclosure of cash flow information:		
Cash paid during the year for interest	\$	290,638
Cash paid during the year for dividends	\$	178,723
Contributions received in advance at end of period	\$	400,000
Partners' withdrawals payable at end of period	\$	-
VALUE HOLDINGS, L.P.		
Reconciliation of Partners' Capital in Statement of Financial Condition With Prime Broker Reports		
Ending Capital Balance (1)	\$	143,240,729.98
Less:		
Checking account		17,851.43
Accounts receivable		
Interest receivable		
Accrued expenses	(19,000.00)	
Interest payable	(34,400.03)	
Payable to withdrawing partners		
Advance subscriptions	(400,000.00)	
Accounts payable	(12.00)	
		\$ 143,676,290.58
95185482 / Value Holdings LP/JPMorgan (2)		143,576,872.16
Total capital reported by prime brokers		143,576,872.16
A/D other adjustments		99,418.42
Error		
		\$ 143,576,872.16

(1) Corresponds to balance on your statement.

(2) Reconciling documents available upon request.

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P.			
CONDENSED SCHEDULE OF INVESTMENTS			
December 31, 2014			
Number of Shares		Fair Value	Percentage of Partners' Capital
	INVESTMENT IN SECURITIES		
	COMMON STOCKS		
	United States		
	Aerospace/Defense	\$ 5,214,045	3.6%
	Bldg & Construct Prod-Misc	909,046	0.6%
	Building-Maintenance & Service		
256,912	Rollins, Inc.	8,503,787	5.9%
	Total Building-Maintenance & Service	8,503,787	5.9%
	Bldg-Mobil Home/Mfd Hous	6,960,285	4.9%
	Commercial Services-Finance		
170,720	Global Payments Inc.	13,782,226	9.6%
351,706	Total System Services, Inc.	11,943,936	8.3%
	Total Commercial Services-Finance	25,726,161	18.0%
	Consumer Products-Misc	2,670,916	1.9%
	Data Processing/Mgmt		
250,390	CSG Systems International Inc.	6,277,277	4.4%
	Total Data Processing/Mgmt	6,277,277	4.4%
	Electric Products-Misc	1,662,724	1.2%
	Electronic Compo-Misc	700,384	0.5%
	Engineering/R&D Services	6,989,379	4.9%
	Environ Consulting & Engineering	4,664,490	3.3%
	Human Resources	4,934,045	3.4%
	Lasers-Syst/Components		
	Coherent Inc.	5,869,985	4.1%
	Total Lasers-Syst/Components	5,869,985	4.1%
	Machinery-General Industrial		
177,400	Wabtec	15,414,286	10.8%
	Other	9,599,009	6.7%
	Total Machinery-General Industrial	25,013,295	17.5%
	Metal Processors & Fabricators	3,413,643	2.4%
	Oil Comp-Exploration & Production	5,533,200	3.9%
	Oil Field Machinery & Equipment	2,570,455	1.8%
	Oil-Field Services	332,038	0.2%
	Pipelines	5,237,134	3.7%
	Retail-Catalog Shopping	5,963,425	4.2%
	Semiconductor Equipment		
253,958	MKS Instruments, Inc.	9,294,863	6.5%
	Total Semiconductor Equipment	9,294,863	6.5%
	Steel Pipe & Tube	3,365,627	2.3%
	TOTAL INVESTMENT IN SECURITIES	\$ 141,105,819	98.5%
	Growth&Income-Small Cap		
(156,490)	iShares Russell 2000 Index Fund	(\$18,719,334)	-13.1%
	Total Growth&Income-Small Cap	(18,719,334)	-13.1%
	TOTAL SECURITIES SOLD SHORT	(\$18,719,334)	-13.1%

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P. STATISTICAL SUPPLEMENT				
	VHLP	HFRI Equity L/S	Russell 2000	S&P 500
Partnership capital in five largest positions	41%			
Partnership capital in 10 largest positions	63%			
Long equity positions	27			
IWM ETF exposure as a percentage of shorts' total mkt. value	100%			
Gross leverage ratio ((long mkt. val. + short mkt. val)/capital)	112%			
Capital in companies with equity mkt value > \$200 MM and < \$1 B	10.5%			
Capital in companies with equity mkt value > \$1 B and < \$2 B	28.2%			
Capital in companies with equity mkt value > \$2 B and < \$5 B	23.8%			
Annualized net return, 1-Year	3.6%	1.3%	3.5%	13.7%
Annualized net return, 2-Year	12.9%	7.6%	19.1%	22.7%
Annualized net return, 3-Year	12.2%	7.5%	17.6%	20.4%
Annualized net return, 5-Year	9.5%	4.7%	14.0%	15.5%
Annualized net return, 7/95-present	12.8%	9.8%	7.6%	9.1%
Standard deviation, 36 months	8.6%	5.9%	13.3%	9.1%
Standard deviation, 60 months	14.6%	7.6%	18.0%	13.0%
Standard deviation, 7/95-present	14.7%	14.2%	20.0%	15.3%
Down deviation, 36 months (min. acceptable return = 90-day T-Bill)	4.6%	4.3%	8.0%	6.1%
Down deviation, 60 months (min. acceptable return = 90-day T-Bill)	8.5%	5.6%	11.0%	8.3%
Down deviation, 7/95-present (min. acceptable return = 90-day T-Bill)	9.8%	14.2%	14.2%	11.5%
Sharpe ratio, 36 months (risk-free return = 90-day T-Bill)	1.41	1.29	1.32	2.24
Sharpe ratio, 60 months (risk-free return = 90-day T-Bill)	0.65	0.62	0.78	1.18
Sharpe ratio, 7/95-present (risk-free return = 90-day T-Bill)	0.64	0.69	0.25	0.41
Sortino ratio, 36 months (min. acceptable return = 90-day T-Bill)	2.66	1.77	2.18	3.33
Sortino ratio, 60 months (min. acceptable return = 90-day T-Bill)	1.11	0.84	1.26	1.85
Sortino ratio, 7/95-present (min. acceptable return = 90-day T-Bill)	0.96	0.69	0.35	0.55
Annualized alpha, 36 months		3.1%	2.4%	-1.5%
Annualized alpha, 60 months		2.1%	-0.9%	-4.9%
Annualized alpha, 7/95-present		2.9%	7.9%	6.1%
Beta, 36 months		97.4%	55.6%	70.2%
Beta, 60 months		106.6%	75.2%	99.6%
Beta, 7/95-present		131.3%	58.6%	73.7%
Correlation, 36 months		72.2%	85.8%	74.3%
Correlation, 60 months		75.1%	92.3%	88.5%
Correlation, 7/95-present		69.4%	79.4%	76.4%
R-Squared, 36 months		52.1%	73.5%	55.2%
R-Squared, 60 months		56.4%	85.3%	78.3%
R-Squared, 7/95-present		48.1%	63.0%	58.4%
Max. drawdown (VHLP: 8/08-2/09; R2K: 5/07-2/09; S&P: 8/08-2/09)	-37.1%	-30.6%	-54.1%	-50.9%
Months in maximum drawdown	6	16	21	16
Months to recover	21	24	24	59

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P. STATISTICAL SUPPLEMENT				
	VHLP	HFRI Equity L/S	Russell 2000	S&P 500
Best month, 36 months	6.6%	3.9%	7.0%	5.2%
Best month, 60 months	16.3%	4.9%	15.0%	10.9%
Best month, 7/95-present	16.3%	10.9%	16.4%	10.9%
Worst month, 36 months	-3.6%	-4.7%	-6.7%	-6.0%
Worst month, 60 months	-8.3%	-6.0%	-11.4%	-8.0%
Worst month, 7/95-present	-13.0%	-9.5%	-20.9%	-16.8%
% Positive months, 36 months	66.7%	66.7%	63.9%	75.0%
% Positive months, 60 months	63.3%	61.7%	60.0%	68.3%
% Positive months, 7/95-present	64.5%	66.2%	60.7%	64.5%

	Longs		
	Value	GARP ⁽¹⁾	Overall
Percentage of partnership capital	15%	82%	97%
Market value of average position, \$MM	1,519	4,459	4,002
Enterprise value/ EBITDA, 2015E	6.6	10.6	10.0
Enterprise value/ EBITDA, 2017E	5.3	8.7	8.2
Price/ Free cash flow, 2015E	11.0	15.7	15.0
Price/ Free cash flow, 2017E	8.8	13.2	12.6
Net debt/ Net invested capital	7%	2%	3%
Price/Leveraged Acquisition Value, 2015E	86%	135%	127%
Cash flow return on assets, 2015E	15%	18%	17%
Pretax operating margin, 2015E	8%	15%	14%
Free cash flow/ Revenue, 2015E	5%	9%	8%

(1) GARP = "Growth at reasonable price"

Largest Segment Exposures:

