

ITEM 1: FORM ADV PART 2A FIRM BROCHURE



CICC INVESTMENT MANAGEMENT (USA), INC.

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This Brochure provides information about the qualifications and business practices of CICC Investment Management (USA), Inc. (“**CICCIM**”). If you have any questions about the contents of this Brochure, please contact CICCIM’s Chief Compliance Officer (“**CCO**”), Eric Paul C. Hwang at 646-794-8780 or eric.hwang@ciccus.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“**SEC**”) or by any state securities authority. CICCIM is a registered investment adviser. Registration as an investment adviser does not imply that the firm or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business. Additional information about CICCIM is available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2: MATERIAL CHANGES

There have been no material changes to this brochure since this is its first edition.

ITEM 3: TABLE OF CONTENTS

ITEM 1: FORM ADV PART 2A FIRM BROCHURE	1
ITEM 2: MATERIAL CHANGES.....	2
ITEM 3: TABLE OF CONTENTS	3
ITEM 4: ADVISORY BUSINESS.....	5
<i>Background</i>	<i>5</i>
a) <i>Advisory Services.....</i>	<i>5</i>
b) <i>Principal Investment Strategies</i>	<i>5</i>
c) <i>Tailored Advice and Client-Imposed Restrictions</i>	<i>6</i>
d) <i>Wrap Fee Disclosure</i>	<i>6</i>
e) <i>Assets Under Management</i>	<i>6</i>
ITEM 5: FEES AND COMPENSATION.....	7
a) <i>Compensation</i>	<i>7</i>
b) <i>Billing.....</i>	<i>7</i>
c) <i>Other Expenses</i>	<i>7</i>
d) <i>Advance Billing.....</i>	<i>7</i>
e) <i>Sales-based Compensation</i>	<i>7</i>
ITEM 6: PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT	8
ITEM 7: TYPES OF CLIENTS:	11
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	12
a) <i>Methods of Analysis and Investment Strategies.....</i>	<i>12</i>
b) <i>Material Risks Associated with the Investment Strategies.....</i>	<i>13</i>
ITEM 9: DISCIPLINARY INFORMATION	15
a) <i>Criminal or civil action.....</i>	<i>15</i>
b) <i>Administrative proceeding.....</i>	<i>15</i>
c) <i>Self-regulatory organization (SRO) proceeding</i>	<i>15</i>
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	16
a) <i>Registered Broker-Dealer or Registered Representative</i>	<i>16</i>
b) <i>FCM , CPO, CTA or Associated Person</i>	<i>16</i>
c) <i>Material Business Relationships with Certain Related Persons</i>	<i>16</i>
d) <i>Recommendation and Selection of Other Investment Advisers For Compensation</i>	<i>16</i>
ITEM 11: PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, CODE OF ETHICS AND PERSONAL TRADING	17
a) <i>Code of Ethics.....</i>	<i>17</i>
b) <i>Participation or Interest in Client Transactions</i>	<i>17</i>
c) <i>Investment in Securities Recommended to Clients</i>	<i>17</i>
d) <i>Investment in Securities at or about the Same Time Recommended to Clients</i>	<i>17</i>
ITEM 12: BROKERAGE PRACTICES	18
a) <i>Selecting or Recommending Broker-Dealers</i>	<i>18</i>

b) <i>Soft-Dollars Arrangement</i>	18
c) <i>Brokerage for Client Referrals</i>	19
d) <i>Directed Brokerage</i>	19
e) <i>Aggregation (Bunching) of Trades</i>	19
ITEM 13: REVIEW OF ACCOUNTS	20
a) <i>Periodic Account Review</i>	20
b) <i>Client Reports</i>	20
ITEM 14: PAYMENT FOR CLIENT REFERRALS	21
ITEM 15: CUSTODY	22
ITEM 16: INVESTMENT DISCRETION	23
ITEM 17: VOTING CLIENT SECURITIES	24
a) <i>Proxy Voting Authority</i>	24
b) <i>Client Proxy Voting Authority</i>	24
ITEM 18: FINANCIAL INFORMATION	25
a) <i>Financial Disclosures</i>	25
b) <i>Material Financial Impairment</i>	25
c) <i>Bankruptcy Petitions</i>	25

ITEM 4: ADVISORY BUSINESS

Background

CICC Investment Management (USA), Inc. (“CICCIM”) was founded in November 2010. CICCIM is wholly owned by China International Capital Corporation (USA) Holdings Inc. (100%) which is in turn an indirect, wholly-owned subsidiary of China International Capital Corporation Limited (“CICC”), China’s first joint venture investment bank.

a) Advisory Services

CICCIM provides investment advisory services specializing in the management of pooled private investment vehicles such as hedge funds and funds of hedge funds on a fully discretionary basis (“Fund(s)”). The Funds are organized as limited partnerships, limited liability companies, or other legal entities.

