

PART 2A OF FORM ADV
FIRM BROCHURE

Adi Capital Management LLC
529 Fifth Avenue, 8th Floor
New York, New York 10017
Tel: (212) 946-7630 • Fax: (212) 946-7639

February 26, 2015

This brochure (the “Brochure”) provides information about the qualifications and business practices of Adi Capital Management LLC (“Adi Capital”), an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). If you have any questions about the contents of this Brochure, please contact Robert Wong at (212) 946-7631 or by email at rwong@adicapllc.com. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

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

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

ITEM 2 – MATERIAL CHANGES

An investment adviser is required to identify and discuss any material changes made to this Brochure since its last annual update. There are currently no material changes to be noted in response to this Item 2.

ITEM 3 - TABLE OF CONTENTS

	<u>Page</u>
ITEM 2 – MATERIAL CHANGES	i
ITEM 3 – TABLE OF CONTENTS	ii
ITEM 4 – ADVISORY BUSINESS	1
ITEM 5 – FEES AND COMPENSATION	2
ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	4
ITEM 7 – TYPES OF CLIENTS	5
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	6
ITEM 9 – DISCIPLINARY INFORMATION	16
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	17
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	18
ITEM 12 – BROKERAGE PRACTICES	20
ITEM 13 – REVIEW OF ACCOUNTS	22
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION	23
ITEM 15 – CUSTODY	24
ITEM 16 – INVESTMENT DISCRETION	25
ITEM 17 – VOTING CLIENT SECURITIES	26
ITEM 18 – FINANCIAL INFORMATION	27

ITEM 4 – ADVISORY BUSINESS

Adi Capital Investment Management LLC, a Delaware limited liability company (“Adi Capital”), was founded in 2013 and is principally owned by its founder and managing member, Paritosh Gupta. Adi Capital is an investment adviser that seeks to achieve capital appreciation through utilization of a global long-short equity investment strategy with a value-oriented, event-driven bias. Adi Capital identifies investment opportunities in securities associated with dramatic structural and corporate change, married with a focus on uniquely shareholder value oriented CEOs. Adi Capital currently provides discretionary investment advisory services, including, but not limited to, managing and directing the investment and reinvestment of assets for the following pooled-investment vehicles intended for institutional and other sophisticated investors:

- Adi Long Short Equity Fund LP (the “Onshore Fund”), a Delaware limited partnership;
- Adi Long Short Equity Fund (Offshore) Ltd. (the “Offshore Fund”), a Cayman Islands exempted company;
- Adi Long Short Equity Intermediate Fund LP (the “Intermediate Fund”), a Cayman Islands exempted limited partnership; and
- Adi Long Short Master Fund Ltd. (the “Master Fund”), a Cayman Islands exempted company.

Each of the Onshore Fund, the Offshore Fund, the Intermediate Fund and the Master Fund may be referred to individually in this Brochure as a “Fund”, and collectively as the “Funds”. In addition to the Funds, Adi Capital launched two special purpose vehicles (together, the “SPV”, and collectively with the Funds, the “Advisory Clients”) on September 22, 2014 to invest primarily in the European telecom market. Only a limited number of large or strategic investors currently invested in the Funds were selected to participate in the SPV.

The general partner of the Onshore Fund and the Intermediate Fund is Adi Capital Advisors LLC (the “General Partner”, a Delaware limited liability company. Paritosh Gupta is also the principal owner and managing member of the General Partner.

Adi Capital provides advice to its client accounts (*i.e.*, the Funds) based on specific investment objectives and strategies. Adi Capital tailors its advisory services to the individual needs and specified investment objectives and strategies of each client, as set forth in each client’s offering documents or investment management agreements. Notwithstanding the foregoing, Adi Capital neither tailors its advisory services to the individual needs of investors in its client accounts nor accepts investor-imposed investment restrictions with respect to its client accounts. An investment in a client account does not, in and of itself, create a client-adviser relationship between any underlying investor and Adi Capital.

Adi Capital does not participate in wrap fee programs.

As of February 1, 2015, Adi Capital has regulatory assets under management (“RAUM”) of \$371,214,000.

ITEM 5 – FEES AND COMPENSATION

Management Fee

Adi Capital charges investors a quarterly management fee (the “Management Fee”) at the Intermediate Fund level, which is calculated at an annual rate between 1.50%-2.00% of each investor’s capital account or net assets. The Management Fee is paid quarterly in advance, based on the value of each investor’s capital account or net assets, as of the first business day of each calendar quarter. The Management Fee will be adjusted for contributions and withdrawals or redemptions made during the quarter.

Management Fees are generally not negotiable; however, Adi Capital may waive or modify the Management Fee for investors that are members, employees or affiliates of Adi Capital or the General Partner, relatives of such persons, and for certain large or strategic investors. Furthermore, investors in the SPV are subject to different management fees than those described above.

A portion of the Management Fee shall be paid by Adi Capital to the Initial Investor (as defined in Item 10).

Performance-based Allocation

At the end of each fiscal year, the General Partner and the Initial Investor (as defined in Item 10), as the holders of a priority allocation capital account interest in the Intermediate Fund, will receive, in the aggregate, at the Intermediate Fund level an annual incentive allocation equal to between 17.5% to 20.0% of the net profits attributable to an investor’s interests or shares in the Onshore Fund or the Offshore Fund, respectively, subject to a loss carryforward provision (the “Incentive Allocation”).

When calculating the Incentive Allocation at the Intermediate Fund level, net profits will be reduced by the Management Fee, and all items of income, loss and expense incurred at the feeder fund level and the Master Fund level will be taken into account.