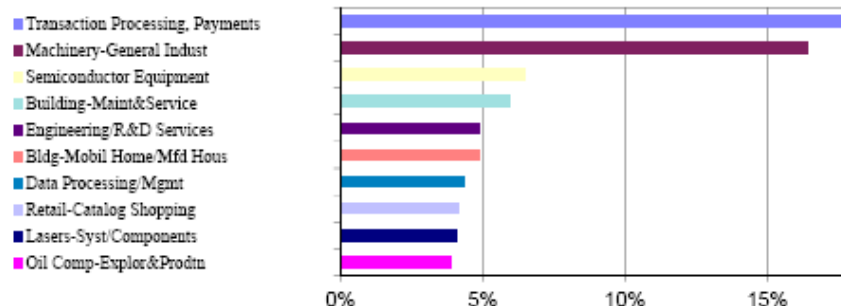


Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P. PERFORMANCE ANALYSIS										
	HFRI Equity L/S	Russell 2000 Value	Russell 2000	S&P MidCap	S&P (2) 500	Gross (3) Return	VHLP Net (4) Return	Net Long	Gross Short	Short Return
1995										
Jul.	4.5%	4.1%	4.6%	5.1%	3.3%	3.5%	3.0%	92.0%		
Aug.	2.9%	3.1%	2.0%	1.7%	0.3%	2.0%	1.7%	95.7%		
Sep.	2.9%	1.4%	1.8%	2.3%	4.2%	1.1%	1.0%	56.4%		
3Q	10.6%	8.9%	8.5%	9.3%	7.9%	6.8%	5.8%	81.4%		
Oct.	-1.4%	-3.8%	-4.9%	-2.7%	-0.4%	-3.4%	-3.0%	76.1%		
Nov.	3.4%	4.4%	4.3%	4.2%	4.4%	3.2%	2.7%	79.4%		
Dec.	2.6%	3.2%	2.6%	-0.4%	1.9%	3.9%	3.4%	90.6%		
4Q	4.6%	3.6%	1.7%	1.0%	6.0%	3.6%	3.1%	82.0%		
7/1/95 - 12/31/95	15.7%	12.8%	10.4%	10.4%	14.4%	10.6%	9.0%	81.7%		
1996										
Jan.	1.1%	0.8%	-1.3%	1.3%	3.4%	-1.7%	-1.7%	94.0%		
Feb.	2.8%	1.6%	4.1%	3.2%	0.9%	6.3%	5.6%	92.7%	0.8%	-0.5%
Mar.	1.9%	2.1%	1.8%	1.1%	1.0%	0.2%	0.2%	96.7%	1.9%	0.5%
1Q	5.9%	4.5%	4.7%	5.7%	5.4%	4.7%	4.0%	94.5%	0.9%	0.0%
Apr.	5.3%	2.8%	5.5%	2.9%	1.5%	7.3%	6.3%	97.5%	2.5%	-0.5%
May	3.7%	2.8%	4.3%	1.2%	2.6%	4.1%	3.5%	90.6%	3.2%	0.0%
Jun.	-0.7%	5.0%	-4.8%	-1.6%	0.4%	-3.0%	-2.6%	91.4%	4.7%	0.9%
2Q	8.4%	11.0%	4.8%	2.5%	4.5%	8.4%	7.2%	93.2%	3.5%	0.5%
Jul.	-2.9%	-4.8%	-9.7%	-6.9%	-4.4%	-4.1%	-3.5%	82.4%	2.9%	-0.0%
Aug.	2.6%	4.6%	5.7%	5.6%	2.1%	5.0%	4.3%	93.6%	3.1%	-0.0%
Sep.	2.2%	2.5%	3.7%	4.2%	5.6%	3.4%	2.9%	97.4%	1.9%	-0.2%
3Q	1.9%	2.1%	-1.0%	2.5%	3.1%	4.1%	3.6%	91.2%	2.6%	-0.2%
Oct.	1.6%	1.4%	-1.7%	0.2%	2.8%	0.3%	0.3%	92.6%	2.7%	1.0%
Nov.	1.7%	5.7%	4.0%	5.5%	7.6%	5.2%	4.5%	90.9%	1.8%	0.1%
Dec.	0.8%	3.1%	2.4%	-0.0%	-2.0%	2.6%	2.3%	91.9%	4.0%	-0.1%
4Q	4.1%	10.5%	4.7%	5.6%	8.3%	8.2%	7.2%	91.8%	2.8%	1.0%
Year	21.8%	30.9%	13.7%	17.3%	23.0%	28.0%	23.8%	92.7%	2.5%	1.2%
7/1/95 - 12/31/96	40.8%	47.7%	25.4%	29.5%	40.7%	41.6%	35.0%	89.0%	1.6%	1.2%
1997										
Jan.	2.8%	2.1%	1.9%	3.6%	6.2%	2.1%	1.8%	89.6%	9.5%	0.6%
Feb.	-0.2%	1.1%	-2.5%	-1.0%	0.8%	1.6%	1.4%	93.7%	6.7%	1.3%
Mar.	-0.7%	-2.9%	-4.9%	-4.4%	-4.1%	-2.2%	-1.8%	96.6%	2.6%	0.4%
1Q	1.8%	0.3%	-5.5%	-1.9%	2.7%	1.4%	1.2%	93.3%	6.3%	2.3%
Apr.	-0.3%	2.0%	0.1%	2.5%	6.0%	0.7%	0.6%	95.7%	1.7%	0.2%
May	5.0%	8.2%	11.0%	8.6%	6.1%	10.3%	8.8%	90.5%	3.8%	-0.7%
Jun.	2.0%	9.1%	4.1%	2.7%	4.5%	4.0%	3.5%	81.1%	11.8%	-0.4%
2Q	6.8%	20.3%	15.7%	14.3%	17.5%	15.6%	13.3%	89.1%	5.8%	-0.9%
Jul.	5.0%	4.7%	4.6%	9.8%	8.0%	3.6%	3.1%	74.6%	16.6%	-1.2%
Aug.	1.3%	2.3%	2.2%	-0.2%	-5.6%	1.5%	1.3%	72.8%	18.6%	-0.3%
Sep.	5.7%	6.9%	7.2%	5.6%	5.5%	4.4%	3.9%	78.8%	18.5%	-0.6%
3Q	12.5%	14.4%	14.5%	15.7%	7.5%	9.7%	8.4%	75.4%	17.9%	-2.1%
Oct.	0.4%	-1.9%	-4.5%	-4.5%	-3.3%	-2.1%	-1.8%	81.7%	17.0%	2.3%
Nov.	-0.9%	1.6%	-0.8%	1.4%	4.6%	1.7%	1.5%	85.8%	11.5%	-0.2%
Dec.	1.4%	4.1%	1.7%	3.8%	1.7%	3.4%	3.0%	86.0%	9.1%	-0.2%
4Q	0.9%	3.8%	-3.7%	0.5%	2.9%	3.0%	2.6%	84.5%	12.5%	1.9%
Year	23.4%	43.4%	20.5%	30.4%	33.4%	32.5%	27.6%	85.6%	10.6%	1.2%
7/1/95 - 12/31/97	73.8%	111.7%	51.2%	68.9%	87.7%	87.6%	72.2%	87.6%	5.2%	2.4%

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P. PERFORMANCE ANALYSIS										
	HFRI	Russell				VHLP				
	Equity	2000	Russell	S&P	S&P (2)	Gross (3)	Net (4)	Net	Gross	Short
	L/S	Value	2000	MidCap	500	Return	Return	Long	Short	Return
1998										
Jan.	-0.2%	-2.0%	-1.6%	-2.0%	1.1%	0.5%	0.4%	84.8%	11.7%	0.2%
Feb.	4.1%	6.4%	7.4%	8.2%	7.2%	8.6%	7.3%	78.3%	12.8%	-0.2%
Mar.	4.5%	4.7%	4.1%	4.4%	5.1%	1.6%	1.4%	68.0%	14.3%	-1.5%
1Q	8.6%	9.1%	10.0%	10.7%	13.9%	11.0%	9.3%	77.0%	12.9%	-1.5%
Apr.	1.4%	1.9%	0.5%	1.7%	1.0%	2.4%	2.0%	62.4%	16.6%	0.7%
May	-1.3%	-3.2%	-5.4%	-4.6%	-1.7%	-1.2%	-1.0%	62.6%	17.1%	0.9%
Jun.	0.5%	0.1%	0.2%	0.5%	4.1%	1.5%	1.3%	71.3%	14.8%	-0.7%
2Q	0.6%	-1.3%	-4.8%	-2.4%	3.3%	2.7%	2.3%	65.5%	16.2%	1.0%
Jul.	-0.7%	-7.8%	-8.2%	-4.0%	-1.1%	-4.9%	-4.2%	77.5%	15.4%	-0.3%
Aug.	-7.7%	-15.1%	-19.5%	-18.7%	-14.5%	-13.5%	-12.5%	84.2%	12.4%	1.8%
Sep.	3.2%	5.6%	7.6%	9.2%	6.4%	1.1%	1.1%	85.9%	13.2%	-1.3%
3Q	-5.4%	-17.4%	-20.5%	-14.7%	-9.9%	-16.8%	-15.2%	82.5%	13.7%	0.2%
Oct.	2.5%	2.9%	4.0%	8.8%	8.1%	12.2%	11.2%	89.3%	13.1%	0.3%
Nov.	3.8%	2.6%	5.2%	4.9%	6.1%	3.9%	3.3%	84.7%	14.9%	-1.1%
Dec.	5.4%	2.9%	6.1%	12.0%	5.8%	9.3%	8.0%	87.4%	12.5%	-1.5%
4Q	12.1%	8.6%	16.1%	27.8%	21.3%	27.4%	24.1%	87.1%	13.5%	-2.2%
Year	16.0%	-3.4%	-3.4%	17.7%	28.6%	20.8%	17.7%	78.0%	14.1%	-2.6%
7/1/95 - 12/31/98	101.6%	104.6%	45.9%	98.8%	141.3%	126.7%	102.7%	84.9%	7.8%	-0.3%
1999										
Jan.	5.0%	-1.9%	1.2%	-4.0%	4.2%	-3.8%	-3.8%	86.0%	11.8%	-0.6%
Feb.	-2.4%	-6.8%	-8.2%	-5.4%	-3.1%	-2.9%	-2.9%	86.4%	11.1%	1.3%
Mar.	4.0%	-1.0%	1.4%	2.7%	4.0%	-1.2%	-1.2%	92.1%	10.2%	-0.4%
1Q	6.6%	-9.5%	-5.8%	-6.7%	5.0%	-7.8%	-7.8%	88.2%	11.0%	0.3%
Apr.	5.3%	9.5%	8.8%	7.8%	3.9%	6.9%	6.9%	93.5%	8.9%	-0.6%
May	1.2%	3.1%	1.4%	0.3%	-2.4%	4.3%	3.9%	84.1%	7.4%	0.8%
Jun.	3.8%	6.9%	4.3%	5.3%	5.6%	5.0%	4.2%	84.5%	5.4%	0.4%
2Q	10.6%	20.7%	15.1%	13.8%	7.0%	17.0%	15.7%	87.4%	7.2%	0.7%
Jul.	0.6%	-2.2%	-3.2%	-2.2%	-3.1%	1.1%	0.9%	80.8%	7.6%	0.1%
Aug.	0.0%	-4.0%	-3.8%	-3.5%	-0.5%	-1.6%	-1.4%	88.9%	7.3%	-0.1%
Sep.	0.3%	-2.0%	-0.1%	-3.2%	-2.7%	-5.1%	-4.3%	90.1%	10.3%	0.6%
3Q	1.0%	-8.0%	-7.0%	-8.7%	-8.2%	-5.6%	-4.8%	86.6%	8.4%	0.6%
Oct.	2.3%	-2.3%	0.3%	5.0%	6.3%	-3.3%	-3.0%	88.6%	12.0%	-1.2%
Nov.	6.8%	0.6%	5.9%	5.1%	2.0%	5.5%	4.9%	86.2%	17.0%	-3.5%
Dec.	10.9%	2.8%	11.2%	5.8%	5.9%	2.0%	1.7%	80.3%	14.2%	-4.0%
4Q	21.1%	1.0%	18.1%	16.8%	14.9%	4.1%	3.5%	85.0%	14.4%	-8.6%
Year	44.2%	1.5%	19.1%	13.3%	21.0%	6.1%	5.2%	86.8%	10.3%	-7.1%
7/1/95 - 12/31/99	190.7%	107.6%	73.8%	125.3%	192.1%	140.4%	113.2%	85.3%	8.3%	-7.4%
2000										
Jan.	0.3%	-2.6%	-1.7%	-2.9%	-5.0%	1.4%	1.2%	84.5%	7.3%	-0.1%
Feb.	10.0%	6.3%	16.4%	6.9%	-1.9%	-2.9%	-2.7%	85.3%	8.2%	-0.3%
Mar.	1.7%	0.2%	-6.7%	8.3%	9.8%	11.0%	9.6%	81.3%	11.9%	0.2%
1Q	12.2%	3.7%	6.8%	12.4%	2.3%	9.3%	7.9%	83.7%	9.1%	-0.2%
Apr.	-4.2%	0.5%	-6.1%	-3.6%	-3.0%	-1.4%	-1.2%	85.8%	6.6%	0.8%
May	-2.4%	-1.8%	-5.9%	-1.4%	-2.1%	0.7%	0.6%	85.1%	5.6%	1.4%
Jun.	4.9%	2.7%	8.6%	1.4%	2.5%	0.2%	0.1%	86.9%	5.7%	-1.8%
2Q	-2.0%	1.4%	-4.1%	-3.6%	-2.7%	-0.6%	-0.5%	85.9%	6.0%	0.4%
Jul.	-1.6%	3.3%	-3.2%	1.5%	-1.6%	6.0%	5.1%	79.3%	9.1%	1.7%
Aug.	5.4%	4.1%	7.4%	11.0%	6.2%	9.3%	8.1%	82.6%	8.0%	-0.5%
Sep.	-1.1%	-0.8%	-3.1%	-0.8%	-5.3%	5.2%	4.5%	85.1%	8.4%	0.4%
3Q	2.6%	6.7%	0.8%	11.8%	-1.0%	21.8%	18.8%	82.3%	8.5%	1.6%
Oct.	-2.0%	-0.5%	-4.5%	-3.5%	-0.4%	5.8%	5.1%	86.7%	5.8%	1.1%
Nov.	-4.3%	-2.3%	-10.4%	-7.6%	-7.9%	-2.3%	-2.1%	87.6%	5.1%	1.5%
Dec.	3.2%	10.5%	8.4%	7.6%	0.5%	10.1%	8.9%	81.5%	3.8%	-0.4%
4Q	-3.3%	7.4%	-7.5%	-4.1%	-7.8%	13.8%	12.2%	85.2%	4.9%	2.3%
Year	9.1%	20.5%	-4.2%	16.2%	-9.1%	50.7%	43.1%	84.3%	7.1%	4.1%
7/1/95 - 12/31/00	217.2%	150.1%	66.5%	161.8%	165.4%	262.3%	205.1%	85.1%	8.1%	-3.5%