In the case of funds of hedge funds, the underlying investments are hedge funds managed by third-party portfolio advisers that employ a variety of alternative investment strategies (“Portfolio Advisers”). The objective of this process is to construct well-diversified portfolios as well as concentrated portfolios, comprised of Portfolio Advisers, with lower volatility than the broad equity and credit markets, taking into account factors such as the prevailing market environment, our confidence in the Portfolio Advisers’ ability to generate attractive risk-adjusted returns and our conviction in a particular investment strategy, among others.

In the case of hedge funds, the underlying investments may include a range of financial instruments issued by entities such as corporations and governments. In this regard, CICCIM may take long and short positions, implement hedges, and make illiquid investments.

b) Principal Investment Strategies

Our portfolio construction process combines top-down views with bottom-up fundamental research in a manner that is consistent with each portfolio’s risk, return and diversification objectives. An integral part of our portfolio construction process is the continuous monitoring of our investments and timely portfolio rebalancing when this becomes necessary.

In the case of funds of hedge funds, CICCIM aggregates and thoroughly analyzes the performance, risk and positioning data provided by each Portfolio Adviser; in addition our investment team is in regular contact with the Portfolio Advisers. This allows us to ensure that each of our fund of hedge funds portfolios remains well-positioned to deliver or exceed its risk and return objectives.

In the case of hedge funds, CICCIM aggregates and thoroughly analyzes data at both macroeconomic and company-specific levels in a timely manner. This allows us to ensure that each of our hedge fund portfolios remains well-positioned to deliver or exceed its risk and return objectives.

c) Tailored Advice and Client-Imposed Restrictions

Each CICCIM Fund has its own investment objectives, strategies and restrictions. CICCIM prepares offering materials with respect to each Fund that contain more detailed information. These serve as a limitation on the actions of CICCIM's investment team with regard to the Funds.

Unless otherwise specified, CICCIM Fund(s) are not necessarily tailored to meet the individualized investment needs of any particular investor ("Investor"). For illustrative purposes, an Investor is one who invests in the Fund while the Fund is the client ("Client") advised by CICCIM. An investment in a CICCIM Fund does not create a Client-adviser relationship between CICCIM and an Investor. Further discussion of the strategies, investments and risks associated with a CICCIM Fund investment is included in the relevant materials for each type of Investor.

Investors must consider whether a particular CICCIM Fund is appropriate to their own circumstances based on all relevant factors including, but not limited to, Investors' own investment objectives, liquidity requirements, tax situation and risk tolerance. Prospective investors are strongly encouraged to undertake appropriate due diligence, including but not limited to a review of relevant offering materials for the Funds and the additional details about CICCIM's investment strategies, methods of analysis and related risks in Item 8 of this Brochure, before making an investment decision to invest.

Separate and apart from the Funds, CICCIM may in the future offer customized solutions to select Investors.

d) Wrap Fee Disclosure

Not applicable.

e) Assets Under Management

As of December 31, 2014, CICCIM had approximately \$41,000,000 in Regulatory Assets Under Management, of which 100% is managed on a discretionary basis.

ITEM 5: FEES AND COMPENSATION

a) Compensation

CICCIM receives a management fee from each Fund based on net assets under management. The Fund(s) typically pay CICCIM a quarterly asset-based management fee in arrears at a rate equal to 0.25% (1.00% per annum) of the quarter-end Net Asset Value per share (without deduction of any unpaid withdrawals/redemptions and any accrued Management Fee and Incentive Fee) of each share subject to such fee (the “Management Fee”). The Management Fee is payable to CICCIM within 15 days after the computation of the quarter-end Net Asset Value. The Management Fee is prorated for any period that is less than a full fiscal quarter.