The General Partner may waive or modify the Incentive Allocation for investors that are members, employees or affiliates of Adi Capital or the General Partner, relatives of such persons, and for certain large or strategic investors. Furthermore, investors in the SPV are subject to different Incentive Allocations than those described above.

See Item 6 for discussion of potential conflicts of interest associated with the performance-based compensation received by the General Partner.

It should be noted that certain large or strategic investors may be subject to lower Management and/or Performance-based fees than those detailed above. Please see Item 10 for additional information on such side-letter arrangements.

Expenses

Adi Capital renders its services to the Funds at its own expense and is responsible for its overhead expenses including: office rent; utilities; furniture and fixtures; stationery; secretarial/internal administrative services; salaries and bonuses; entertainment expenses; employee insurance and payroll taxes.

All other expenses are paid by the Funds and include: the Management Fee; Fund legal, compliance (including, but not limited to, costs related to Foreign Account Tax Compliance Act reporting), audit and accounting expenses (including third party accounting services); fees and expenses of the Funds’ administrator (including, but not limited to, software necessary for trade capture and portfolio

management); fees and expenses related to various filings (or portions thereof) made in connection with managing the Funds' portfolio (including, but not limited to, Section 13 filings, Section 16 filings and Form PF (if applicable)); shareholder proxy voting services; organizational expenses; investment expenses such as commissions, research fees and expenses (including research subscriptions, research-related travel and research related third-party advisers or consultants); portfolio valuation expenses (including data feeds and third-party valuation agents); interest on margin accounts and indebtedness; borrowing charges on securities sold short; custodial fees; bank service fees; Fund-related insurance costs (including D&O and E&O insurance); directors' fees and expenses; each of the Onshore Fund and the Offshore Fund's pro rata share of the expenses of the Intermediate Fund and the Master Fund; and any other expenses reasonably related to the purchase, sale or transmittal of Fund assets.

Organizational expenses of each Fund will be paid by that Fund and, for net asset value purposes, are being amortized over a period of up to 60 months from the date that Fund commenced operations.

Please refer to Item 12 – Brokerage Practices, for further information regarding Adi Capital's brokerage practices.

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

Adi Capital currently provides investment advisory services to multiple portfolios for multiple clients, and as described in Item 5 above, the General Partner may receive performance-based compensation (*i.e.*, the Incentive Allocation). The possibility that Adi Capital may receive an Incentive Allocation creates a potential conflict of interest in that it may create an incentive for Adi Capital to effect larger and more risky transactions than would not be the case in the absence of such form of compensation. In addition, certain client accounts may have more favorable Incentive Allocation arrangements than other accounts. When an adviser manages more than one client account with varying compensation arrangements, a potential exists for one client account, which pays a higher Incentive Allocation to be favored over another client account.

Adi Capital has adopted and implemented appropriate policies and procedures intended to address conflicts of interest relating to the management of multiple accounts, including accounts with multiple fee arrangements, and the allocation of investment opportunities (see Item 12, Brokerage Practices). These areas are monitored by Adi Capital's Chief Compliance Officer.

ITEM 7 – TYPES OF CLIENTS

Adi Capital provides investment advisory services to private pooled-investment vehicles (both the Funds and the SPV) intended for sophisticated investors and institutional investors. Investors in the private pooled-investment vehicles must also meet certain eligibility requirements which generally require an investor to qualify as an “accredited investor” as defined in Rule 501 under Regulation D under the Securities Act of 1933, as amended, and a “qualified purchaser” as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended. Investors also need to meet additional requirements set forth in the subscription agreements for the pooled-investment vehicles.

With respect to the Funds, the minimum initial investment is \$1,000,000, subject to reduction at the discretion of Adi Capital or the General Partner. The minimum subsequent capital contribution is \$100,000, subject to reduction at the discretion of Adi Capital or the General Partner.

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

Investing in securities involves the risk of loss that clients should be prepared to bear. Thus, investors that have invested in the Funds should be prepared to lose some or all of their investment.

Investment Objective and Methods of Analysis

The investment objective of the Funds is to achieve capital appreciation through utilization of a global long-short equity investment strategy with a value-oriented, event-driven bias. The Funds seek to achieve this objective primarily through the purchase and sale of equity securities of companies associated with dramatic structural and corporate change, married with a focus on uniquely shareholder value oriented CEOs. The Funds will invest in companies globally, but mostly in or doing business in the United States.

The Funds take long and short positions primarily in equities, ADRs, GDRs, convertible securities, bonds and other fixed income securities, options, warrants, and puts and calls on stocks. In addition, the Funds may invest in commodities futures or other derivative securities, such as contracts for differences.

The Master Fund's assets will usually consist of a mix of long-term investment ideas with at least a two-to three-year time horizon to benefit from investment themes. Shorter-term investment ideas will seek to capture opportunities in fast changing market conditions that might impact near term earnings outlooks against consensus views. Shorter-term investment ideas may have a time horizon of six to twelve months. Though the Master Fund will use a long and short investment strategy, the Master Fund will usually maintain a long-bias.

Investment Strategy

Adi Capital employs a value-oriented, event-driven strategy. To optimize this investment strategy, Adi Capital will frequently interview senior corporate management in order to develop an informed view on the management quality, strength of business, competitive positioning and valuation. A substantial portion of the Funds' investment research will come from Adi Capital's internal due diligence, such as interviews with senior company management, employees, suppliers, competitors and customers. Adi Capital may also integrate analysis from industry or trade groups, sell-side analysts, and other third party research firms into its investment process. Adi Capital's stock selection criteria includes, but is not limited to: quality of the management team, sustainability of the business model, total available market size and growth opportunities, competitive landscape, positioning in its marketplace, relationship with its suppliers and customers, products portfolio mix and outlook, financial leverage, a company's ability to generate earnings, free cash flow, and a company's accounting practices.