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P. PERFORMANCE ANALYSIS										
	HFRI Equity L/S	Russell 2000 Value	Russell 2000	S&P MidCap	S&P (2) 500	VHLP				
						Gross (3) Return	Net (4) Return	Net Long	Gross Short	Short Return
2001										
Jan.	2.9%	2.6%	5.1%	2.2%	3.5%	8.5%	7.3%	79.3%	4.0%	0.6%
Feb.	-2.6%	-0.3%	-6.7%	-5.8%	-9.1%	-4.2%	-3.6%	50.0%	3.6%	-0.2%
Mar.	-2.3%	-1.8%	-5.0%	-7.5%	-8.3%	0.7%	0.6%	55.5%	3.0%	1.1%
1Q	-2.1%	0.4%	-6.8%	-11.0%	-11.9%	5.0%	4.0%	61.6%	3.5%	1.5%
Apr.	2.3%	4.5%	7.7%	11.0%	7.8%	9.3%	7.9%	65.0%	3.0%	-0.1%
May	0.9%	2.3%	2.3%	2.2%	0.7%	-0.9%	-0.8%	62.7%	4.4%	-0.1%
Jun.	-0.3%	3.8%	3.3%	-0.5%	-2.4%	7.9%	6.9%	59.0%	6.5%	-0.0%
2Q	2.9%	10.9%	13.8%	12.9%	5.9%	17.2%	14.5%	62.2%	4.6%	-0.2%
Jul.	-1.1%	-2.4%	-5.4%	-1.6%	-1.0%	-1.7%	-1.5%	59.2%	7.7%	-0.2%
Aug.	-1.2%	-0.5%	-3.3%	-3.4%	-6.3%	-4.2%	-3.6%	50.5%	9.4%	0.2%
Sep.	-3.7%	-11.3%	-13.6%	-12.5%	-8.1%	-4.3%	-3.8%	51.7%	10.1%	1.0%
3Q	-5.9%	-13.8%	-21.0%	-16.8%	-14.7%	-9.7%	-8.6%	53.8%	9.0%	1.0%
Oct.	1.8%	2.4%	5.8%	4.3%	1.9%	6.2%	5.3%	61.6%	9.2%	-0.0%
Nov.	2.0%	7.0%	7.6%	7.3%	7.6%	7.7%	6.7%	58.4%	9.6%	-0.8%
Dec.	2.0%	5.9%	6.0%	5.1%	0.9%	2.8%	2.5%	56.8%	11.1%	-0.6%
4Q	5.9%	16.0%	20.7%	17.7%	10.6%	17.6%	15.2%	58.9%	10.0%	-1.5%
Year	0.4%	11.4%	1.0%	-1.6%	-11.9%	29.7%	25.3%	59.1%	6.8%	0.8%
7/1/95 - 12/31/01	218.4%	178.6%	68.2%	157.5%	133.8%	369.9%	282.1%	81.1%	7.9%	-2.8%
2002										
Jan.	0.2%	1.2%	-1.1%	-0.6%	-1.5%	-0.2%	-0.2%	45.5%	11.1%	0.4%
Feb.	-0.9%	0.4%	-2.8%	0.0%	-1.9%	-4.9%	-4.9%	42.7%	12.1%	-0.2%
Mar.	2.0%	7.3%	7.9%	7.1%	3.8%	5.1%	5.1%	48.7%	13.2%	-0.8%
1Q	1.3%	9.1%	3.7%	6.5%	0.3%	-0.3%	-0.3%	45.6%	12.1%	-0.6%
Apr.	0.2%	3.4%	0.8%	-0.5%	-6.1%	2.2%	1.9%	54.2%	13.5%	-0.1%
May	0.0%	-3.5%	-4.5%	-1.8%	-0.7%	-0.1%	-0.1%	58.0%	11.7%	0.4%
Jun.	-2.6%	-2.4%	-5.1%	-7.4%	-7.1%	-8.0%	-7.7%	60.6%	10.9%	0.8%
2Q	-2.5%	-2.6%	-8.7%	-9.5%	-13.4%	-6.1%	-6.1%	57.6%	12.0%	1.1%
Jul.	-3.9%	-14.9%	-15.2%	-9.8%	-7.8%	-6.1%	-6.1%	65.6%	6.9%	1.8%
Aug.	0.3%	-0.6%	-0.4%	0.4%	0.7%	1.1%	1.1%	70.3%	3.8%	-0.1%
Sep.	-2.0%	-7.4%	-7.3%	-8.1%	-10.9%	-7.5%	-7.5%	68.7%	3.9%	0.2%
3Q	-5.5%	-21.7%	-21.7%	-16.8%	-17.3%	-12.2%	-12.2%	68.2%	4.8%	2.0%
Oct.	0.6%	1.4%	3.1%	4.2%	8.8%	6.9%	6.9%	81.4%	3.8%	0.1%
Nov.	2.7%	7.8%	8.8%	5.7%	5.9%	7.1%	7.1%	82.6%	3.8%	-0.4%
Dec.	-1.1%	-4.5%	-5.7%	-4.2%	-5.9%	-2.8%	-2.8%	80.9%	3.8%	0.3%
Year	2.1%	4.3%	5.7%	5.5%	8.4%	11.2%	11.2%	81.6%	3.8%	-0.0%
7/1/95 - 12/31/02	203.4%	141.8%	31.9%	117.7%	82.2%	329.9%	249.5%	78.7%	7.9%	-0.4%
2003										
Jan.	-0.0%	-2.9%	-2.9%	-3.0%	-2.6%	-4.6%	-4.6%	80.6%	3.9%	0.1%
Feb.	-0.8%	-3.5%	-3.1%	-2.5%	-1.5%	0.2%	0.2%	82.8%	4.8%	-0.0%
Mar.	-0.1%	0.8%	1.1%	0.7%	1.0%	-1.3%	-1.3%	81.8%	5.7%	0.3%
1Q	-0.9%	-5.6%	-4.8%	-4.7%	-3.1%	-5.7%	-5.7%	81.7%	4.8%	0.4%
Apr.	2.4%	9.3%	9.4%	7.2%	8.2%	6.8%	6.8%	82.5%	6.7%	-0.4%
May	4.1%	10.0%	10.6%	8.1%	5.3%	9.2%	9.1%	80.4%	7.5%	-1.0%
Jun.	1.5%	1.5%	1.7%	1.2%	1.3%	1.5%	1.2%	72.4%	7.7%	0.5%
2Q	8.2%	22.1%	23.0%	17.3%	15.4%	18.3%	18.0%	78.4%	7.3%	-0.8%
Jul.	2.4%	4.8%	6.2%	3.5%	1.8%	0.7%	0.6%	68.1%	8.8%	0.0%
Aug.	2.4%	3.7%	4.5%	4.4%	2.0%	3.2%	2.7%	64.9%	10.2%	-1.1%
Sep.	0.8%	-1.3%	-2.0%	-1.6%	-1.1%	-1.2%	-1.0%	63.7%	11.0%	0.8%
3Q	5.7%	7.2%	8.8%	6.3%	2.6%	2.7%	2.3%	65.6%	10.0%	-0.3%
Oct.	3.1%	8.0%	8.3%	7.5%	5.7%	5.8%	4.9%	61.4%	13.7%	-2.1%
Nov.	1.1%	3.7%	3.5%	3.4%	0.9%	7.5%	6.5%	61.1%	16.1%	-0.2%
Dec.	1.9%	3.4%	1.9%	1.6%	5.2%	2.1%	1.8%	60.0%	18.5%	-0.7%
4Q	6.3%	15.9%	14.2%	12.9%	12.2%	16.1%	13.8%	60.8%	16.1%	-3.0%
Year	20.5%	43.3%	45.4%	34.0%	28.7%	33.0%	29.5%	71.6%	9.5%	-3.8%
7/1/95 - 12/31/03	265.7%	246.4%	91.8%	191.8%	134.5%	471.7%	352.5%	77.9%	8.1%	-4.2%