CICCIM in its sole discretion, may waive or reduce the Management Fee or amend any other restrictions with regard to investors that are employees or affiliates of CICCIM, relatives of such persons, and for certain strategic investors.

b) Billing

Management fees are deducted from the accounts of Fund(s) after calculation of the fee amount by CICCIM on a quarterly basis.

c) Other Expenses

Expenses may be incurred separate and apart from CICCIM’s management and performance based fees. These expenses typically include fees charged by each Fund, custody fees, transaction fees, and/or expenses associated with the investment vehicle in which assets are invested.

d) Advance Billing

As discussed above, the management fee payable is calculated and paid quarterly in arrears. Investors in the Funds who withdraw will generally not be refunded any portion of the management fee payable for that calendar quarter.

e) Sales-based Compensation

Not applicable. Neither CICCIM nor any of its employees or affiliates accepts additional compensation for the sale of securities or other services or other investment services or products.

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

CICCIM may receive performance compensation (“Incentive fee” or “Performance Fee”) as set out in each individual prospectus to the Fund(s). The Fund(s) may pay an incentive fee as of the end of each Incentive Period to the Investment Adviser equal to 10% of the Net Capital Appreciation attributable to each share of the Fund(s) (“Share”) subject to such fee. This Incentive Fee may be with or without a hurdle rate, as set out in each individual prospectus to each Fund of Funds. Funds that are launched in the future by CICCIM may have varying Incentive Fees.

The Performance Fee is charged by CICCIM (or its affiliate) in compliance with Rule 205-3 under the Investment Advisers Act of 1940. The Management Fee and Performance Fee are negotiable. CICCIM, in its sole discretion, may waive or reduce the Management Fee and/or the Performance Fee or amend any other restrictions with regard to investors that are employees or affiliates of CICCIM, relatives of such persons, and for certain strategic investors.

Performance-based compensation may create an incentive for CICCIM to make investments that are riskier or more speculative than would be the case in the absence of performance-based compensation. In addition, the performance on which Performance Fee is calculated includes unrealized appreciation and depreciation of investments that may not ultimately be realized. Incentive fees are only charged to “qualified clients” in accordance with Rule 205-3 under the Advisers Act. In the future, not all compensation arrangements will necessarily include a performance component, and the rate and nature of the calculation of performance compensation and bonuses may vary.

Performance Fees and differences in their calculation may result in certain conflicts of interest, such as motivating CICCIM to invest Client funds in assets with heightened risk profiles that have the potential to produce relatively higher returns or causing CICCIM to favor certain Clients over others.

SPECIFIC CONFLICTS OF INTEREST AND CICCIM’S PRACTICES DESIGNED TO MITIGATE SUCH CONFLICTS OF INTEREST

Like all investment advisers who advise multiple accounts or funds having different fee structures, CICCIM and its personnel face actual and potential conflicts of interest, including an incentive to favor those accounts or funds in which CICCIM or its personnel have greater pecuniary interests over other accounts or funds. Such conflicts of interest, and CICCIM’s practices that are designed to mitigate such conflicts of interest, are discussed below. As a general matter, CICCIM addresses such conflicts by following a thorough, detailed, and consistent investment decision-making process and by regular reviews of investments by CICCIM’s Investment Committee.

- **Allocation of Investments.** CICCIM may have an incentive to allocate investment opportunities based on pecuniary interest. CICCIM and its personnel will face a conflict of interest when considering how to allocate limited investment opportunities among

accounts or funds having different fee structures or pecuniary interests, including CICCIM Funds in which it is an investor. Through its relevant policies and procedures, CICCIM seeks to promote fair and equitable treatment of all accounts or funds (including the allocation of investment opportunities), over time, based on considerations that are unrelated to pecuniary interests (as discussed in Item 12).