Adi Capital believes that this is an attractive time for the Funds to employ a value-oriented/event-driven strategy given the historically high levels of CEO change, corporate restructurings, demutualizations, and government involvement in economic affairs while selling-short companies with flawed business models, structural changes in supply-demand, and secular decliners. The strategy relies on a dramatically differentiated view of a company's prospects relative to consensus that may yield an outsized return.

Flexibility

Adi Capital intends to pursue the investment strategy described above as long as such strategy is in accord with the Funds' investment objective. In addition, it may also formulate and implement new approaches to carry out the investment objective of the Funds.

While the Funds invest primarily in long-short equities, each Fund has broad and flexible investment authority. Accordingly, the Funds' investments may at any time include long or short positions in credit

instruments, U.S. or non-U.S. publicly traded or privately issued or negotiated common stocks, preferred stocks, stock warrants and rights, bank loans, corporate debt, bonds, notes or other debentures or debt participations, convertible securities, fixed income securities, swaps, options (purchased or written), futures contracts, commodities, forward contracts and other derivative instruments, partnership interests and other securities or financial instruments including those of investment companies.

The Funds utilize leverage in the pursuit of their investment objective.

The Funds may also invest in new issues of securities, provided that the Funds first comply with all of the rules and regulations pertaining to such investments, including the rules of the U.S. Financial Industry Regulatory Authority.

Risk of Loss

Below are certain material risks of investing in the Funds. This is not a complete list of risks. Investors are advised to refer to the offering documents for the Funds for a full list of risk factors related to their investment.

Nature of Investments

Adi Capital has broad discretion in making investments for the Funds. Investments primarily consist of long-short equities and other assets. There can be no assurance that Adi Capital will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Funds' activities and the value of their investments. In addition, the value of the Funds' portfolio may fluctuate as the general level of interest rates fluctuates. No guarantee or representation is made that the Funds' investment objective will be achieved.

Equities and Equity-Related Instruments

The Funds may invest in equities and equity-related instruments. Certain options and other equity-related instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equities and equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.

Corporate Debt-Obligations

Adi Capital invests in corporate debt obligations (both performing and nonperforming), including, but not limited to, bank loans, high yield, high grade, commercial paper and convertible securities, which are subject to the risk of an issuer's inability to meet principal and interest payments on the obligations (credit risk). Adi Capital may intend to actively expose the Funds to credit risk. However, there can be no guarantee that the Funds will be successful in making the right selections and thus fully mitigate the impact of credit risk changes on the Funds.

Distressed Investments

The Funds invest in "distressed" securities, claims and obligations of domestic and foreign entities which are experiencing significant financial or business difficulties. Investments may include loans, commercial paper, loan participations, trade claims held by trade or other creditors, stocks, partnership interests and similar financial instruments, executory contracts and options or participations therein not publicly traded. Distressed investments may result in significant returns to the Funds, but also involve a substantial degree of risk. The Funds may lose a substantial portion or all of their investment in a distressed environment or

may be required to accept cash or securities with a value less than the Funds' investment. Among the risks inherent in investments in entities experiencing significant financial or business difficulties is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments also may be adversely affected by state and federal laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims. The market prices of such instruments are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such instruments may be greater than normally expected. In trading distressed instruments, litigation is sometimes required. Such litigation can be time-consuming and expensive, and can frequently lead to unpredicted delays or losses. Moreover, to the extent that the Funds invest in distressed sovereign debt obligations, they will be subject to additional risks and considerations not present in private distressed securities, including the uncertainties involved in enforcing and collecting debt obligations against sovereign nations, which may be affected by world events, changes in U.S. foreign policy and other factors outside of the control of Adi Capital.

Special Situations

The Funds invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in or undergoing work-outs, liquidations, spin-offs, reorganizations, bankruptcies or other catalytic changes or similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Funds of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Funds may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Funds may invest, there is a potential risk of loss by the Funds of their entire investment in such companies. In connection with such transactions (or otherwise), the Funds may purchase securities on a when-issued basis, which means that delivery and payment take place sometime after the date of the commitment to purchase and is often conditioned upon the occurrence of a subsequent event, such as approval and consummation of a merger, reorganization or debt restructuring. The purchase price or interest rate receivable with respect to a when-issued security can be fixed when the Funds enter into the commitment. Such securities are subject to changes in market value prior to their delivery.

Credit Default Swap Agreements

The "buyer" in a credit default contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract in return for a contingent payment upon the occurrence of a credit event with respect to an underlying reference obligation. Generally, a credit event means bankruptcy, failure to pay or obligation acceleration. If a credit event occurs, the seller typically must pay the contingent payment to the buyer, which is typically the "par value" (full notional value) of the reference obligation. The contingent payment may be a cash settlement or by physical delivery of the reference obligation in return for payment of the face amount of the obligation. The Funds may be either the buyer or seller in the transaction. If the Funds are a buyer and no credit event occurs, the Funds may lose its investment and recover nothing. However, if a credit event occurs, the buyer typically receives full notional value for a reference obligation that may have little or no value. As a seller, the Funds receive a fixed rate of income throughout the term of the contract, which typically is between one month and ten years, provided that no credit event occurs. If a credit event occurs, the seller may pay the buyer the full notional value of the reference obligations.