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P. PERFORMANCE ANALYSIS										
	HFRI Equity L/S	Russell 2000 Value	Russell 2000	S&P MidCap	S&P (2) 500	VHLP				
						Gross (3) Return	Net (4) Return	Net Long	Gross Short	Short Return
2004										
Jan.	1.9%	3.4%	4.3%	2.1%	1.8%	2.0%	1.7%	55.1%	19.1%	-0.3%
Feb.	1.1%	1.8%	0.8%	2.3%	1.4%	-0.4%	-0.4%	53.8%	19.9%	-0.2%
Mar.	0.4%	1.2%	0.8%	0.3%	-1.5%	-0.4%	-0.3%	50.4%	18.8%	0.4%
1Q	3.5%	6.5%	6.0%	4.8%	1.7%	1.2%	1.0%	53.1%	19.3%	-0.0%
Apr.	-2.1%	-5.3%	-5.2%	-3.4%	-1.6%	-0.8%	-0.7%	49.7%	19.7%	0.6%
May	-0.2%	1.1%	1.5%	2.0%	1.4%	0.7%	0.6%	52.8%	18.5%	0.0%
Jun.	1.1%	4.9%	4.1%	2.2%	1.9%	2.2%	1.9%	54.8%	19.3%	-1.6%
2Q	-1.2%	0.4%	0.2%	0.7%	1.7%	2.4%	2.2%	52.4%	19.1%	-0.9%
Jul.	-1.9%	-4.7%	-6.8%	-4.7%	-3.3%	-2.3%	-2.0%	57.2%	16.7%	0.6%
Aug.	-0.4%	0.8%	-0.6%	-0.4%	0.4%	0.1%	0.1%	61.0%	13.8%	0.5%
Sep.	2.0%	3.8%	4.6%	2.9%	1.1%	4.7%	4.0%	65.1%	14.2%	-0.6%
3Q	-0.3%	-0.3%	-3.1%	-2.4%	-1.9%	2.4%	2.0%	61.1%	14.9%	0.5%
Oct.	0.5%	1.4%	1.9%	1.5%	1.5%	2.0%	1.7%	69.3%	12.0%	-0.1%
Nov.	3.4%	8.7%	8.6%	5.8%	4.0%	3.1%	2.7%	76.8%	4.9%	-0.8%
Dec.	1.8%	2.1%	2.8%	4.1%	3.4%	2.4%	2.1%	77.5%	4.2%	-0.2%
4Q	5.7%	12.6%	13.7%	11.8%	9.2%	7.8%	6.6%	74.5%	7.0%	-1.2%
Year	7.7%	20.1%	17.0%	15.2%	10.9%	14.0%	11.9%	60.3%	15.1%	-1.7%
7/1/93 - 12/31/04	293.8%	316.0%	124.4%	236.1%	160.0%	351.9%	406.4%	76.1%	8.9%	-5.8%
2005										
Jan.	-0.6%	-3.9%	-4.2%	-2.6%	-2.4%	-3.6%	-3.6%	75.5%	3.8%	0.6%
Feb.	2.1%	1.9%	1.6%	3.2%	2.1%	1.9%	1.9%	75.0%	3.5%	0.2%
Mar.	-1.1%	-2.3%	-3.0%	-1.2%	-1.8%	-1.6%	-1.6%	70.4%	3.4%	0.1%
1Q	0.5%	-4.4%	-5.6%	-0.7%	-2.1%	-3.3%	-3.3%	73.6%	3.5%	0.8%
Apr.	-2.2%	-5.3%	-5.8%	-4.0%	-1.9%	-2.3%	-2.3%	72.8%	3.1%	0.5%
May	1.6%	5.9%	6.4%	5.9%	3.2%	5.7%	5.7%	77.8%	2.6%	-0.0%
Jun.	2.0%	4.2%	3.7%	2.2%	0.1%	1.3%	1.2%	78.2%	3.2%	0.1%
2Q	1.2%	4.6%	4.0%	4.0%	1.4%	4.7%	4.5%	76.2%	3.0%	0.6%
Jul.	2.9%	5.6%	6.3%	5.2%	3.7%	6.6%	5.7%	77.0%	4.4%	0.1%
Aug.	0.7%	-2.4%	-1.9%	-1.2%	-0.9%	-0.2%	-0.2%	76.3%	4.9%	0.1%
Sep.	2.3%	-0.4%	0.2%	0.7%	0.8%	0.7%	0.6%	78.2%	5.4%	-0.2%
3Q	6.0%	2.6%	4.4%	4.6%	3.6%	7.2%	6.1%	77.2%	4.9%	0.1%
Oct.	-1.8%	-2.6%	-3.2%	-2.2%	-1.7%	0.2%	0.2%	79.2%	5.8%	0.0%
Nov.	2.1%	3.9%	4.7%	4.8%	3.8%	3.7%	3.2%	76.4%	6.0%	-0.0%
Dec.	2.3%	-1.0%	-0.6%	0.6%	0.0%	1.2%	1.1%	72.5%	6.3%	0.2%
4Q	2.5%	0.2%	0.8%	2.1%	2.1%	5.2%	4.5%	76.0%	6.0%	0.2%
Year	10.6%	2.8%	3.3%	11.3%	4.9%	14.2%	12.1%	75.8%	4.4%	1.7%
7/1/93 - 12/31/05	335.5%	327.6%	131.8%	273.9%	172.8%	644.8%	467.7%	76.0%	8.4%	-4.2%
2006										
Jan.	4.0%	8.2%	8.9%	5.8%	2.6%	5.2%	4.4%	72.1%	6.8%	-0.9%
Feb.	0.0%	-0.1%	-0.3%	-1.0%	0.3%	1.3%	1.1%	71.8%	6.5%	0.1%
Mar.	2.5%	4.6%	4.7%	2.4%	1.2%	2.2%	1.8%	70.4%	7.0%	-0.4%
1Q	6.6%	13.1%	13.7%	7.3%	4.2%	8.9%	7.6%	71.4%	6.8%	-1.1%
Apr.	1.8%	0.2%	-0.1%	1.3%	1.3%	0.9%	0.8%	64.2%	8.0%	0.1%
May	-2.3%	-4.3%	-5.7%	-4.6%	-2.9%	-3.7%	-3.1%	60.0%	7.1%	0.3%
Jun.	-0.5%	1.0%	0.5%	-0.1%	0.1%	1.4%	1.2%	62.2%	6.9%	0.0%
2Q	-1.1%	-3.1%	-5.3%	-3.4%	-1.4%	-1.5%	-1.3%	62.1%	7.4%	0.4%
Jul.	-0.5%	-1.5%	-3.3%	-2.9%	0.6%	-2.8%	-2.4%	63.4%	7.2%	0.3%
Aug.	1.0%	2.8%	2.9%	1.0%	2.4%	2.7%	2.3%	64.7%	6.7%	0.3%
Sep.	0.2%	0.8%	0.7%	0.6%	2.6%	-0.1%	-0.1%	66.3%	7.8%	0.1%
3Q	0.6%	2.1%	0.1%	-1.4%	5.7%	-0.3%	-0.3%	64.8%	7.2%	0.7%
Oct.	1.9%	5.0%	5.7%	4.1%	3.3%	2.2%	1.9%	67.0%	8.6%	-0.1%
Nov.	2.0%	2.7%	2.5%	3.1%	1.9%	2.7%	2.3%	68.7%	8.1%	0.1%
Dec.	1.3%	0.7%	0.2%	-0.6%	1.4%	0.8%	0.7%	68.6%	7.4%	0.1%
4Q	5.3%	8.5%	8.6%	6.6%	6.7%	5.8%	5.0%	68.1%	8.0%	0.1%
Year	11.7%	21.3%	17.0%	9.0%	15.8%	13.2%	11.2%	66.6%	7.3%	0.1%
7/1/93 - 12/31/06	386.5%	418.6%	171.3%	307.5%	215.9%	743.2%	531.5%	75.2%	8.3%	-4.1%