- **Compensation of CICCIM and its Personnel.** CICCIM and its personnel have an incentive to take on more risk when compensation is based on performance. The receipt of performance-based compensation and the payment of bonuses relating to performance of Client accounts create an incentive to make riskier investments than might be made in the absence of performance-based compensation, as such compensation generally allows participation in gains in excess of exposure to losses. On the other hand, performance-based compensation encourages an alignment of long-term investment interests between the Client and CICCIM. Moreover, performance-based compensation may be subject to mechanisms designed to ensure that prior losses are recouped and/or a certain level of gains is achieved before any performance-based compensation accrues, such as loss carry forwards, hurdle rates, and/or high water marks. Furthermore, as discussed in more detail in Item 13, CICCIM reviews the Client accounts that it advises on a regular basis to monitor risk levels.
- **Performance-based Fees for Adviser and Valuations.** When CICCIM's compensation is based on the value or performance of investments, CICCIM has an incentive to value a position at a price higher than it might otherwise be valued or to accelerate or defer realizations. To the extent that performance allocations may be based on increases in the net assets of a CICCIM Fund, CICCIM's compensation would be based upon unrealized appreciation as well as realized appreciation. This means that CICCIM may be compensated on performance that is ultimately not realized if positions decrease in value and are subsequently sold at a loss. The potential for inflated valuation of positions is increased when such positions are illiquid or otherwise lack a readily ascertainable market value. CICCIM seeks to mitigate this conflict by valuing assets in a consistent and thorough manner that insulates the conflict. CICCIM considers the views of outside experts in determining the value of illiquid or other hard to value assets.
- **Cross-Transactions.** When CICCIM engages in cross-transactions, it has an incentive to favor accounts or funds in which it has a greater pecuniary interest: CICCIM may, from time to time, enter into cross-transactions between the various accounts or funds it advises. CICCIM will conduct such transactions in accordance with policies to promote fairness to all participating accounts (e.g., by assuring that an appropriate price is assigned to the security being crossed). Where required by law or the governing documents for a Client account, cross transactions are subject to Client consent prior to settlement and information about the transaction, including the nature of the rebalancing transaction, the price at which it will be effected and CICCIM's position as principal, if applicable, are provided to allow the Client to determine whether or not to consent.

Other Conflict Mitigation Practices. Many of the conflicts resulting from performance-based fees and side-by side management are mitigated by CICCIM's relevant policies and procedures.

As a general principle, CICCIM requires that potential conflicts of interest be addressed by placing Client interests before personal or proprietary interests. CICCIM also has instituted trading policies to promote fair treatment of CICCIM Funds based on considerations unrelated to pecuniary interests to ensure that, wherever possible and over time, opportunities are allocated in a fair and equitable manner

ITEM 7: TYPES OF CLIENTS:

CICCIM provides investment advisory services to certain private investment funds organized as limited partnerships, limited liability companies, or other legal entities. The Funds qualify for exemption from the definition of an “investment company” under the Investment Company Act of 1940, as amended (the “Investment Company Act”) under Section 3(c) (1) or Section 3(c) (7) of the Investment Company Act, and CICCIM offers interests to Investors pursuant to Regulation D under the Securities Act of 1933, as amended (the “1933 Act”).

The minimum investment in Fund(s) advised by CICCIM is typically \$1,000,000, although the Fund(s) may accept investments in a lesser amount.

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

a) Methods of Analysis and Investment Strategies

CICCIM's portfolio construction process is dynamic and is designed to ensure that the allocations to investment strategies and underlying investments are consistent with each portfolio's risk and return objectives.

CICCIM seeks to generate attractive long-term risk-adjusted absolute returns in a variety of capital market conditions. In this regard, CICCIM may allocate and re-allocate assets under its management dynamically among different investment strategies and asset classes, including the ability to implement hedges where appropriate. There can be no assurance that the Funds' investment objective will be met or that its portfolio design and risk monitoring strategies will be successful.

CICCIM anticipates that either it or the Portfolio Advisers in which it invests will employ a variation of one or more of the following strategies:

1. Equity Long/Short - involves the purchase and/or sale of listed or unlisted equity and equity related Financial Instruments usually based on fundamental research and analysis.
2. Event Driven- focuses on the securities of companies undergoing some material structural changes. These changes can come in the form of mergers, acquisitions, spin offs, Dutch tender offers, share buybacks and other reorganizations.
3. Macro & Commodity Trading Advisers ("CTA") - takes long, short and relative value positions in Financial Instruments based on a top-down fundamental and technical analysis of capital market conditions. Hedge Funds begin evaluating opportunities based on economic and/or technical factors, working their way down to regional, country and industry specific analysis. The Hedge Funds make judgments about the expected future price direction of asset classes and express that opinion by taking long or short positions in a variety of Financial Instruments. Investments are usually made in a wide variety of global futures, cash instruments and other Financial Instruments, including stocks, bonds, currencies, derivatives and commodities.
4. Relative Value - involves taking simultaneous long and short positions in closely related markets. This strategy relies on the exploitation of market inefficiencies, generally without speculating on the direction of interest rates, currency exchange rates or equity prices, and generally without assuming an unhedged exposure to any particular market.

The Investment Adviser establishes specific portfolio allocation targets with respect to individual strategies and variations thereof. It then analyzes how recent or anticipated market trends are expected to impact major strategies and sub-strategies and considers various factors in determining strategy allocation and reallocation.

Major factors considered include:

- macroeconomic and capital market conditions globally; and
- strategy specific factors including, but not limited to, interest rate environments, market liquidity, capital flows, earnings growth, valuations, supply/demand imbalances, market volatility, credit spreads and put/call option volume, and corporate mergers and acquisition activity.

b) Material Risks Associated with the Investment Strategies

Investing in securities in general involves risk of loss that Clients should be prepared to bear. For funds of hedge funds, CICCIM's principal risk currently lies in Manager Selection. Each underlying Portfolio Adviser has complete discretion to invest its fund's assets according to that fund's operating agreement and offering memorandum. There is no way to monitor all the specific investments made by the Portfolio Adviser or to know whether the Portfolio Adviser's investments are consistent with the Portfolio Adviser's historic investment philosophy or risk levels on a daily basis. All Investors assume the risk that investment returns may be negative or below the rates of return of other investment advisers or products. Investors should understand that they could lose some or all of their investment and should be prepared to bear the risk of such potential losses. Key risks of loss which apply to the current principal investment strategies employed by CICCIM are listed below. More detailed descriptions and explanations of the key risks of loss are included in relevant offering materials.

Given the nature of the investment strategy of CICCIM (for hedge funds and funds of hedge funds), the following represent certain general risks inherent in such an investment:

- Liquidity Risks of Hedge Fund Allocations – the Fund(s) may have limited rights in redeeming, transferring or otherwise liquidating its investments.
- Achievement of Fund(s)' Investment Objectives – there can be no assurance that CICCIM will achieve a Fund(s)' overall investment objectives of long-term risk-adjusted absolute returns in a variety of capital market conditions.
- Illiquid Investments by the Hedge Funds – hedge funds may make investments for which no liquid market exists. The sale of such investments often requires more time and may result in higher brokerage charges or selling expenses than those of freely marketable investments.
- Market Risk – economic and other factors beyond the control of CICCIM can materially and adversely affect the demand of certain financial instruments generally.
- Competition – hedge funds may have limited capital and great difficulty in competing in markets where its competitors have superior resources.
- Delegation of control – CICCIM does not have the ability to predict the investment decisions of underlying hedge funds invested in by the Fund(s) it advises and there is no guarantee CICCIM will be able to successfully monitor the investment activities or performance of any hedge fund.
- Increased Expenses – CICCIM's strategy of investing assets with several hedge funds rather than directly in financial instruments may significantly increase fees and expenses

because these hedge funds may charge their own expenses to the Fund(s) which may come in addition to those of the Fund(s) advised by CICCIM.

- Soft Dollar Arrangements – underlying Portfolio Managers may select their own brokers and financial intermediaries and may pay these parties amounts in excess of the amount another comparable party may have charged. The Fund(s) advised by CICCIM may not necessarily benefit from such arrangements.
- Offsetting Investments – hedge funds may hold economically offsetting positions. The Fund(s)' assets may not achieve any gain or loss despite incurring expenses.
- Concentration Risk – many hedge funds hold the same investments, which may lead to the Fund(s)' exposure to losses disproportionate to market declines in general.
- Dependence on the Investment Adviser and the Portfolio Advisors – the success of the investment depends on the expertise and abilities of CICCIM and the Portfolio Advisors who may resort to strategies not fully disclosed to CICCIM. Risks may arise from some market conditions as well as the death, incapacity or retirement of key personnel of any Portfolio Advisor.
- Risk Controls – there is no assurance that the risk controls of individual hedge funds will be adequate.
- Access to Information – CICCIM may not always have access to information regarding investments made by individual hedge funds leading to a lack of appreciation of risks in the strategy of such individual hedge funds.
- Actions of Portfolio Advisors – there can be no assurances against misconduct such as fraud or misappropriation by a Portfolio Advisor.
- Increase in Managed Assets – the Fund(s) may invest in hedge funds that are experiencing a major increase in assets, which may impair the ability of their strategies and operations to perform up to historic levels.