Credit default swaps involve greater risks than if the Funds had invested in the reference obligation directly. In addition to general market risks, credit default swaps are subject to liquidity risk and credit risk. A buyer also may lose its investment and recover nothing should no credit event occur. If a credit

event were to occur, the value of the reference obligation received by the seller, coupled with the periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value to the Funds.

High Yield Securities

The Funds invest in "high yield" bonds and preferred securities which are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Securities in the lower rating categories are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominately speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower-rated securities, the yields and prices of such securities may tend to fluctuate more than those for higher-rated securities. The market for lower-rated securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such lower-rated securities.

Synthetic Securities

In addition to credit risks associated with holding non-investment grade loans and high yield debt securities, with respect to synthetic securities, the Funds will usually have a contractual relationship only with the counterparty of such synthetic securities, and not the Reference Obligor on the Reference Obligation. A "Reference Obligation" is the debt security or other obligation upon which the synthetic security is based. The Funds generally will have no right to directly enforce compliance by the Reference Obligor with the terms of the Reference Obligation nor any rights of off-set against the Reference Obligor, nor have any voting rights with respect to the Reference Obligation. The Funds will not benefit directly from the collateral supporting the Reference Obligation or have the benefit of the remedies that would normally be available to a holder of such Reference Obligation. In addition, in the event of insolvency of the counterparty, the Funds will be treated as a general creditor of such counterparty, and will not have any claim with respect to the credit risk of the counterparty or the Reference Obligor. As a result, concentrations of synthetic securities in any one counterparty subject the Funds to an additional degree of risk with respect to defaults by such counterparty as well as by the Reference Obligor. Adi Capital will not normally perform independent credit analyses of a counterparty or any entity guaranteeing such counterparty, individually or in the aggregate. A "Reference Obligor" is the obligor on a Reference Obligation.

Loan Participations

The Funds invest in corporate loans acquired through assignment or participations. In purchasing participations, the Funds usually have a contractual relationship only with the selling institution, and not the borrower. The Funds generally have no right directly to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set-off against the borrower, nor does it have the right to object to certain changes to the loan agreement agreed to by the selling institution. The Funds may not directly benefit from the collateral supporting the related secured loan and may not be subject to any rights of set-off the borrower has against the selling institution.

In addition, in the event of the insolvency of the selling institution, under the laws of the United States and the individual states, the Funds may be treated as a general creditor of such selling institution, and may not have any exclusive or senior claim with respect to the selling institution's interest in, or the collateral with respect to, the secured loan. Consequently, the Funds may be subject to the credit risk of the selling institution as well as of the borrower. Certain loans or loan participations may be governed by

the laws of a jurisdiction other than a United States jurisdiction, which may present additional risks as regards the characterization under such laws of such participation in the event of the insolvency of the selling institution or the borrower.

A number of judicial decisions have upheld judgments of borrowers against lending institutions on the basis of various evolving legal theories, collectively termed “lender liability.” Because of the nature of the assets in which the Funds may invest, which may include corporate loans, the Funds may be subject to allegations of lender liability. In addition, under common law principles that in some cases form the basis of lender liability claims, if a lender or bondholder (a) intentionally takes an action that results in the undercapitalization of a borrower to the detriment of other creditors of such borrower, (b) engages in other inequitable conduct to the detriment of such other creditors, (c) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (d) uses its influence as a stockholder to dominate or control a borrower to the detriment of other creditors of such borrower, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors, a remedy called “equitable subordination”. Adi Capital cannot assure investors that lender liability claims will not be made against the Funds or that the Funds will not be subject to significant liability if a claim of this type is made.

Interest Rate Risk

The Funds are subject to interest rate risk. Generally, the value of fixed income instruments will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income instruments tends to decrease. Conversely, as interest rates fall, the market value of fixed income instruments tends to increase. This risk will be greater for long-term securities than for short-term securities. The Funds may attempt to minimize the exposure of the portfolios to interest rate changes through the use of interest rate swaps, interest rate futures and/or interest rate options. However, there can be no guarantee that Adi Capital will be successful in fully mitigating the impact of interest rate changes on the portfolios.

Convertible Securities

The Funds invest in convertible securities, securities that may be exchanged or converted into a predetermined number of the issuer's underlying shares or the shares of another company or that are indexed to an unmanaged market index at the option of the holder during a specified time period. Convertible securities may take the form of convertible preferred stock, convertible bonds or debentures, stock purchase warrants, zero-coupon bonds or liquid-yield option notes, stock index notes, mandatories, or a combination of the features of these securities. Prior to conversion, convertible securities have the same general characteristics as non-convertible debt securities. As with all debt securities, the market value of convertible securities tends to decline as interest rates increase and conversely, increase as interest rates decline. Convertible securities, however, also appreciate when the underlying common stock appreciates, and conversely, depreciate when the underlying common stock depreciates.

Relative Value Strategy Risk

The Funds will pursue relative value strategies by taking long positions in securities believed to be undervalued and short positions in securities believed to be overvalued. In the event that the perceived mispricings underlying the Funds’ trading positions were to fail to converge toward, or were to diverge further from, Adi Capital’s expectations, the Funds may incur a loss. Even pure riskless arbitrage can result in significant losses if the arbitrage is not sustained (due, for example, to margin calls) until expiration, and the Funds will rarely engage in true arbitrage as opposed to relative value trading (which is inherently a higher-risk strategy).

In implementing "relative value" strategies the Funds will seek to reduce exposure to the risk of overall market price movements, but will be fully exposed to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence of its valuation models.