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P. PERFORMANCE ANALYSIS										
	HFRI	Russell	Russell	S&P	S&P (2)	VHLP				
	Equity L/S	2000 Value	2000	MidCap	500	Gross (3) Return	Net (4) Return	Net Long	Gross Short	Short Return
2007										
Jan.	1.2%	1.4%	1.6%	3.6%	1.5%	-0.7%	-0.7%	67.5%	8.9%	0.0%
Feb.	0.6%	-1.4%	-0.9%	0.6%	-2.0%	0.0%	0.0%	65.7%	9.3%	-0.7%
Mar.	1.0%	1.0%	0.9%	1.2%	1.1%	3.7%	3.2%	67.5%	9.7%	0.0%
1Q	2.8%	1.0%	1.7%	5.5%	0.6%	3.0%	2.5%	66.9%	9.3%	-0.6%
Apr.	1.9%	0.9%	1.7%	3.0%	4.4%	3.8%	3.3%	68.7%	9.9%	-0.1%
May	2.2%	3.5%	4.0%	4.9%	3.5%	3.4%	2.9%	71.5%	9.4%	-0.2%
Jun.	0.9%	-2.5%	-1.6%	-2.3%	-1.7%	-0.1%	-0.1%	71.9%	10.8%	-0.1%
2Q	5.1%	1.8%	4.1%	5.5%	6.3%	7.2%	6.2%	70.7%	10.0%	-0.3%
Jul.	0.2%	-8.6%	-6.9%	-4.4%	-3.1%	-1.7%	-1.4%	73.1%	12.3%	1.0%
Aug.	-1.7%	1.8%	2.2%	0.8%	1.5%	-0.5%	-0.4%	75.1%	10.9%	-0.4%
Sep.	3.2%	0.2%	1.6%	2.6%	3.7%	-1.5%	-1.3%	75.2%	10.8%	-0.1%
3Q	1.6%	-6.7%	-3.4%	-1.2%	2.0%	-3.6%	-3.1%	74.5%	11.3%	0.6%
Oct.	3.1%	1.0%	2.8%	2.6%	1.6%	3.2%	2.7%	73.3%	10.5%	-0.2%
Nov.	-2.9%	-7.6%	-7.3%	-5.2%	-4.2%	-5.8%	-5.0%	75.4%	9.5%	0.3%
Dec.	0.5%	-1.1%	-0.2%	-0.3%	-0.7%	0.3%	0.3%	73.8%	10.6%	0.1%
4Q	0.6%	-7.8%	-4.9%	-3.0%	-3.3%	-2.5%	-2.2%	74.2%	10.2%	0.2%
Year	10.5%	-11.5%	-2.7%	6.7%	5.5%	3.8%	3.2%	71.6%	10.2%	-0.1%
7/1/95 - 12/31/07	437.5%	359.1%	163.8%	334.8%	233.2%	774.9%	551.6%	74.9%	8.3%	-4.2%
2008										
Jan.	-4.5%	-4.2%	-6.9%	-6.2%	-6.0%	-7.6%	-7.6%	86.5%	13.4%	1.3%
Feb.	1.3%	-4.1%	-3.8%	-2.0%	-3.2%	4.7%	4.7%	82.0%	15.0%	1.1%
Mar.	-2.8%	1.3%	0.3%	-1.1%	-0.4%	2.0%	2.0%	83.1%	21.2%	0.1%
1Q	-6.0%	-7.0%	-10.2%	-9.2%	-9.4%	-1.4%	-1.4%	83.9%	16.6%	2.6%
Apr.	2.4%	3.0%	4.1%	7.6%	4.9%	5.0%	4.5%	82.8%	22.5%	-1.1%
May	2.4%	3.3%	4.5%	5.1%	1.3%	8.8%	7.5%	83.7%	21.9%	-1.0%
Jun.	-2.4%	-9.8%	-7.8%	-7.1%	-8.4%	-5.7%	-4.8%	78.4%	21.9%	2.1%
2Q	2.3%	-4.1%	0.2%	5.1%	-2.7%	7.8%	6.8%	81.6%	22.1%	0.0%
Jul.	-2.8%	5.0%	3.6%	-2.0%	-0.8%	2.4%	2.1%	78.3%	21.1%	-0.7%
Aug.	-2.2%	4.6%	3.5%	1.6%	1.4%	5.8%	5.0%	79.7%	21.7%	-1.0%
Sep.	-8.1%	-4.9%	-8.1%	-10.8%	-8.9%	-7.5%	-6.5%	79.0%	22.2%	1.8%
3Q	-12.7%	4.4%	-1.5%	-11.2%	-8.4%	0.2%	0.2%	79.0%	21.7%	0.2%
Oct.	-9.5%	-20.1%	-20.9%	-21.8%	-16.8%	-13.8%	-13.0%	78.9%	18.0%	5.6%
Nov.	-3.8%	-11.8%	-12.0%	-9.5%	-7.2%	-6.7%	-6.7%	78.8%	15.7%	2.0%
Dec.	0.2%	5.8%	5.6%	4.6%	1.1%	2.0%	2.0%	80.0%	17.0%	-0.8%
4Q	-12.7%	-25.5%	-26.5%	-26.0%	-21.9%	-17.5%	-17.2%	79.2%	16.9%	6.8%
Year	-26.7%	-30.6%	-34.8%	-37.3%	-37.0%	-12.6%	-13.6%	80.9%	19.3%	9.8%
7/1/95 - 12/31/08	294.3%	218.6%	72.0%	172.7%	109.9%	664.8%	469.6%	75.4%	9.3%	5.2%
2009										
Jan.	-0.9%	-14.4%	-11.2%	-7.4%	-8.4%	-10.5%	-10.5%	78.4%	16.9%	1.8%
Feb.	-2.2%	-14.1%	-12.3%	-9.9%	-10.6%	-9.2%	-9.2%	76.9%	16.1%	1.2%
Mar.	2.9%	8.5%	8.7%	8.8%	8.8%	3.3%	3.3%	79.0%	18.0%	-2.0%
1Q	-0.3%	-20.2%	-15.4%	-9.2%	-11.0%	-16.0%	-16.0%	78.1%	17.0%	0.9%
Apr.	5.4%	15.7%	15.3%	14.8%	9.6%	11.4%	11.4%	76.8%	17.8%	-3.3%
May	6.4%	2.0%	1.0%	2.6%	5.6%	-1.5%	-1.5%	71.8%	18.3%	-0.3%
Jun.	0.2%	-0.5%	3.3%	0.5%	0.2%	-1.6%	-1.6%	69.6%	19.2%	-0.5%
2Q	12.4%	17.3%	20.2%	18.2%	15.9%	8.0%	8.0%	72.7%	18.4%	-4.2%
Jul.	3.2%	11.4%	9.5%	8.6%	7.6%	11.0%	11.0%	73.7%	18.5%	-1.0%
Aug.	1.4%	4.6%	2.8%	4.2%	3.6%	-0.7%	-0.7%	68.9%	19.0%	-0.1%
Sep.	3.2%	4.8%	5.6%	5.6%	3.7%	8.8%	8.8%	74.0%	18.1%	-0.9%
3Q	8.0%	22.1%	18.9%	19.5%	15.6%	19.9%	19.9%	72.2%	18.5%	-2.0%
Oct.	-0.7%	-8.8%	-6.9%	-4.6%	-1.9%	-0.1%	-0.1%	84.7%	18.2%	1.1%
Nov.	1.6%	3.0%	3.0%	3.9%	6.0%	3.1%	3.1%	74.2%	17.2%	-0.8%
Dec.	2.1%	7.3%	7.9%	6.1%	1.9%	5.0%	4.6%	80.0%	15.7%	-1.4%
4Q	2.9%	3.1%	3.5%	5.2%	6.0%	8.1%	7.6%	79.6%	17.0%	-1.2%
Year	24.6%	17.7%	25.2%	35.0%	26.5%	17.7%	17.2%	75.7%	17.7%	-6.3%
7/1/95 - 12/31/09	391.1%	275.1%	115.4%	268.2%	165.5%	799.8%	567.4%	75.4%	9.9%	-1.4%