ITEM 9: DISCIPLINARY INFORMATION

a) Criminal or civil action

Neither CICCIM nor its employees or involved persons (“Persons”) have been subject to any disciplinary action, whether criminal, civil or administrative in any jurisdiction.

b) Administrative proceeding

None

c) Self-regulatory organization (SRO) proceeding

None

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

a) Registered Broker-Dealer or Registered Representative

CICC US Securities, Inc. (“CICC US”) is a brokerage firm and was incorporated in August 2005, in the state of Delaware, and opened its New York office in September 2009. CICC US is a member firm of Financial Industry Regulatory Authority (“FINRA”) and is also registered as an introducing broker with the Commodity Futures Trading Commission (“CFTC”) under the Commodity Exchange Act and a member of the National Futures Association (“NFA”).

CICC US is a wholly-owned subsidiary of China International Capital Corporation (USA) Holdings, Inc. (100%) which is in turn an indirect wholly-owned subsidiary of CICC.

CICC US’ primary activities are institutional securities brokerage, investment banking, and other related financial activities. CICC US provides brokerage services on securities traded on U.S. exchanges and the Hong Kong Stock Exchange to institutional investors located in the United States and other jurisdictions. CICC US has a sales and trading (“S&T”) team, a research team and a small Investment Banking Department. There are approximately 20 employees in New York as of December 31, 2014.

CICC US’ S&T business operates on an agency business and CICC US takes no positions on any equity transactions. CICC US also distributes third-party research produced by its overseas affiliates to institutional investors in the U.S.

Institutional Communications Barriers have been created and implemented between the businesses of CICC US and those of CICCIM to minimize the probability of a conflict of interest between and among these respective businesses.

b) FCM , CPO, CTA or Associated Person

Not Applicable

c) Material Business Relationships with Certain Related Persons

Not Applicable

d) Recommendation and Selection of Other Investment Advisers For Compensation

Not Applicable

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

a) Code of Ethics

CICCIM has adopted a Code of Ethics that sets forth the standards of business conduct that it required from all its supervised persons. CICCIM believes that (i) high ethical standards are essential for its success and to maintain the confidence of its Clients; (ii) its long-term business interests are best served by adherence to the principle that the interests of Clients come first; and (iii) it has a fiduciary duty to its Clients to act solely for their benefit. All personnel of CICCIM must put the interests of CICCIM's Clients before their own personal interests and must act honestly and fairly in all respects in dealings with Clients. All personnel of CICCIM must also comply with all federal securities laws.

Clients or prospective clients may obtain a copy of CICCIM's Code of Ethics by contacting CICCIM's Chief Compliance Officer at 646-794-8780.

b) Participation or Interest in Client Transactions

CICCIM does not participate in nor has any interest in Client Transactions. CICCIM does not recommend investments in any securities in which it has a material financial interest nor does it invest in the same securities for itself that it recommends to Clients. CICCIM and its related persons may invest in the Funds, and therefore, such persons may hold the same Hedge Funds as other investors in the Funds. In addition, certain employees of CICCIM may own Hedge Funds in their personal accounts that are also recommended by CICCIM to the Funds. CICCIM has established procedures intended to limit conflicts of interest in cases where CICCIM, a related person or any of their employees, buys or sells Hedge Funds recommended by CICCIM to its Clients.

c) Investment in Securities Recommended to Clients

CICCIM's Supervised Persons are specifically prohibited from using their knowledge about pending transactions or investments currently being considered for personal profit, including by purchasing or selling such securities directly or indirectly. To facilitate compliance with this policy, the CCO or the CCO's designee shall maintain a Restricted Securities List. This list will contain all securities CICCIM or an affiliate of CICCIM is analyzing or considering for Client transactions. Further, as noted above, all Access Persons (as defined in the Code, and which includes Supervised Persons meeting certain further criteria) will continuously disclose their transactions reports detailing personal securities transactions. Such reports will be reviewed by the CCO or the CCO's designee to ensure compliance with the Code.

d) Investment in Securities at or about the Same Time Recommended to Clients

See Part 11 C. above.

ITEM 12: BROKERAGE PRACTICES

a) Selecting or Recommending Broker-Dealers

Fund of Funds Management

In CICCIM's practice of advising funds of hedge funds, it does not engage in the trading of securities. Accordingly, the portfolio investments of its funds are not executed through brokerage firms, and CICCIM does not select or recommend brokers for Clients. However, in the future, CICCIM may offer fund of hedge funds products that permit CICCIM the ability to implement hedging policies and, to some extent, direct investments in debt, equity and other financial instruments.

Hedge Fund Management

Where CICCIM may advise hedge funds directly, a broker may be selected for certain transactions. CICCIM has no obligation to deal with any particular broker-dealer in the execution of transactions in portfolio securities. In selecting broker-dealers with whom to place orders for purchases and sales of securities on behalf of our Clients, CICCIM's primary objective is to obtain best price and execution – that is, prompt, errorless, execution of orders at the most favorable prices reasonably obtainable. In doing so, CICCIM considers a number of factors, including, without limitation:

- the overall direct net economic result to the Client (including commissions, which may not be the lowest available but which ordinarily will not be higher than the generally prevailing competitive range),
- the financial strength of the broker-dealer,
- the reputation and stability of the broker,
- the efficiency with which transactions are generally executed,
- the ability to effect the particular transaction,
- the availability of the broker-dealer to stand ready to execute difficult transactions in the future, and
- other matters involved in the receipt of brokerage and research services.

CICCIM will also consider the quality of brokerage firms with which it seeks to execute Client orders, the adequacy of lines of communication, timeliness of reports of order execution, the capacity to accommodate unusual trading volume and the preservation of Client anonymity, among other factors.

b) Soft-Dollars Arrangement

As a matter of policy, CICCIM currently does not pay a commission in order to receive research or other services and, except in unusual circumstances, the commission negotiated would not exceed CICCIM's normal rate. Research or other services which may be received as a result of transactions executed in Client accounts are used to benefit all of CICCIM's investment advisory Clients.

c) Brokerage for Client Referrals

CICCIM does not consider, in selecting or recommending a broker dealer, whether CICCIM or a related person receives Client referrals from that broker-dealer.

d) Directed Brokerage

CICCIM does not accept Clients who require us to execute transactions through a specified broker-dealer. Clients may recommend that CICCIM use their preferred broker-dealer(s). CICCIM will use such broker-dealer(s) subject to our determination that said broker-dealer provides best execution of Client transactions.

e) Aggregation (Bunching) of Trades

Securities transactions in investment advisory accounts are normally implemented on a consistent basis across accounts. In order to accomplish this, orders are aggregated (bunched) and allocated pro-rata to the nearest round lot. In addition to considerations of equity, bunching avoids placing competing orders, improves order management, and may, because of larger order size, permit some degree of price improvement relative to a series of individually placed orders.

CICCIM may cause a Fund or Account to effect "cross" transactions – transactions in which securities or other portfolio holdings are bought and sold among and/or between the Funds and the Accounts. Such a transaction will only be carried out if CICCIM believes that the transaction will be beneficial to both parties and if it is done in accordance with applicable law and CICCIM's cross transactions policies and procedures, which are designed to ensure compliance with all applicable laws.

ITEM 13: REVIEW OF ACCOUNTS

a) Periodic Account Review

CICCIM has detailed knowledge of the investments in each Fund(s). The investment team managing the Funds formally and informally meets several times a month to review the performance of each portfolio company in each Fund and to ensure that transactions are within the parameters of the Funds' Agreements. Such meetings may occur via telephone and/or video conference. The portfolios of Fund(s) managed by CICCIM are regularly reviewed by members of the Fund(s)' Investment Committee on a formal and informal basis, as well as by other personnel of CICCIM.

a) Client Reports

CICCIM provides unaudited reports on behalf of the Fund(s) on a monthly basis and audited reports on an annual basis. These reports provide information on account balances, monthly performance, industry commentary, securities held, values and other information designed to provide Clients with a complete assessment of their portfolios. In addition each Fund investor receives audited annual reports and may receive monthly Market Value Statements of the performance of the Fund in which they invest.

ITEM 14: PAYMENT FOR CLIENT REFERRALS

CICCIM may compensate third parties for Client referrals (each a “Solicitor”). Before making payments for any referral, CICCIM requires each Solicitor to enter into a written referral agreement. CICCIM may pay the Solicitor a portion of its own fee received from Clients introduced by that third-party marketer or salesperson for the length of the term of the Client’s account with CICCIM. Typically, this fee is representative of a percentage of assets under management and as a percentage of any other fees earned by ACM, calculated by an agreed-upon formula. CICCIM may also pay certain expenses incurred by the Solicitor for services performed on behalf of CICCIM.

The Solicitor is required to present to any prospective Client (other than potential hedge fund or private investment fund investors) a document including: the name of the Solicitor; the name of the investment advisor he or she represents (e.g., CICCIM); the nature of the relationship, including disclosure of any affiliation between the Solicitor and CICCIM; a statement that the Solicitor will be compensated by CICCIM, including the terms of that compensation arrangement; and the amount, if any, of the cost of obtaining the account that the Client will be charged in addition to the CICCIM advisory fee, including the differential, if any, among Clients with respect to the amount of advisory fees if such differential is attributable to the existence of any arrangement pursuant to which CICCIM has agreed to compensate the Solicitor.

ITEM 15: CUSTODY

Due to certain arrangements, CICCIM may be deemed to have “custody” of the CICCIM Fund assets within the meaning of Rule 206(4)-2 under the Advisers Act.

Clients and Fund investors receive account statements directly from a qualified custodian and are encouraged to review those accounts statements received from the custodian. Clients should review these statements carefully and should immediately contact CICCIM if account statements are not received from the custodian on at least a quarterly basis. To the extent CICCIM, pursuant to the relevant advisory contract or otherwise, separately provides reports or account statements, Clients should compare CICCIM’s statements carefully to the account statements received from the custodian. If there are any discrepancies between the account statements, please contact CICCIM immediately.

In addition, the Funds are audited at least annually and distribute their audited financial statements prepared in accordance with generally accepted accounting principles to all Investors. CICCIM provides (or causes to be provided) to each Investor in the Fund a copy of the Fund’s audited financial statements within 120 days for Hedge Funds and 180 days for funds of hedge funds following the relevant Fund’s fiscal year end. Investors who do not receive audited financial statements timely should contact CICCIM immediately.

ITEM 16: INVESTMENT DISCRETION

CICCIM has complete discretion in its selection of Portfolio Advisers or investments. CICCIM generally has discretion to determine the amount to invest with each Portfolio Adviser or in each investment or rebalance its portfolios. These decisions are based primarily on CICCIM's evaluation of the performance of the underlying investments. Such investment discretion is given through the appropriate investment advisory agreement executed between the Client and CICCIM.

ITEM 17: VOTING CLIENT SECURITIES

c) Proxy Voting Authority

From time to time, companies in which CICCIM invests may submit certain matters to a vote of its security holders. The right to vote is usually available to equity holders and not to holders of company debt. Clients and Investors in CICCIM Funds can request copies of CICCIM's proxy voting policies and relevant voting records by contacting their Investor Relations representative. CICCIM will not disclose how it voted for a Client to third-parties, unless specifically requested, in writing by the Client.

CICCIM understands and appreciates the importance of proxy voting and consent rights (collectively "Proxies") and, if required to do so, will generally manage the receipt of incoming Proxies, maintain a log of all Proxies, and place votes based on established policies and guidelines. In the course of exercising discretion to vote a Proxy, CICCIM will vote any such Proxies to maximize investor value and in accordance with the procedures outlined below.

CICCIM has adopted Proxy Voting Policies and Procedures pursuant to Rule 206(4)-6 of the Advisers Act designed to ensure that proxies are voted prudently and solely in the best interest of our Clients. According to our policy, CICCIM will generally vote in accordance with management's recommendations in order to support the ability of management to run its business in a responsible and cost effective manner while staying focused on maximizing shareholder value. In the event that a conflict of interest exists between management's recommendation and CICCIM or its Clients, CICCIM will vote in the manner which in its judgment and sole discretion is in the best interest of its Clients.

CICCIM operates a policy of exercising proxy votes for Clients as permitted within Client agreements. Voting policy is undertaken at all times in the best interests of Clients and for their benefit. A copy of the full proxy voting policy is available upon request.

a) Client Proxy Voting Authority

Clients who do not grant CICCIM discretion to vote proxies on their behalf are responsible for voting their own proxies and, if they desire to do so, must arrange to receive proxy materials from the relevant custodians or transfer agents. CICCIM does not provide any proxy related information, or advice as to how to vote proxies, to such Clients.

ITEM 18: FINANCIAL INFORMATION

No financial events have occurred to CICCIM that would negatively affect the financial viability of CICCIM. There is no financial condition of CICCIM that is reasonably likely to impair CICCIM's ability to meet contractual commitments to Clients.

a) Financial Disclosures

Not Applicable.

b) Material Financial Impairment

Not Applicable.

c) Bankruptcy Petitions

Not Applicable.