Event Driven Strategy Risk

The results of the Funds' operations may be expected to fluctuate from month to month and from period to period because of the inherently speculative nature of risk arbitrage transactions.

In this activity, if and when Adi Capital determines that it is probable that a proposed transaction will be consummated, the Funds will purchase securities at prices often only slightly below the anticipated value to be paid or exchanged for the securities in the proposed merger, exchange offer, cash tender offer or other similar transaction. The purchase price to the Funds may be substantially above the prices at which such securities traded immediately prior to the announcement of such merger, exchange offer, cash tender offer or other similar transaction. If the proposed merger, exchange offer, cash tender offer or other similar transaction appears likely not to be consummated or in fact is not consummated or is delayed, the market price of the security to be tendered or exchanged may, and likely will, decline sharply by an amount greater than the difference between the Funds' purchase price and the anticipated consideration to be paid. In addition, where a security to be issued in a merger or exchange offer has been sold short in the expectation that the short position will be covered by delivery of such security when issued, failure of the merger or exchange offer to be consummated may force the Funds to cover its short sale, with a resulting, and perhaps significant, loss.

In addition, if Adi Capital determines that the offer price for a security which is the subject of a tender offer is likely to be increased, either by the original bidder or by another party, the Funds may purchase securities above the offer price, thereby exposing the Funds to an even greater degree of risk of loss.

Where Adi Capital determines that it is probable that a transaction will not be consummated, the Funds may sell the securities of the target company short, at times significantly below the announced tender or offering prices for the securities in the transaction. If the transaction (or another transaction, such as a "defensive" merger or a "friendly" tender offer) is consummated at the announced price or a higher price, the Funds may be forced to cover the short position in the market at a higher price than the short sale price, with a resulting, and perhaps significant, loss.

The consummation of mergers, exchange offers, cash tender offers or other similar transactions can be prevented or delayed by a variety of factors. An exchange offer or a cash tender offer by one company for the securities of another will often be opposed by the management or shareholders of the target company on the grounds that the consideration offered is inadequate or for a variety of other reasons, and this opposition may result in litigation which may significantly delay or prevent consummation of the transaction by alleging, among other things, that the offering material supplied by the offeror contains inadequate, false or misleading disclosures, that the offeror has, by its activities in connection with the offer, violated federal and/or state securities or takeover laws, or that the proposed acquisition would violate federal antitrust laws, margin regulations or other statutes or regulations. Even if the business terms and other relevant matters necessary to consummate the transaction have been agreed upon by the management of the companies involved, the consummation of such transaction may be prevented by the intervention of a government regulatory agency which might have regulatory power over the companies or the transaction (such as, in the case of a U.S. issuer, the SEC, the Antitrust Division of the U.S. Department of Justice or the U.S. Federal Trade Commission), litigation brought by a shareholder or, in the case of a merger, the failure to receive the necessary shareholder approvals, market conditions resulting in material changes in securities prices, and other circumstances, including, but not limited to, the failure to meet certain conditions customarily specified in acquisition agreements. Even if the defensive activities of a target company or the actions of regulatory authorities fail to defeat a transaction, such activities may cause significant delays, during which the Funds' capital will be committed to the

transaction and interest charges on any funds borrowed to finance the Funds' activities in connection with the transaction may be incurred.

Offers in tender or exchange offers customarily reserve the right to cancel such offers in the above and a variety of other circumstances, including an insufficient response from shareholders of the target company.

The consummation of a transaction may be delayed for various other reasons, including compliance with the Hart-Scott-Rodino Antitrust Improvements Act of 1976 which requires certain waiting periods before the transaction may be completed, waiting periods required under state takeover laws, and, with respect to mergers, exchange offers and recapitalization plans in which securities are to be offered, the need to register the offered securities under the Securities Act of 1933, as amended.

An exchange offer or a cash tender offer may be made for less than all of the outstanding securities of an issuer, with the provision that, if a greater number is tendered, securities will be accepted on a pro rata basis. Thus, after the completion of the offer, and at a time when the market price of the securities has declined below its cost, the Funds may have returned to it, and be forced to sell at a loss, a portion of the securities it tendered.

The Funds may make certain speculative purchases of securities. These may include securities which the Funds believe to be undervalued by the marketplace, securities in which a significant position has been acquired by one or more other persons, or securities of an issuer in the same or a related industry as other companies that have been the subject of an attempted acquisition. If the Funds purchase securities in anticipation of an acquisition attempt or reorganization which does not occur, the Funds may sell the securities at a substantial loss. In addition, when securities are purchased in anticipation of an acquisition attempt or reorganization, substantial time may elapse between the Funds' purchase of securities and the acquisition or reorganization. In such cases, a portion of the Funds' funds would be committed during this period to the securities purchased, and the Funds would incur an interest expense on the funds it borrowed to purchase the securities.

In liquidations, bankruptcies, recapitalizations and other forms of corporate reorganization, there exists the risk that the reorganization either will be unsuccessful (for example, for failure to obtain requisite approvals), will be delayed (for example, until various liabilities, actual or contingent, have been satisfied) or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Funds of the security in respect of which such distribution was made.

Adi Capital attempts to assess all of the foregoing risk factors, and others, in determining the extent of the position it will take in the relevant securities and the price it is willing to pay for such securities. However, many risks, such as the outcome of pending or threatened litigation, cannot be quantified.