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P. PERFORMANCE ANALYSIS										
	HFRI	Russell				VHLP				
	Equity L/S	2000 Value	Russell 2000	S&P MidCap	S&P (2) 500	Gross (3) Return	Net (4) Return	Net Long	Gross Short	Short Return
2010										
Jan.	-1.3%	-3.0%	-3.7%	-3.3%	-3.6%	-4.1%	-4.1%	79.7%	15.1%	0.9%
Feb.	0.9%	4.5%	4.4%	5.1%	3.1%	0.0%	0.0%	78.1%	14.5%	-0.9%
Mar.	3.2%	8.1%	8.0%	7.0%	6.0%	6.1%	5.8%	80.7%	13.9%	-1.0%
1Q	2.8%	9.6%	8.5%	8.7%	5.4%	1.8%	1.5%	79.5%	14.5%	-0.9%
Apr.	1.2%	6.9%	5.6%	4.2%	1.6%	7.2%	6.1%	84.0%	12.8%	-0.7%
May	-4.0%	-8.6%	-7.7%	-7.3%	-8.0%	-8.3%	-5.4%	81.5%	12.8%	0.7%
Jun.	-1.8%	-8.9%	-7.9%	-6.7%	-5.2%	-7.5%	-7.2%	82.0%	13.2%	0.7%
2Q	-4.7%	-11.0%	-10.2%	-9.9%	-11.4%	-7.1%	-6.5%	82.5%	12.9%	0.7%
Jul.	2.4%	7.0%	6.8%	6.8%	7.0%	4.4%	4.4%	85.8%	13.4%	-0.8%
Aug.	-1.4%	-7.7%	-7.5%	-5.1%	-4.5%	-7.3%	-7.3%	86.6%	13.7%	0.7%
Sep.	4.7%	10.5%	12.3%	11.1%	8.9%	10.1%	10.0%	89.2%	13.9%	-1.6%
3Q	5.7%	9.2%	10.9%	12.7%	11.3%	6.6%	6.4%	87.2%	13.7%	-1.7%
Oct.	2.4%	3.8%	4.0%	3.4%	3.8%	3.6%	3.1%	90.0%	13.8%	-0.6%
Nov.	0.6%	2.4%	3.4%	2.8%	0.0%	-0.5%	-0.4%	90.1%	14.6%	-1.0%
Dec.	3.5%	8.0%	7.8%	6.4%	6.7%	8.8%	7.6%	92.1%	14.2%	-1.0%
4Q	6.6%	14.8%	15.9%	13.1%	10.8%	12.2%	10.4%	90.8%	14.2%	-2.6%
Year	10.5%	22.2%	25.3%	24.9%	15.1%	13.1%	11.2%	85.0%	13.8%	-4.4%
7/1/95 - 12/31/10	442.5%	358.4%	169.9%	359.6%	205.5%	917.9%	641.9%	76.0%	10.1%	-5.8%
2011										
Jan.	0.4%	-0.0%	-0.3%	1.9%	2.4%	3.6%	3.1%	92.4%	13.4%	0.3%
Feb.	1.3%	5.0%	5.4%	4.5%	3.4%	3.5%	3.0%	88.8%	15.5%	-0.4%
Mar.	0.5%	1.1%	2.4%	2.3%	0.0%	2.6%	2.2%	88.5%	16.5%	-0.4%
1Q	2.2%	6.1%	7.6%	9.0%	5.9%	10.0%	8.5%	89.9%	15.1%	-0.5%
Apr.	1.3%	1.5%	2.6%	2.7%	3.0%	1.8%	1.6%	84.9%	17.0%	-0.2%
May	-1.3%	-1.9%	-2.0%	-1.5%	-1.1%	-4.7%	-4.0%	84.0%	17.8%	-0.1%
Jun.	-1.3%	-2.7%	-2.5%	-2.2%	-1.7%	-2.7%	-2.4%	84.9%	17.8%	0.6%
2Q	-1.2%	-3.1%	-1.9%	-1.1%	0.1%	-5.6%	-4.8%	84.6%	17.5%	0.3%
Jul.	-0.3%	-3.4%	-3.7%	-3.6%	-2.0%	-3.8%	-3.3%	84.2%	16.3%	1.1%
Aug.	-4.9%	-9.0%	-8.8%	-7.3%	-5.4%	-6.3%	-6.3%	88.3%	16.1%	1.5%
Sep.	-6.0%	-11.2%	-11.4%	-10.7%	-7.0%	-8.5%	-8.5%	89.0%	14.2%	2.4%
3Q	-10.9%	-21.9%	-22.1%	-20.2%	-13.9%	-17.6%	-17.1%	87.2%	15.5%	5.1%
Oct.	4.9%	14.3%	15.0%	13.7%	10.9%	16.3%	16.3%	92.3%	14.0%	-2.3%
Nov.	-2.0%	-0.4%	-0.5%	-0.5%	-0.2%	0.6%	0.6%	92.8%	13.6%	0.0%
Dec.	-0.9%	1.3%	0.5%	-0.5%	1.0%	0.4%	0.3%	86.4%	12.3%	0.1%
4Q	1.8%	15.3%	15.0%	12.5%	11.8%	17.4%	17.3%	90.5%	13.3%	-2.1%
Year	-8.4%	-7.5%	-5.5%	-3.1%	2.1%	0.5%	0.5%	88.0%	15.4%	2.7%
7/1/95 - 12/31/11	397.0%	324.2%	155.2%	345.4%	211.9%	923.4%	645.3%	76.7%	10.4%	-3.3%
2012										
Jan.	3.9%	6.6%	7.0%	6.5%	4.5%	4.5%	3.8%	87.2%	12.5%	-0.8%
Feb.	2.9%	1.3%	2.3%	4.4%	4.3%	3.1%	2.7%	87.5%	12.6%	-0.4%
Mar.	0.0%	2.8%	2.4%	1.7%	3.3%	-0.2%	-0.2%	83.2%	12.6%	-0.4%
1Q	6.9%	11.0%	12.1%	13.1%	12.6%	7.5%	6.4%	85.9%	12.6%	-1.7%
Apr.	-0.8%	-1.6%	-1.6%	-0.3%	-0.2%	-2.3%	-2.0%	82.7%	12.7%	0.1%
May	-4.7%	-8.3%	-6.7%	-6.6%	-6.4%	-4.3%	-3.6%	81.0%	12.2%	1.0%
Jun.	0.9%	4.5%	4.8%	1.7%	4.1%	2.1%	1.8%	81.5%	12.5%	-0.3%
2Q	-4.6%	-3.5%	-3.8%	-5.3%	-2.8%	-4.5%	-3.5%	81.7%	12.5%	0.9%
Jul.	0.3%	-1.1%	-1.4%	-0.1%	1.4%	1.8%	1.6%	83.1%	12.8%	0.9%
Aug.	1.2%	2.9%	3.2%	3.3%	2.3%	2.2%	1.9%	82.6%	14.2%	-0.7%
Sep.	2.0%	3.3%	3.1%	1.8%	2.6%	0.9%	0.8%	83.0%	14.6%	-0.5%
3Q	3.4%	5.1%	4.9%	5.0%	6.4%	5.0%	4.3%	82.9%	13.9%	-0.4%
Oct.	-0.2%	-1.3%	-2.2%	-0.9%	-1.8%	0.5%	0.4%	84.1%	14.0%	0.5%
Nov.	0.5%	0.1%	0.4%	2.0%	0.6%	1.9%	1.6%	77.5%	12.8%	0.5%
Dec.	1.6%	3.9%	3.3%	2.0%	0.9%	2.2%	1.9%	83.0%	8.0%	-0.3%
4Q	1.8%	2.6%	1.4%	3.2%	-0.4%	4.6%	4.0%	81.5%	11.6%	0.7%
Year	7.4%	15.5%	14.6%	16.1%	16.0%	12.7%	10.8%	83.0%	12.6%	-0.5%
7/1/95 - 12/31/12	433.8%	390.0%	192.5%	417.0%	261.9%	1053.8%	726.0%	77.1%	10.6%	-3.8%

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P. PERFORMANCE ANALYSIS										
2013	HFRI Equity L/S	Russell 2000 Value	Russell 2000	S&P MidCap	S&P (2) 500	Gross (3) Return	VHLP Net (4) Return	Net Long	Gross Short	Short Return
Jan.	3.3%	5.9%	6.2%	7.2%	5.2%	5.2%	4.4%	76.0%	16.3%	-0.8%
Feb.	0.3%	1.0%	1.0%	0.8%	1.4%	0.1%	0.1%	71.5%	18.1%	-0.1%
Mar.	1.2%	3.9%	4.4%	4.6%	3.8%	2.1%	1.8%	70.0%	20.9%	-0.9%
1Q	4.9%	11.1%	12.0%	13.1%	10.6%	7.5%	6.4%	72.5%	18.4%	-1.8%
Apr.	0.4%	-0.2%	-0.4%	0.5%	1.9%	-3.5%	-3.0%	67.9%	23.5%	-0.4%
May	1.2%	2.8%	3.9%	2.1%	2.3%	3.4%	2.9%	67.8%	25.7%	-0.9%
Jun.	-1.6%	-0.7%	-0.7%	-2.0%	-1.3%	-1.2%	-1.0%	69.2%	25.3%	-0.3%
2Q	-0.1%	1.9%	2.7%	0.6%	2.9%	-1.4%	-1.2%	68.3%	24.8%	-1.6%
Jul.	2.3%	6.3%	6.9%	6.1%	5.1%	3.0%	2.6%	78.5%	14.7%	-2.2%
Aug.	-0.8%	-4.6%	-3.3%	-3.9%	-2.9%	-0.8%	-0.8%	79.2%	14.4%	0.5%
Sep.	2.7%	5.5%	6.2%	5.1%	3.1%	7.7%	6.6%	77.0%	14.2%	-0.9%
3Q	4.1%	7.1%	9.9%	7.2%	5.2%	9.9%	8.5%	78.3%	14.4%	-2.6%
Oct.	2.0%	3.2%	2.5%	3.6%	4.6%	3.6%	3.1%	78.9%	14.1%	-0.3%
Nov.	1.2%	3.7%	3.9%	1.2%	3.0%	1.5%	1.3%	79.1%	14.3%	-0.5%
Dec.	1.4%	1.6%	1.8%	2.9%	2.5%	3.8%	3.3%	82.1%	13.8%	-0.2%
4Q	4.7%	8.8%	8.4%	7.9%	10.5%	9.1%	7.9%	80.0%	14.1%	-1.1%
Year	14.3%	31.9%	37.0%	31.6%	32.4%	27.1%	23.0%	74.8%	17.9%	-6.9%
7/1/95 - 12/31/13	510.2%	546.1%	300.7%	580.2%	379.0%	1366.2%	916.1%	77.0%	11.0%	-10.4%

2014	HFRI Equity L/S (5)	Russell 2000 Value	Russell 2000	S&P MidCap	S&P (2) 500	Gross (3) Return	VHLP Net (4) Return	Net Long	Gross Short	Short Return
Jan.	-1.0%	-3.9%	-2.8%	-2.2%	-3.5%	-2.4%	-2.4%	81.6%	13.7%	0.4%
Feb.	2.5%	4.4%	4.6%	4.7%	4.6%	3.8%	3.6%	83.1%	13.9%	-0.7%
Mar.	-0.4%	1.0%	-0.8%	0.2%	0.8%	0.4%	0.4%	82.0%	13.7%	0.1%
1Q	1.1%	1.3%	0.8%	2.7%	1.8%	1.7%	1.5%	82.2%	13.7%	-0.1%
Apr.	-0.7%	-2.7%	-3.9%	-1.6%	0.7%	-1.3%	-1.1%	83.0%	13.3%	0.5%
May	1.1%	0.5%	0.7%	1.6%	2.3%	1.4%	1.2%	83.9%	13.3%	-0.1%
Jun.	1.7%	4.2%	5.2%	4.0%	2.1%	3.3%	2.8%	84.8%	13.5%	-0.7%
2Q	2.1%	1.8%	1.7%	3.9%	5.2%	3.3%	2.8%	83.9%	13.4%	-0.3%
Jul.	-1.0%	-6.1%	-6.1%	-4.3%	-1.4%	-4.1%	-3.5%	85.2%	13.2%	0.9%
Aug.	1.6%	4.2%	4.8%	4.9%	4.0%	3.2%	2.7%	86.6%	13.2%	-0.6%
Sep.	-1.9%	-7.0%	-6.2%	-4.7%	-1.4%	-3.9%	-3.4%	86.4%	12.8%	0.8%
3Q	-1.3%	-9.0%	-7.7%	-4.3%	1.1%	-4.9%	-4.2%	86.1%	13.1%	1.0%
Oct.	-0.0%	6.9%	6.5%	3.5%	2.4%	5.4%	4.6%	87.9%	13.0%	-0.8%
Nov.	0.6%	-0.6%	-0.0%	1.7%	2.7%	-0.6%	-0.5%	83.4%	13.2%	-0.0%
Dec.	-1.1%	2.5%	2.7%	0.7%	-0.3%	-0.4%	-0.4%	85.4%	13.1%	-0.3%
4Q	-0.6%	8.8%	9.4%	5.9%	4.9%	4.3%	3.7%	85.6%	13.1%	-1.1%
Year	1.3%	2.1%	3.5%	8.2%	13.7%	4.2%	3.6%	84.4%	13.3%	-0.5%
7/1/95 - present	518.1%	560.0%	314.9%	635.9%	444.6%	1428.1%	952.6%	77.4%	11.1%	-10.9%
Per annum	9.8%	10.2%	7.6%	10.8%	9.1%	15.0%	12.8%			-0.6%