Competitive Nature for "Relative Value" and "Event Driven" Investments

Relative value and event driven trading is extremely competitive. The Funds compete with a large number of firms, many of which have substantially greater financial resources as well as larger research and trading staffs than are available to the Funds. Competitive investment activity by other firms tends to reduce the Funds' opportunity for profit by reducing the magnitude as well as the duration of the market inefficiencies which it seeks to exploit.

Arbitrage Transaction Risks

Arbitrage strategies attempt to take advantage of perceived price discrepancies of identical or similar financial instruments, on different markets or in different forms. Examples of arbitrage strategies include event-driven arbitrage, merger arbitrage, capital structure arbitrage, convertible arbitrage, fixed income or

interest rate arbitrage, statistical arbitrage, debt spread arbitrage and index arbitrage. Adi Capital may employ any one or more of these arbitrage strategies. If the requisite elements of an arbitrage strategy are not properly analyzed, or unexpected events or price movements intervene, losses can occur which can be magnified to the extent the Funds are employing leverage. Moreover, arbitrage strategies often depend upon identifying favorable "spreads", which can also be identified, reduced or eliminated by other market participants.

Non-U.S. Securities

Investing in securities of non-U.S. governments and companies that are generally denominated in non-U.S. currencies and utilization of options on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States government or United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, foreign government restrictions, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Hedging Transactions

Although the Funds may utilize a variety of financial instruments, such as derivatives, options, interest rate swaps, swaptions, government bonds, equity indices, caps and floors, futures and forward contracts generally for risk management purposes (the Funds may also utilize them for speculative purposes), there can be no assurances that a particular hedge is appropriate, or that a certain risk is measured properly. Further, while the Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance and increased (rather than reduced) risk for the Funds than if they did not engage in any such hedging transactions. Moreover, the Funds will always be exposed to certain risks that cannot be hedged, such as credit risk (relating both to particular securities and counterparties). In addition, the Funds may choose not to enter into hedging transactions with respect to some or all of their positions.

Derivative Financial Instruments and Techniques

The Funds invest in derivative financial instruments. The risks posed by such instruments and techniques, which can be extremely complex and may involve leveraging of the Funds' assets, include: (1) credit risks (the exposure to the possibility of loss resulting from a counterparty's failure to meet its financial obligations); (2) market risk (adverse movements in the price of a financial asset); (3) legal risks (the characterization of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could preempt otherwise enforceable contract rights); (4) operations risk (inadequate controls, deficient procedures, human error, system failure or fraud); (5) documentation risk (exposure to losses resulting from inadequate documentation); (6) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative); (7) system risk (the risk that financial difficulties in one institution or a major market disruption will cause uncontrollable financial harm to the financial system); (8) concentration risk (exposure to losses from the concentration of closely related risks such as exposure to a particular industry or exposure linked to a particular entity); and (9) settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty).

Use of derivatives and other techniques such as short sales involves certain additional risks, including (i) dependence on the ability to predict movements in the price of the securities hedged; (ii) imperfect correlation between movements in the securities on which the derivative is based and movements in the

assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short-term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in value of such position may be limited.

Short Sales

Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the Funds' portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase.

Options

The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security, commodity or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received (which could result in a potentially unlimited loss). Over-the-counter options also involve counterparty solvency risk.

Use of Leverage

The Funds utilize leverage. This results in the Funds controlling substantially more assets than the Funds have equity. Leverage increases the Funds' returns if the Funds earn a greater return on investments purchased with borrowed funds than the Funds' cost of borrowing such funds. However, the use of leverage exposes the Funds to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had the Funds not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Funds' cost of borrowing such funds. In the event of a sudden, precipitous drop in value of the Funds' assets, the Funds might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying their losses.

In an unsettled credit environment, Adi Capital may find it difficult or impossible to obtain leverage for the Funds. In such event, the Funds could find it difficult to implement their strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in Adi Capital being forced to unwind the Funds' positions quickly and at prices below what Adi Capital deems to be fair value for such positions.

As noted above in this Item 8, Adi Capital has broad and flexible investment authority. Adi Capital may have other investment strategies or methods of analysis, or engage in other activities, than those described herein. The foregoing list of risk factors is not an exhaustive explanation of all risks involved in an investment in its clients. Investors should refer to the relevant client's offering documents for a more complete understanding of that client's investment objectives and strategies.

An investment in a client of Adi Capital may be deemed speculative and is not intended as a complete investment program. There can be no assurance that the investment objective of such client will be achieved. The client accounts of Adi Capital are designed only for experienced and

sophisticated persons who are able to bear the risk of substantial impairment or total loss of their investment.

ITEM 9 – DISCIPLINARY INFORMATION

Adi Capital and its employees have not been involved in any disciplinary events that require disclosure in response to this Item 9.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As disclosed in Item 4, Adi Capital acts as investment manager to private pooled-investment vehicles. An affiliate of Adi Capital acts as the general partner of certain of the private pooled-investment vehicles (the “General Partner”). Because the General Partner and Adi Capital are affiliated, there is a disincentive for the General Partner to replace Adi Capital as investment manager to the clients it serves as general partner of.

Each pooled-investment vehicle for which Adi Capital or its related person serves as general partner or investment manager has and may in the future enter into agreements, or “side letters,” with certain prospective or existing investors in such pooled-investment vehicle whereby such investors may be subject to terms and conditions that are more advantageous than those set forth in the offering memorandum for the applicable pooled-investment vehicle. For example, such terms and conditions may provide for special rights to make future investments in the pooled-investment vehicle, other investment vehicles or managed accounts; and such other rights as may be negotiated by the pooled-investment vehicle and such investors. The modifications are solely at the discretion of the pooled-investment vehicle and may, among other things, be based on the size of the investor's investment in such pooled-investment vehicle or affiliated investment entity, an agreement by such investor to maintain its investment in such pooled-investment vehicle for a significant period of time, or another similar commitment by such investor to the pooled-investment vehicle.

Adi Capital and Paritosh Gupta have entered into an arrangement with an initial seed investor (together with its affiliates, the “Initial Investor”), whereby the Initial Investor made an investment in the Funds and/or its parallel funds or subsidiaries. In consideration for such investment, the Initial Investor is entitled to receive a portion of the Management Fee and to be allocated a portion of the Incentive Allocation. The Initial Investor may have access to information not available to other investors. The Initial Investor has no obligation to disclose such information to other investors or to use such information for the benefit of the Funds. The Initial Investor is not a sponsor or promoter of the Funds and/or its parallel funds or subsidiaries, has no duties to other investors and is not liable to other investors for exercising or not exercising any rights that it may have.

In addition, it should be noted that Paritosh Gupta’s spouse is a principal for an unaffiliated registered investment adviser managing private funds with a similar investment strategy as the Funds.

Adi Capital and its management persons have no other relationships or arrangements with any related persons that are material to Adi Capital’s advisory business.

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

Adi Capital' Code of Ethics (the "Code of Ethics") describes Adi Capital's high standard of business conduct and has been designed to comply with the requirements of Advisers Act Rule 204A-1. Among other things, the Code of Ethics (i) requires that all employees comply with federal securities laws, (ii) sets forth restrictions on the provision of gifts and other benefits, (iii) sets restrictions on employee use of personal e-mail and social media websites, (iv) prohibits personal securities transactions except in certain circumstances; (v) requires that all employees report to Adi Capital their personal securities holdings and any transactions in reportable securities, and that Adi Capital review such reports, and, (vii) contains policies and procedures designed to prevent the misuse of material, non-public information. All personnel of Adi Capital are required to certify their compliance with the Code of Ethics. Personnel who fail to observe the Code of Ethics and related compliance policies risk serious sanctions, including dismissal and personal liability.

Under the Code of Ethics, generally Adi Capital, its employees, affiliates or their related persons may not buy, sell or otherwise invest in securities for their own accounts. Such persons may be allowed to liquidate their existing personal account positions in certain circumstances, subject in each case to pre-clearance.

The Code of Ethics requires pre-approval of certain political contributions to government officials. Political contributions to government officials by Adi Capital personnel above a de minimis threshold need to be reported to, and pre-approved by, the Chief Compliance Officer. This policy is designed to curtail the influence of "pay-to-play" activities based on political contributions to government officials who influence or control how government funds, such as state pension plans, invest. The Code of Ethics also prohibits the acceptance of gifts and entertainment above a de minimis amount that Adi Capital personnel receive from third-parties with which Adi Capital or its clients conduct business.

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

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

Clients or prospective clients may obtain a copy of Adi Capital's Code of Ethics by contacting the Chief Compliance Officer, Robert Wong, at (212) 946-7631.

ITEM 12 – BROKERAGE PRACTICES

Adi Capital is authorized to determine the broker or dealer to be used for each securities transaction for the Fund. In selecting brokers or dealers to execute transactions, Adi Capital need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not Adi Capital's practice to negotiate "execution only" commission rates, thus the Funds may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate.

Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended, is a "safe harbor" that permits an investment manager to use commissions or "soft dollars" to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. Adi Capital will limit the use of "soft dollars" to obtain research and brokerage services to services that constitute research and brokerage within the meaning of Section 28(e). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an investment manager and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self regulatory organization such as comparison services, electronic confirms or trade affirmations.

Adi Capital does not permit clients (or underlying investors in such clients) to direct brokerage.

In some instances, Adi Capital may receive a product or service that may be used only partially for functions within Section 28(e) (e.g., an order management system, trade analytical software or proxy services). In such instances, Adi Capital will make a good faith effort to determine the relative proportion of the product or service used to assist Adi Capital in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). The proportion of the product or service attributable to assisting Adi Capital in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by Adi Capital from its own resources.

Research and brokerage services obtained by the use of commissions arising from the Funds' portfolio transactions may be used by Adi Capital in its other investment activities and thus, the Funds may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided.

Although Adi Capital will make a good faith determination that the amount of commissions paid is reasonable in light of the products or services provided by a broker, commission rates are generally negotiable and thus, selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable. The receipt of such products or services and the determination of the appropriate allocation in the case of "mixed use" products or services creates a potential conflict of interest between Adi Capital and its clients.

In selecting brokers and negotiating commission rates, Adi Capital will take into account the financial stability and reputation of brokerage firms, and the research, brokerage or other services provided by such brokers.

When trading in a particular security, purchase and sale orders for any Advisory Client may also, in the discretion of Adi Capital, be combined or "bunched" with orders for other Advisory Client and for its own account, with each Advisory Client receiving an average price for jointly purchased or sold securities and paying its pro rata share of total commissions and trading costs. In some cases, an Advisory Client may have obtained more favorable pricing or borne lower brokerage commission expense if it had traded independently. Nevertheless, Adi Capital generally causes the Advisory Clients to pay consistent and competitive commission rates within a stipulated, negotiated range notwithstanding the factors considered in selecting a particular broker-dealer to effect transactions. Adi Capital may also determine in the future to establish or acquire an interest in a securities brokerage firm that would execute Fund securities transactions.