(1) Either after most recent market close, or, before the close on: 12/31/14 (2) Includes dividend income.
 (3) Includes management fee of 0.25% assessed at beginning of each quarter (4) Gross return net of 15% incentive allocation.
 (5) The Dec. HFRI L/S return is based on the latest reported HFRI L/S daily index return and is adjusted to estimate the return for days yet to be reported. Typically, the HFRI L/S returns for the final one-to-three days of the month are estimated by Value Holdings, L.P. Also, the returns from the HFRI L/S daily index can, and often do, differ materially from the returns from the HFRI L/S monthly index. The HFRI L/S returns reported for all months other than the current month are from the monthly index. HFRI routinely revises previously reported monthly index returns going back six months.

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

DISCLOSURES

Value Holdings, L.P. (VHLP) and Springbank Value Partners, L.P. (SBVP) are investment pools registered with the Securities and Exchange Commission under Section 203 of the Investment Advisors Act of 1940. The General Partner of VHLP is VH LLC, which is a sole-member LLC, of which Timothy J. Curro is the Managing Member. The General Partners of SBVP are SBVP LLC, which is the Managing General Partner, and Springbank Capital, LLC. SBVP LLC is a sole-member LLC, of which Timothy J. Curro is the Managing Member.

VHLP and SBVP (the Partnerships) uphold high standards of conduct in all aspects of their operations. Consistent with Investment Advisors Act Rule 206(4)-7 (the COMPLIANCE RULE), the Partnerships have adopted compliance policies and procedures designed to prevent, detect and correct violations of applicable securities laws, and are committed to reviewing these policies and procedures periodically in an attempt to ascertain their adequacy and the effectiveness of their implementation.

Consistent with Investment Advisors Act Rule 204-2 (the RECORDS RULE), the Partnerships maintain comprehensive books and records and maintain all records that are necessary to form the basis for, or demonstrate the calculation of, any reported performance figures, and these documents are kept for a minimum of five years after the performance information is last used. The books and records of the Partnerships are open to inspection by any partner or partner representative with reasonable notice during office hours at our principal place of business, as provided for in the Partnership Agreements.

Consistent with Investment Advisors Act Rule 206(4)-2 (the CUSTODY RULE), the Partnerships distribute audited financial statements to investors within 180 days of the end of the Partnerships' fiscal year. In fact, audited statements of the Partnerships have been distributed to the Partnerships' Limited Partners within 90 days of the end of the Partnerships' fiscal year in each full year of the Partnerships' existences. The Partnerships expect to be able to satisfy their obligations consistent with this rule in the future. Although the Partnerships' behavior is consistent with the Custody Rule in this regard, the Partnerships do not purport to be custodians and therefore, by regulation, the Partnerships cannot accept contribution checks at their primary place of business; instead, the Partnerships provide Limited Partners with mailing instructions to deposit funds directly with the Partnerships' prime broker.

Registered advisers who have explicit or implicit authority to vote proxies on their clients' behalf must comply with Advisers Act Rule 206(4)-6 (the PROXY VOTING RULE). As fiduciaries, investment advisers owe their clients duties of care and loyalty which implies an obligation to monitor corporate events and vote proxies on behalf of every client who has authorized the adviser to do so. Under general principles of agency law, clients have a right to obtain information regarding how their proxies have been voted. However, advisers need not vote proxies where the cost and consumption of time in doing so would outweigh the benefits. Also, depending on its management style, an adviser might decide that it is not going to vote proxies on behalf of its private funds. In such a case, the registered adviser would have to make full and fair disclosure to its investors. Depending on the facts and circumstances, this disclosure might have to include disclosure that the adviser's failure to vote proxies could potentially harm investors in the fund.

The General Partner of VHLP, and the Managing General Partner of the SBVP, will not vote proxies on behalf of the Limited Partners of the Partnerships except in special situations. The failure to vote proxies on behalf of the Limited Partners could potentially harm the interests of the Limited Partners. For example, failure to vote against management and in support of a hostile takeover attempt may contribute to the failure of such an attempt, resulting in a decline in the company's stock price, and a decline in the value of the Partnerships. In special situations when the General Partner or Managing General Partner decides to vote proxies on behalf of the Limited Partners, the Limited Partners will be notified of such decisions in this Disclosure portion of the monthly supplement that is emailed to Limited Partners each month. Such notification will include instructions on how to obtain information regarding how the proxies were voted. Such information will be emailed to limited partners upon email request to Mr. Curro at tcurro@vhlp.net. The determination of a special situation is up to the sole discretion of the General Partner of VHLP, and the Managing General Partner of the SBVP, and there can be no assurance that facts or circumstances under which a situation will be deemed special will be applied or analyzed consistently over time. In the event that a proxy is voted, a record of it will be maintained for at least five years.

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

The Partnerships have adopted a code of ethics and monitor the personal securities trades of any full time employee. Consistent with the antifraud prohibitions of Section 206 of the Investment Advisors Act, the Partnerships will attempt over time in this section to disclose all material conflicts between their interests and the interests of their clients (the CONFLICTS RULE). The SEC has stated that a conflict would be material if there is a “substantial likelihood” that disclosure of the conflict would be viewed by a reasonable investor as “significantly altering the total mix” of information available about the investment pool.

(1) A potential conflict of interest exists in allocating trades among the Partnerships. Frequently, trades are not allocated on the basis of each Partnership’s capital as a percentage of the combined capital of the Partnerships. Mr. Curro, as Managing Member of the General Partner of VHLP and as Managing Member of the Managing General Partner of SBVP, attempts to maintain approximately the same percentage net long and short positions in both Partnerships. Over time, as a result of investments by new or existing partners, and of withdrawals by existing partners, the Partnerships’ net long or short positions may diverge. Mr. Curro typically elects not to immediately buy (sell) securities when Partnership capital increases (decreases) through contributions (withdrawals), but rather to allocate new trades in order to gradually bring the net long or short positions of the Partnerships into convergence. As a result, the relative sizes of equity positions, and the number of equity positions, vary between the Partnerships. Also, on some occasions, market conditions may result in an immaterial number of shares purchased (sold) of a security or securities. In such instances, Mr. Curro may decide to allocate the entire portion to only one of the two Partnerships. The allocation decision will be based on overall investment objectives, including but not limited to the relative net positions of the Partnerships, risk management and convenience.

(2) A potential conflict of interest exists in that the percentage of the incentive allocation that Mr. Curro receives as Managing Member of the General Partner of VHLP and as Managing Member of the Managing General Partner of SBVP, and the percentage of the management fee that Mr. Curro receives as Managing Member of Value Holdings Management Company, LLC, which is sole-member LLC, varies between the Partnerships. Mr. Curro receives 100% of the incentive allocation and management fee associated with VHLP, but materially less than 100% of the incentive allocation and management fee associated with SBVP. Mr. Curro attempts to maximize the risk-adjusted return of the Partnerships irrespective of his actual or expected incentive allocation or management fee from the Partnerships.

(3) A potential conflict of interest exists because the amount of capital invested directly by Mr. Curro in each Partnership, and indirectly by Mr. Curro as Managing Member of the General Partner of VHLP and as Managing Member of the Managing General Partner of SBVP, relative to total capital varies between the Partnerships. Mr. Curro attempts to treat each Partnership fairly irrespective of his personal exposure to, or investment in, the Partnerships.

(4) A potential conflict of interest exists because, with the exception of a checking account and cash on hand, all of Mr. Curro’s liquid net worth is invested in the Partnerships. Mr. Curro attempts to adhere to the Partnership principles of capital preservation and maximum risk-adjusted return irrespective of his personal exposure to, or investment in, the Partnerships.

(5) A potential conflict of interest exists because the majority of the Mr. Curro’s income from VHLP is taxable, and all of Mr. Curro’s income from SBVP is taxable, while the income of some of the other investors in the Partnerships is nontaxable. Mr. Curro has consistently attempted, and intends to continue to attempt, to minimize the taxable exposure of the Partnerships by focusing on long term gains as opposed to short term gains, and low portfolio turnover.

(6) A potential conflict of interest exists based on the allocation of Mr. Curro’s time between investing and managing existing capital and attempting to raise additional capital for each Partnership. Mr. Curro attempts to consistently emphasize the performance of the Partnerships, as measured by risk-adjusted net returns, over capital-raising objectives.

Figure 3 Monthly Supplement for Value Holdings, L.P. (Cont.)

LEGAL DISCLAIMER

The information and materials herein are provided as a general source of information. While every measure has been taken to ensure the accuracy of the material, the partnership does not guarantee the accuracy or completeness of the material found herein. It is not intended as investment, financial, legal, accounting, tax or other advice. The contents of this presentation are changed frequently.

The information posted herein is not a solicitation to invest in the partnership. An investment in the partnership involves significant investment consideration and risk that are described in the Offering Memorandum. Each potential investor should read the entire Offering Memorandum and should carefully consider the partnership's investment objectives, risks, and charges and expenses carefully before investing. An eligible investor may obtain a copy of the Offering Memorandum by contacting the Managing Member of the General Partner at tcurro@vhlp.net or by calling 917 836-9480 collect.

Past performance does not guarantee future results. Current performance may be lower or higher than past performance. You should not rely on any past performance as a guarantee of future investment performance. Partnership capital and investment returns will fluctuate. If the information herein is being reviewed seven business days or more after the relevant month end, you may obtain performance data current to the most recent month-end by contacting the Managing Member of the General Partner at tcurro@vhlp.net or by calling 917 836-9480 collect. Investors are cautioned that data based on less than five years' experience may not be sufficient to establish a track record on which investment decisions can be based.

Item 14 Limited Partner Referrals and Other Compensation

- A. Value Holdings, L.P., VH, LLC, and Timothy Curro have never received an economic benefit in return for a non-limited partner providing investment advice or other advisory services to the partnership's limited partners. Therefore, there are no conflicts of interests deriving therefrom to be explained or addressed. Economic benefits include any sales awards or other prizes.
- B. Value Holdings, L.P., VH, LLC, and Timothy Curro have not and currently do not directly or indirectly compensate any *person* for limited partner referrals. The general partner has, from time to time, engaged in discussions with investment advisors and prospective investment advisors to introduce prospective partners in exchange for compensation, but agreements were not reached and introductions were not made. The compensation discussed related to a sharing of the special incentive allocation and the management fee associated with the limited partners introduced. It is unlawful for any investment adviser required to be registered pursuant to section 203 of the Securities Exchange Act of 1934 to pay a cash fee, directly or indirectly, to a solicitor with respect to solicitation activities unless the solicitor is an investment adviser registered under the Act, the solicitation activities involve the provision of impersonal advisory services only, or the solicitor is a partner, officer, director or employee of such investment adviser, among other requirements.

Item 15 Custody

The partnership engages The Goldman Sachs Group, Inc. as custodian and ConvergeX Prime Services, LLC as prime broker. Goldman Sachs maintains custody of 100% of the partnership's securities and of nearly all of the partnership's cash. A small percentage of partnership cash is held in the partnership's checking account at Citibank. All additions and withdrawals by partners, and all expense payments are made from the checking account. Additions from partners are immediately wired from the checking account to the custodian. Withdrawals by partners and partnership expense payments are made by first wiring funds from the custodian to the checking account. Expense payments consist of payment of management fees to the general partner and payments to the partnership's auditor, tax accountant, attorney and regulators.

Form ADV, Part 1, Section 9, i.e., the section on custody, asks the following question: "what is the approximate amount of client funds and securities and total number of clients for which you have custody"? Our response is \$889,672 and 74 clients, i.e., partners. An explanation of this response is provided herein. The \$889,672 is the amount of cash in the partnership's checking account as of January

31, 2015. Of this amount, \$820,839 was subsequently wired to a limited partner who closed his account effective January 31, \$16,000 and \$12,000 were wired to limited partners making minor withdrawals, and \$6,250 was wired to the partnership's auditor as a retainer, leaving a balance of \$34,584 as of February 3, 2015. The Part 1 disclosure of \$889,672 belonging to 74 clients, although true, is more accurately described as follows: 92% belongs to one limited partner, 2% and 1% belong to two other limited partners, and 5% belongs to 73 partners. As of February 3, therefore, the partnership, through its checking account, had custody of 0.02% of partnership capital. This paragraph illustrates the pass-through nature of the checking account and the manner in which it is, and will be, used to facility non-securities-related partnership transactions.

Limited partners do not receive account statements directly from Goldman Sachs, ConvergeX or Citibank. Each month, the general partner distributes to all limited partners a monthly statement, including a reconciliation of partnership capital with the capital balance at the custodian, as discussed and illustrated in Item 13.C, above. Partners may inspect the books and records of the partnership upon reasonable notice. An independent public accountant audits annually the partnership, and the audited financial statements are distributed to all limited partners. Given that the partnership is audited annually, an independent public accountant does not conduct an annual surprise examination of client funds and securities.

Custody of the partnership's investments is maintained at a financial institution or brokerage firm selected by the general partner. The general partner may only entrust the assets of the partnership to the custody of a brokerage firm which is a member of the New York Stock Exchange, a United States bank or trust company or an overseas branch of a United States bank or another custodian which would be acceptable to an investment company registered under the Investment Company Act of 1940.

Item 16 Investment Discretion

The partnership's general partner has full, complete and exclusive management control of the partnership. Without limitation, the general partner in its sole discretion has the power to buy and sell securities, to conduct a margin account, to employ persons to assist in the operation of the partnership, including brokers, accountants and attorneys, and to incur all expenses on behalf of the partnership as deemed necessary or desirable.

Before an investment may be made into the partnership, the prospective limited partner must complete the partnership agreement's subscription documentation as required by the general partner. Within the partnership agreement is an authorization granting the general partner investment discretion over the limited partner's investment. In addition, each limited partner constitutes and appoints general partner VH, LLC, irrevocably his/her true and lawful representative and attorney-in-fact, in his/her name, place and stead to make, execute, sign and file a Certificate of Limited Partnership of the Partnership and any amendment thereof or termination thereof as required by law and all such other instruments, documents and certificates which may from time to time be required by the laws of the United States of America, the State of New York or any other state in which the partnership shall determine to do business, or any political subdivision or agency thereof, to effectuate, implement, continue or terminate the valid existence of the partnership. Such representative and attorney-in-fact shall not, however, have any right, power or authority to amend or modify the partnership agreement when acting in such capacities.

Item 17 Voting Partnership Securities

The general partner will not vote proxies on behalf of the limited partners of the partnership except in special situations. The determination of a special situation is up to the sole discretion of the general partner, and there can be no assurance that facts or circumstances under which a situation will be deemed special will be applied or analyzed consistently over time. The intent of the general partner is to vote proxies only when such voting is clearly, in the opinion of the general partner, in the best interest of the limited partners. The failure to vote proxies on behalf of the limited partners could potentially harm the interests of the limited partners. In the event that a proxy is voted, a record of it will be maintained for at least five years. Limited partners do not have the right to direct the vote of the general partner. The general partner, itself a significant investor in the partnership, believes that a conflict of interest does not exist between the general partner and the limited partners concerning the partnership's proxy voting policies and procedures. Limited

partners may obtain information about how the partnership has voted proxies, if any, by contacting Timothy Curro at tcurro@vhlp.net.

Under rule 206(4)-6 of the Investment Advisors Act of 1940, it is a fraudulent, deceptive, or manipulative act, practice or course of business within the meaning of section 206(4) of the Act for an investment adviser to exercise voting authority with respect to client securities, unless (i) the adviser has adopted and implemented written policies and procedures that are reasonably designed to ensure that the adviser votes proxies in the best interest of its clients, (ii) the adviser describes its proxy voting procedures to its clients and provides copies on request, and (iii) the adviser discloses to clients how they may obtain information on how the adviser voted their proxies.

Item 18 Financial Information

- A. Not applicable.
- B. Given that the partnership has discretionary authority or custody of limited partner funds or securities, the partnership is required to disclose herewith any financial condition that is reasonably likely to impair its ability to meet contractual commitments to limited partners.

The general partner believes that there does not exist a financial condition that is reasonably likely to impair its ability to meet contractual commitments to limited partners. To support this assertion, the partnership's audited balance sheet for the most recent available fiscal year is provided in Figure 4, below. The balance sheet is prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity. Qualifications of the independent public accountant and any accompanying independent public accountant's report conform to Article 2 of SEC Regulation S-X.

Figure 4 Fiscal Year-End Balance Sheet for Value Holdings, L.P.

VALUE HOLDINGS, L.P.
STATEMENT OF ASSETS, LIABILITIES AND PARTNERS' CAPITAL
DECEMBER 31, 2013

ASSETS

Cash and cash equivalents	\$ 26,901,954
Investments in securities, at fair value (cost \$63,795,377)	135,814,660
Dividend and interest receivable	<u>81,676</u>
 TOTAL ASSETS	 <u>\$ 162,798,290</u>

LIABILITIES AND PARTNERS' CAPITAL

Liabilities:

Securities sold short, at fair value (proceeds \$15,404,031)	\$ 19,529,294
Partners' withdrawals payable	1,466,635
Advance contributions	75,000
Dividend and interest payable	24,004
Accrued expenses	<u>17,500</u>
 TOTAL LIABILITIES	 21,112,433
 Partners' capital	 <u>141,685,857</u>
 TOTAL LIABILITIES AND PARTNERS' CAPITAL	 <u>\$ 162,798,290</u>

Figure 4 Fiscal Year 2012 Balance Sheet for Value Holdings, L.P. (Cont.)

VALUE HOLDINGS, L.P.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1 - ORGANIZATION

Value Holdings, L.P. (the "Partnership") is a New York limited partnership which commenced operations on July 1, 1995 for the purpose of achieving capital preservation and long-term appreciation by investing in and trading in securities. The general partner of the Partnership is VH, LLC (the "General Partner").

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation: These financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Those principles also require the use of estimates to be made by the General Partner where actual results may differ from those estimates. Purchases and sales of securities, and the related income and expenses, are recorded on a trade date basis. Dividends are recorded on the ex-dividend date. Realized gains and losses are recognized based on the specific identification method.

Fair Value Measurement – Definition and Hierarchy: FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Partnership has the ability to access.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- C. Value Holdings, L.P., VH, LLC, and Timothy Curro have not been the subject of a bankruptcy petition at any time during the past ten years. In addition, they have never been the subject of a bankruptcy petition.

Part 2B of Form ADV: *Brochure Supplement*

Item 1 Cover Page

The adviser is a sole proprietor and is therefore not required to provide his own brochure supplement to limited partners if that information is included in the firm brochure. The advisor has included information required for the brochure supplement in the body of the firm brochure.