Adi Capital has adopted procedures to promote fair and equitable allocation of trades among the accounts it manages. Trades will generally be allocated on the basis of relative asset size of each participating Advisory Client with certain adjustments as deemed appropriate by Adi Capital, such as (i) the extent to which the order specifies a priority allocation to one or more accounts; (ii) the extent to which an allocation would be too small to justify processing or custodial charges associated with the transaction; (iii) the extent to which an account may be under invested or over invested with respect to a particular security, industry, sector or the total portfolio in general, in comparison to other accounts in the order; and (iv) the availability of, or need for, cash. The Chief Compliance Officer and Adi Capital management periodically review and revise these policies to ensure that they represent Adi Capital's current practices and are in conformity with all applicable laws and regulations. Upon request, the Chief Compliance Officer will provide a prospective investor or an investor with a summary of Adi Capital's current aggregation and allocation policies.

Broker dealers, including firms that serve as prime brokers to the Fund may, from time to time, permit Adi Capital to participate in capital introduction programs with respect to the Funds and/or recommend the Funds as an investment to clients. Portfolio transactions may be placed with firms who have made such recommendations or provided capital introduction opportunities, if otherwise consistent with seeking best execution. In no event will Adi Capital select a broker or dealer as a means of remuneration for recommending the Funds or any other private fund managed by Adi Capital (or an affiliate) or affording Adi Capital with the opportunity to participate in capital introduction programs.

ITEM 13 – REVIEW OF ACCOUNTS

Paritosh Gupta, Adi Capital's founder and managing member, generally reviews clients' trading accounts on an ongoing basis, typically daily. Mr. Gupta may consider information from a variety of sources, typically including internal due diligence, such as interviews with senior company management, employees, suppliers, competitors and customers, as well as analysis from industry or trade groups, sell-side analysts, and other third party research firms.

Further, Robert Wong, the Chief Compliance Officer, periodically reviews clients' investments to ensure consistency with applicable law and regulations and with stated investment guidelines and objectives.

Significant market events affecting the prices of one or more securities in the portfolio, changes in the investment objectives or guidelines of a particular client or specific arrangements with particular clients may trigger reviews of portfolio on an other than periodic basis.

As described in Item 15, Adi Capital furnishes to the underlying investors in its clients an annual report containing audited financial statements examined by such clients' independent auditor. Investors may also receive a monthly unaudited performance report and a quarterly letter from Adi Capital. All such reports are written.

Further, employees of Adi Capital are available for discussions with investors on a periodic or agreed upon basis.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Adi Capital does not currently make cash or other payments directly in return for investor solicitations.

ITEM 15 – CUSTODY

Adi Capital is deemed to have “custody” of client assets within the meaning of Rule 206(4)-2 under the Advisers Act because it serves as investment manager of the Master Fund. All client assets are generally held in an account at a qualified custodian. The qualified custodians presently utilized by the Adi Capital for client assets are listed on Part 1 of Adi Capital’s Form ADV.

To ensure compliance with Rule 206(4)-2 under the Advisers Act, all underlying investors in Adi Capital’s clients will be provided with audited financial statements, prepared by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board, in accordance with U.S. Generally Accepted Accounting Principles, within 120 days of the end of the client’s fiscal year. Investors should carefully review the audited financial statements of the clients, as applicable, upon receipt. If an investor has invested in a client and has not received such financial statements in a timely manner, such investor should contact Adi Capital immediately. Adi Capital may use additional qualified custodians in the future.

ITEM 16 – INVESTMENT DISCRETION

Adi Capital has full discretionary authority to manage the investments of its clients. The authority to make all investment decisions, including the selection of securities or financial instruments and execution, is entrusted to the complete discretion of Adi Capital.

Underlying investors that have invested in Adi Capital's clients generally do not have the ability to impose limitations on Adi Capital's discretionary authority.

Prior to assuming full discretion in managing a client's assets, Adi Capital enters into an investment management agreement or other agreement that sets forth the scope of its discretion.

Unless otherwise instructed or directed by a discretionary client, Adi Capital has the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) and (ii) the amount of securities to be purchased or sold for the client account.

ITEM 17 – VOTING CLIENT SECURITIES

Adi Capital understands and appreciates the importance of proxy voting. Adi Capital will vote any proxies it receives in the best interests of the Fund and investors (as applicable) and in accordance with set compliance procedures.

Any proxies received by Adi Capital will be provided to the Chief Compliance Officer. The Chief Compliance Officer will ensure delivery of the proxy, in accordance with instructions related to such proxy, in a timely and appropriate manner. Adi Capital's Chief Compliance Officer will first determine if there are any conflicts of interest related to the proxy in question. If a conflict is identified, the Chief Compliance Officer will then make a determination (which may be in consultation with outside legal counsel) as to whether the conflict is material or not. If no material conflict is identified pursuant to its set procedures, the investment team will make a decision on how to vote the proxy in question. If a conflict is identified and deemed material, Adi Capital will determine whether voting in accordance with the proxy voting guidelines is in the best interests of affected Advisory Clients. With respect to material conflicts, Adi Capital will determine whether it is appropriate to disclose the conflict to affected clients and investors and give investors the opportunity to vote the proxies in question themselves.

Adi Capital keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions and each client request for proxy voting records and Adi Capital's response for the previous five years.

If you have any questions about Adi Capital's proxy policy, its proxy record-keeping procedures or if you would like any detailed information about how proxies are actually voted, please call the Chief Compliance Officer, Robert Wong, at (212) 946-7631 or by email at rwong@adicapllc.com.

ITEM 18 – FINANCIAL INFORMATION

Adi Capital has never been the subject of a bankruptcy petition and is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients.