



50 SOUTH CAPITAL ADVISORS, LLC

Form ADV Part 2A
50 South LaSalle Street
Chicago, Illinois 60603
www.50southcapital.com

FEBRUARY 20, 2015

This brochure provides information about the qualifications and business practices of 50 South Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact your investment relationship manager or our corporate operator at (312) 630-6000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

50 South Capital Advisors, LLC is a registered investment adviser under the Investment Advisers Act of 1940, as amended. SEC registration does not imply a certain level of skill or training.

Additional information about 50 South Capital Advisors, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

This brochure does not constitute an offer or a solicitation of an offer to buy shares or interests in any investment fund that 50 South Capital Advisors, LLC sponsors, manages, or advises. An offer of those funds can only be made to qualified investors by way of the approved offering materials for those funds and only in jurisdictions in which that offer will comply with applicable rules and regulations.

Item 2 - Material Changes

Not Applicable. 50 South Capital Advisors, LLC (“**50 South**”) is a new investment adviser.

Item 3 - Table of Contents

Item 1 – Cover Page.....	1
Item 2 - Material Changes.....	2
Item 3 - Table of Contents.....	3
Item 4 - Advisory Business	4
Item 5 - Fees and Compensation.....	5
Item 6 - Performance-Based Fees and Side-by-Side Management.....	7
Item 7 - Types of Clients.....	9
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Item 9 - Disciplinary Information.....	19
Item 10 - Other Financial Industry Activities and Affiliations.....	20
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading... 	22
Item 12 - Brokerage Practices.....	23
Item 13 - Review of Accounts.....	23
Item 14 - Client Referrals and Other Compensation.....	24
Item 15 - Custody	24
Item 16 - Investment Discretion.....	24
Item 17 - Voting Client Securities.....	25
Item 18 - Financial Information	25

Item 4 - Advisory Business

Item 4A – Advisory Firm Description

50 South Capital Advisors, LLC (“**50 South**”), is a Delaware limited liability company and a registered investment adviser. 50 South was formerly the Alternative Investment Group of Northern Trust Investments, Inc. (“**NTI**”), a registered investment adviser since 1988. 50 South was formed in January 2015 and is a wholly owned subsidiary of Northern Trust Corporation (“**NTC**”), a financial holding company and publicly held company that owns 100% of 50 South.

Item 4B – Advisory Services Offered

50 South offers investment advisory services to U.S. and non-U.S. investors seeking multi-manager alternative solutions through various products including registered and unregistered single investor and commingled investment fund of funds (collectively “**50 South Funds**”) and separately managed accounts (“**Managed Accounts**”).

The following is a description of the investment advisory services we offer:

Hedge Funds: We provide discretionary investment advisory services to hedge fund of funds (the “**50 South Hedge Funds**”). The 50 South Hedge Funds invest in various third-party hedge sub-funds (“**sub-funds**”) that invest directly in securities and financial instruments.

Private Equity Funds: We provide discretionary investment advisory services and serve as general partner and investment adviser to private equity fund of funds (the “**50 South Private Equity Funds**”). The 50 South Private Equity Funds invest in various third-party private equity sub-funds that invest directly in portfolio companies.

The 50 South Funds are either exempt from registration as investment companies in reliance on Sections 3(c)(1) and 3(c)(7) of the Investment Company Act of 1940, as amended (the “**1940 Act**”) or are “closed-end” registered investment companies under the 1940 Act and Subchapter M of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”).

The 50 South Funds are available to U.S. taxable and tax-exempt “**accredited investors**” as defined in Regulation D promulgated under the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the “**Securities Act**”) and/or “**qualified purchasers**” (as such term is defined in Section 2(a)(51) of the 1940 Act), as well as to non-U.S. investors.

The 50 South Funds include single investor and master-feeder fund of fund structures. We may also serve as investment adviser to additional registered and unregistered funds in the future.

Managed Accounts: 50 South provides discretionary and non-discretionary investment advice and recommendations and custom investment solutions to foreign or U.S. persons, institutions,

corporations, unincorporated entities, foundations, endowments, public funds, Keoghs or pension or retirement plan investors on a broad range of hedge and private equity strategies, including, but not limited to long-only equity, long-only fixed income, global macro, directional, event driven, private equity (buyout, venture capital, secondary) and real assets.

Generally, we will not make investments in third party or proprietary funds on behalf of our clients or affiliates.

Item 4C – Tailoring of Advisory Services

Clients are able to provide guidelines and impose restrictions in Managed Accounts. We tailor investment advice and recommendations to clients in Managed Accounts based upon the guidelines and any restrictions the client may have imposed for the account.

The 50 South Funds have set investment objectives and investment guidelines and such investments are not tailored to the needs of individual investors.

Item 4D - Wrap Programs

50 South does not provide investment advisory services to wrap fee programs.

Item 4E - Assets Under Management

As of December 31, 2014, 50 South managed as the Alternative Investment Group of NTI approximately \$2,811,000,000 on a discretionary basis and \$1,202,000,000 on a non-discretionary basis.

Item 5 - Fees and Compensation

Item 5A-5D – Fee Schedule, Billing of Fees, Other Types of Fees or Expenses and Billing Method

50 South Hedge Funds: Our investment advisory fees range from 1.00% to 1.25% per annum and are paid by the 50 South Hedge Funds. Our investment advisory fee for single investor 50 South Hedge Funds vary and are generally negotiable.

Each investor in the 50 South Hedge Funds will be assessed an investment advisory fee on a pro rata basis in proportion to their investment. The fees are calculated as of the last business day of each calendar quarter. The 50 South Hedge Funds do not charge performance fees.

The 50 South Hedge Funds may be subject to additional fees including, but not limited to, transfer agent, custody, audit, tax, brokerage and other transaction costs, administrative and other expenses. The 50 South Hedge Funds also incur sub-fund fees, which include investment advisory fees and performance fees.

Certain unregistered 50 South Hedge Funds fees can be negotiable in accordance with the fund's offering memorandum. Any such modification will cause some investors to pay fees that are different from the fees disclosed in the offering memorandum.

50 South Private Equity Funds: 50 South Private Equity Funds' investment advisory fees range from .55% to 1.25% per annum and are paid by the respective 50 South Private Equity Fund. The fees are calculated quarterly in advance for our services as general partner, which includes investment advisory services. We receive our fee as an annual management fee from and including the effective date through the final distribution of the assets of the 50 South Private Equity Funds. The management fee is equal to the aggregate sum of the products of (1) each investor's initial investment (referred to as its commitment), multiplied by (2) the applicable percentage then in effect for the investor. The 50 South Private Equity Funds are required to pay annual management fees to 50 South based upon the entire amount of their commitments whether or not the 50 South Private Equity Funds are fully invested.

50 South Private Equity Funds fees depend on the commitment size and include a 10% carried interest fee on secondary investments. There is no carried interest fee on primary investments in sub-funds. The 50 South Private Equity Funds are subject to sub-fund fees, which include investment advisory fees and carried interest. Each 50 South Private Equity Fund is currently waiving its carried interest fee.

50 South Private Equity Funds fees are not generally negotiable, though they may be waived or changed in accordance with the offering memorandum. Any such modification will cause some investors to pay fees that are different from the fees disclosed in the offering memorandum.

The 50 South Private Equity Funds may also be subject to additional charges including, but not limited to, transfer agent, custody, audit, tax, brokerage and other transaction costs, administrative and other expenses. All fees of the 50 South Private Equity Funds are disclosed in the offering memorandum of each fund.

Managed Accounts: 50 South negotiates fees directly with a client on a case-by-case basis. The fees are generally paid in arrears and are automatically deducted by the custodian from the client's assets.

50 South has an agreement with its affiliate, NTI, whereby it pays us a fee for the non-discretionary custom investment solutions. 50 South is paid quarterly in arrears by its affiliate through an inter-company agreement.

Depending on the type of Managed Account, a client may be subject to additional fees such as custody, brokerage and other transaction costs.

If a client invests in a proprietary or third-party fund, there will be fund fees in addition to our Managed Account level investment advisory fee. Clients should review the investment advisory agreement and offering memorandum for further information on fees incurred.

50 South reserves the right at its sole discretion, to negotiate agreements with different or modified fee arrangements than those described herein. Upon termination of any Managed Account, any unearned fees are promptly refunded to the client and any earned unpaid fees are due and payable.

Item 5E – Compensation for Sale of Securities or Other Products

50 South and its supervised persons do not accept direct compensation for the sale of securities or other investment products, including asset based sales charges or service fees from the sale of affiliated products.

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

As mentioned in Item 5 “Fees and Compensation,” we may receive a 10% carried interest fee on secondary investments in underlying portfolios of the 50 South Private Equity Funds. This 10% carried interest fee could pose a conflict of interest for 50 South Capital in that we may favor the 50 South Private Equity Funds over the other investment products in which we do not receive a performance-based fee. This potential conflict of interest is mitigated by (i) the policies and procedures that have been established respecting the allocation of investment opportunities and (ii) review and approval of allocation determinations by oversight committees. 50 South is currently waiving the carried interest fee for all 50 South Private Equity Funds.

50 South may enter into performance-based fee arrangements with Managed Accounts. Generally, these fees are based on a share of capital gains or on capital appreciation of a Managed Account’s assets during a designated period. Certain Managed Accounts may also enter into incentive fee arrangements that provide for an asset-based management fee that is based on the market value of the Managed Account at specified periods, plus a performance fee based on the account’s return in excess of a specified benchmark. 50 South does not currently receive a performance-based fee for any of its Managed Accounts.

We do not currently receive a performance-based fee for the 50 South Hedge Funds.

We may have Managed Accounts and 50 South Funds that are charged a performance-based fee, as well as an asset-based fee. We have a financial incentive to favor Managed Accounts or funds with performance-based fees because we have an opportunity to earn greater fees on such clients as compared to clients without performance-based fees. As a result, we may have an incentive to direct our best investment ideas to or allocate sequence trades in favor of a Managed Account or funds that pays a performance fee. We may also have an incentive to recommend investments that may be riskier or more speculative than those that we would recommend under a different fee arrangement.

“Side-by-Side Management” refers to our simultaneous management of multiple types of accounts. For example, we provide recommendations and advice to Managed Accounts and make investments on behalf of the 50 South Funds at the same time. Managed Account clients and 50 South Funds may have different investment objectives, policies, strategies, limitations and restrictions. In addition, our affiliates may also manage a variety of separate accounts and

proprietary funds. Some of our employees are dual officers of one or more of our affiliates and may have investment advisory responsibilities for the affiliates. A potential conflict of interest may arise when Managed Accounts and 50 South Funds are managed concurrently and particularly when dual officers are involved. Below we discuss potential conflicts of interest when engaging in side-by-side management and how we deal with such conflicts.

50 South Managed Accounts and 50 South Funds may use a variety of strategies, which may also present conflicts of interest. For example, simultaneous subscriptions or redemptions in two client accounts can result in a loss to one client based on a decision to take a gain in the other account.

50 South and its affiliates perform investment advisory services for various clients. We may give advice and take action in the performance of our duties with respect to any one client, which may differ from the advice given, or the timing or nature of action taken, with respect to another client. We have no obligation to purchase or sell from a client any security or other property, which we purchase or sell from our own account or the account of any other client, if it is undesirable or impractical to take such action. We may give advice or take action in the performance of our duties with respect to any one client, which may differ from the advice given, or the timing or nature of action taken by our affiliates on behalf of their respective clients.

To the extent permissible under applicable law and where allowed by client guidelines, we may recommend to our Managed Accounts and 50 South Funds investment products in which we or an affiliate has a financial interest. We have an incentive to allocate investments to 50 South Funds or a sub-fund in order to generate additional fees for 50 South or its affiliates.

50 South selects on behalf of the 50 South Funds to which we serve as investment adviser. We also recommend sub-funds to Managed Accounts and affiliates. Certain 50 South Funds may have a limited capacity for new or subsequent investments. 50 South has adopted an allocation policy and related procedures for determining how to allocate the investment opportunities equitably and fairly across Managed Accounts. The policy permits 50 South to consider criteria such as legal, tax, regulatory or client investment objectives, available capital, investment strategy, current investment portfolio and diversification requirements. Because of these factors, the 50 South Funds and Managed Accounts may differ in composition and may not receive pro rata allocations over a particular period. However, the objective of the allocation policy is to ensure that all Managed Accounts and 50 South Funds are treated equitably and fairly over time.

Additional potential conflicts of interest that are not identified above may arise from time to time. As we become aware of any additional conflicts of interest, they will be discussed and resolved on a case-by-case basis taking into account the interests of the relevant parties and applicable laws.

To minimize the effects of the above inherent conflicts of interest, we have adopted and implemented a Code of Ethics and additional policies and procedures. We believe these policies and procedures are reasonably designed to mitigate the potential conflicts associated with managing portfolios for multiple clients and seek to ensure that no one client is intentionally favored over time at the expense of another.

Item 7 - Types of Clients

50 South Funds: The 50 South Hedge Funds are generally organized as U.S. limited liability companies or Cayman Island limited partnerships, exempted companies and unit series trusts.

The 50 South Private Equity Funds are organized as U.S. limited partnerships.

Investors in the 50 South Funds must be accredited investors and/or qualified purchasers and include foreign or U.S. persons, institutions, corporations, unincorporated entities, foundations, endowments, public funds, Keoghs or pension plan or retirement investors. The initial minimum investment is generally from \$50,000 to \$250,000 in the 50 South Hedge Funds and \$250,000 to \$500,000 in the 50 South Private Equity Funds.

Managed Accounts: Our discretionary and non-discretionary Managed Accounts are generally set up for accredited and/or qualified purchasers and include foreign or U.S. persons, institutions, corporations, unincorporated entities, foundations, endowments, public funds, Keoghs or pension or retirement plan investors. The minimum account size is generally \$25 million.

Under an inter-company agreement, we provide non-discretionary advice and recommendations to affiliates.

50 South also manages various private equity employee co-investment vehicles that invest in the 50 South Private Equity Funds.

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

Item 8A - Methods of Analysis and Investment Strategies

50 South employs a variety of security analysis methods, including but not limited to the fundamental and quantitative analysis described below:

50 South Hedge Funds and Hedge Fund Managed Account Methods of Analysis: We seek sub-funds that employ traditional fundamental analysis. This analysis evaluates the underlying determinants that affect the price of securities. The sub-fund managers also conduct economic analysis of companies as well as the current economic environment, buying long the potential outperformers and selling short stocks that the sub-fund managers consider to be poor performers. Fundamental long/short equity hedge funds can also specialize in specific sectors (*e.g.*, health care) or market segments (*e.g.*, small- and mid-capitalization stocks).

50 South seeks to achieve attractive risk-adjusted returns through investment in a diversified portfolio of sub-funds. The sub-funds are chosen for their superior risk-adjusted performance and for their ability to complement the other sub-funds in a fund or Managed Account. The 50 South Hedge Funds and Managed Accounts are constructed through a top-down, bottom-up process. Strategic asset allocation parameters are first determined in order to ensure our

diversification objectives are maintained on an ongoing basis. Both 50 South Funds and Managed Accounts are managed according to the guidelines set by our oversight committees.

In evaluating managers and sub-funds, 50 South generally will consider qualitative and quantitative factors indicative of stability and representative performance for the relevant investment approach. Quantitative factors typically include the rate of return on the sub-fund or other similar funds managed by the adviser to such sub-fund, performance compared to its peer group, standard deviation, correlation with various market indices and other investment managers, maximum drawdown, use and amount of leverage, proprietary style analysis, fee structure and assets under management. Qualitative factors typically include an adviser's investment philosophy and process, source of investment ideas, research methodology, risk management techniques, method of operation, organization, compliance, operational controls and staff. 50 South will seek to understand an adviser's decision-making process, idea generation process, risk control process and strategic goals as part of the analysis of the adviser's underlying investment approach.

50 South monitors the performance of the sub-funds and continually evaluates prospective new sub-funds. 50 South's monitoring procedures include reviews of the performance of the managers and sub-funds on a periodic basis, with a comparison to market indices and peer group performance; ongoing site visits and meetings with existing and prospective advisers; continuous review of hedge fund strategies and volatility of advisers; and continuous review of a fund's asset allocations. In addition, 50 South will review the manager's compliance and operational controls.

50 South prefers sub-funds where the manager has its own capital at risk.

The sub-funds have full discretion over all matters relating to the manner, method and timing of investments and trading, subject to the investment objectives, policies and restrictions set forth herein or those otherwise that we communicate to the manager.

50 South Hedge Funds and Hedge Funds Managed Accounts Investment Strategy: The strategies or variations of the strategies utilize a diverse array of instruments to hedge exposure to down markets. These strategies perform differently under the same market conditions and therefore play an important role in portfolio diversification. Often, superior diversification can be achieved by investing in a combination of hedge fund strategies. The 50 South Hedge Funds give investors exposure to multiple strategies.

The 50 South Hedge Funds and Managed Accounts utilize a number of strategies including various arbitrage, equity hedging, short selling, event-driven, global macro, commodity trading, distressed, emerging markets, non-U.S. equity hedging and sector specific hedging, various forms of leverage, emerging markets, activist investors, short sellers and equity market neutral. The sub-funds may be exposed to a broad array of securities and other financial instruments of global issuers, including publicly traded equity and debt, private and restricted securities, distressed investments, mortgage-related securities and other asset-backed securities, and various derivative instruments thereon or related thereto, such as futures, swaps, options and other arrangements. Issuers may be located in both developed and emerging markets. One of the 50 South Hedge Funds utilizes a systematic trading strategy.

Other investment strategies utilized by sub-funds include:

Convertible Bond Arbitrage Strategies: Involve purchasing a portfolio of convertible securities, generally convertible bonds, and hedging a portion of the equity risk by selling short the underlying common stock.

Fixed-Income Arbitrage Strategies: Seek to profit by exploiting pricing inefficiencies between related fixed-income securities while neutralizing exposure to interest rate risk. The typical types of fixed-income hedging trades include yield-curve arbitrage, corporate versus Treasury yield spreads, municipal bond versus Treasury yield spreads and cash versus future spreads.

Merger Arbitrage Strategies: Sometimes called risk arbitrage strategies, involve investment in event-driven situations such as leveraged buy-outs, mergers and hostile takeovers. Normally, the stock of an acquisition target appreciates while the acquiring company's stock decreases in value. These strategies seek to generate returns by purchasing stock of the company being acquired, and in most instances, selling short the stock of the acquiring company.

Relative Value Arbitrage Strategies: May include merger arbitrage, convertible arbitrage, fixed-income arbitrage, mortgage-backed securities and options arbitrage. These strategies seek to exploit arbitrage opportunities created from short-term or event specific inefficiencies in the market. Leverage is often used to enhance returns, which can expose the strategy to large downside risk. These strategies seek to profit from mispricing of financial instruments relative to each other or historical norms. These strategies utilize quantitative and qualitative analysis to identify securities or spreads between securities that deviate from their theoretical fair value and/or historical norms. Additionally, they are engineered to profit if a particular instrument or spread returns to its theoretical fair value, and intend to generally avoid taking a directional bias with regard to the price movement of a specific company or market. To concentrate on capturing mispricings, these strategies often attempt to eliminate exposure to general market risks so that profits may be realized if and when the securities or instruments converge toward their theoretical fair value. These strategies typically attempt to isolate a specific mispricing by holding both long and short positions in related securities. In many cases, investment strategies seek to hedge exposure to primary directional risks such as parallel movements in interest rates, currencies and the movement of broad markets.

Hedged Equity (Long/Short): Equity long/short managers build portfolios by combining groups of long stock positions with short sales of stocks, options and futures, usually (but not always) maintaining a long bias. Long-short strategies typically involve buying securities, groups of securities, or overall markets (called "going long") with the expectation that they will increase in value while simultaneously selling others (called "going short") with the expectation that they will decrease in value. This amount of net positive exposure in the portfolios is based on the manager's opinion of the current market(s) they invest in. There are essentially two types of long/short managers: fundamental and quantitative.

Fundamental managers employ traditional fundamental analysis, which evaluates the underlying determinants that affect the price of securities. They also conduct economic analysis of companies as well as the current economic environment, buying long the potential outperformers and selling short stocks that they consider to be poor performers. Fundamental long/short equity hedge funds can also specialize in specific sectors (*e.g.*, health care) or market segments (*e.g.*, small- and mid-capitalization stocks).

Quantitative long/short hedge sub-funds typically cover as wide a universe as possible for the portfolio. These managers base their trade selections on the use of quantitative statistics instead of fundamental based stock selection.

Short Selling: Short selling occurs when a manager borrows a stock at a certain price from a broker and sells it to a third party with the intention of buying the same security back at a lower price at a specified date. Short sellers are managers who maintain the opposite exposure to traditional long-only managers by selling stocks short. These strategies seek to diversify overexposure to a particular market, offering protection during times of extreme duress and negative returns. In periods of rising markets, short sellers will generally move capital to cash and money market instruments.

Event-Driven: Event driven strategies seek to capitalize on a wide range of investments in relation to corporate restructuring. These restructurings can include mergers, acquisitions, spin-offs, tracking stocks, accounting write-offs, reorganizations, bankruptcies, share buybacks, special dividends, shareholder activism and other special situations which alter a company's financial structure or operating strategy. These events may give skilled and knowledgeable managers the ability to capture a substantial profit. The prices of securities of the companies involved in these events are typically influenced more by the dynamics of the particular event or situation. Typically, these strategies rely on fundamental research that extends beyond the evaluation of the issues affecting a single company to include an assessment of the legal and structural issues surrounding the extraordinary event or transaction. In some cases, such as corporate reorganizations, the relevant manager may take an active role in determining the event's outcome. The intended goal of the investment strategies within the event driven strategy is to profit when the price of a security changes to reflect more accurately the likelihood and potential impact of the occurrence, or non-occurrence, of the extraordinary event.

Global Macro: Global macro strategies take a top-down approach to develop investment strategies based on the valuation of various global macroeconomic factors. The 50 South Funds utilizing global macro strategies are usually unconstrained by asset class, geographic region and sector, and typically are free to allocate capital where the manager believes the greatest potential returns exist at any given time. The global focus and large capital base usually lead to a well-diversified portfolio, which may limit the potential for large and sustained negative drawdowns.

Managed Futures/CTAs: Managed futures strategies engage in speculative trading in the futures markets, options on commodity futures contracts or forward contracts. 50 South Funds may trade portfolios of futures in U.S. and non-U.S. markets in an effort to capture passive risk premiums and/or attempt to profit from anticipated trends in market

prices. Managed futures strategies generally rely on either fundamental or quantitative/technical analysis (or a combination thereof) in making trading decisions and attempting to identify price trends. The funds may attempt to structure a diversified portfolio of liquid futures contracts, including but not limited to stock, index, interest rate, metals, energy and agricultural futures markets. Managed futures funds generally have shorter-term investment horizons and more favorable liquidity terms than funds pursuing certain other investment strategies. Instruments that are used to invest in include financial futures, energy futures, agriculture futures, metals futures, livestock futures, or currency futures.

Distressed: Distressed strategies take long and short positions in securities of issuers experiencing fundamental difficulties. These difficulties are typically either with the development of their business plans or with the financing of their strategies. These strategies usually have a longer time horizon.

Emerging Markets: Emerging market strategies utilize long/short strategies investing primarily in emerging market countries. Emerging markets funds are included in a separate category due to the unique risks and characteristics that come with investing in these markets. These factors generally include high levels of macroeconomic risks, political risks and market risks, low trading volume and capitalizations and immature markets with limited history and information.

Activist Investing: Activist investing uses corporate governance as a means of identifying investment opportunities. Managers seek to invest in a significant portion of the company's common stock, usually 1-10%, in order to gain a certain level of influence with either the management or the board of the company. These managers will then encourage the firm to implement better governance and operating techniques in an attempt to increase value of the stock.

Equity Market Neutral: Market neutral strategies will take long and short market positions while maintaining neutral exposures to various risk factors, such as industries, sectors, markets, countries, market caps, etc. Market neutral managers seek to eliminate beta risk almost entirely and rely exclusively on security selection to drive risk and return. This is accomplished by holding long and short pairs trades of securities with similar characteristics (*i.e.*, beta). Market neutral strategies seek to offer lower volatility profiles and more normalized return distributions.

Systematic Macro Strategies: Systematic macro strategies seek to benefit from mispricings and dislocations in stock, bond, currency and commodity markets by going long assets that the strategy considers undervalued and short assets that are considered overvalued.

Systematic Arbitrage Strategies: Systematic arbitrage strategies seek to capture mispricings between highly related securities, as when a company's shares trade on different exchanges at different prices.

50 South Private Equity Funds and Private Equity Managed Account Methods of Analysis:

50 South manages the 50 South Private Equity Funds and customizable Managed Accounts. The private equity program seeks to generate returns in excess of those provided by public equities by investing in top-tier private equity funds while reducing risk through sector and fund diversification.

50 South utilizes an ongoing due diligence process to ensure that the sub-funds have the best chance of generating strong risk-adjusted returns. Our investment team considers on an ongoing basis a number of factors, including, but not limited to: (i) the quality and stability of the fund's management group; (ii) the historical investment performance of the firm; (iii) the uniqueness of the fund's strategy and its competitive advantages; (iv) the fund's reputation; (v) the way the firm generated past returns (e.g., cash flow growth, multiple arbitrage or debt repayment); and (vi) the fund's fit within the overall portfolio. Our investment team completes numerous qualitative and quantitative analyses throughout the process and also relies heavily on its proprietary network of lenders, co-investors and service providers established during its extensive experience in the private equity industry. We manage our clients' accounts according to the guidelines set by our oversight committees.

After making a commitment to a sub-fund, the investment team conducts a quarterly review. The review includes a check on the sub-fund's investments to assess performance, to determine whether the manager is adhering to its stated investment strategy and to confirm that the manager is investing the fund's capital at an appropriate pace. The investment team generally attends the scheduled annual meetings for each fund and discusses any issues facing the fund with the management group. The team also participates in periodic update calls held by fund managers and often meets with the managers one-on-one in their offices for periodic updates or when questions or issues arise.

50 South Private Equity Funds and Managed Accounts Investment Strategy: The 50 South Private Equity Funds make primary commitments to sub-funds that invest in various portfolio companies in two sectors of the private equity market: buyout and venture capital. Except for opportunistic co-investments alongside other private equity funds and/or other investors, the 50 South Private Equity Funds will not generally make direct investments in portfolio companies.

The focus of the underlying buyout and venture capital sub-funds are as follows:

Buyout Funds – includes buyout funds generally and may also include “for control” distressed debt funds, certain growth equity funds and, to a lesser extent, mezzanine debt funds. Other funds viewed by 50 South as consistent with the strategy and risk/return characteristics of a buyout fund may also be chosen for investment. While the investments in this sector will be comprised primarily of U.S.-based funds, 50 South may also make investments in sub-funds located in other countries or regions, including, but not limited to, Europe and Asia. In addition, while these sub-funds are expected to invest primarily in the region where their manager is located, a portion of each sub-fund's commitments may be invested in companies headquartered elsewhere. Within the sector, 50 South expects to commit the 50 South Private Equity Funds mostly to small- and middle-market buyout funds, though the 50 South Private Equity Funds may have limited

exposure to large-market companies through their sub-fund investments. 50 South believes that the market for investing in smaller companies is relatively inefficient compared to the large end of the market, and that private equity firms focused on this area have a greater potential to generate strong returns.

Venture Capital Funds– includes early-, expansion- and late-stage venture capital funds along with certain growth-oriented venture capital funds. While the 50 South Private Equity Fund investments in this sector will be comprised primarily of U.S.-based funds, we also make investments in the sub-funds located in other countries or regions, including, but not limited to, Israel, Europe and Asia. In addition, while these sub-funds are expected to invest primarily in the region where their manager is located, a portion of each sub-fund’s commitments may be invested in companies headquartered elsewhere. We will seek to diversify the 50 South Private Equity Funds’ commitments within the venture capital sector in several ways: by segment, including information technology funds and life sciences funds; by stage, including early-stage and late-stage funds; and by geography, including firms headquartered throughout the U.S. and other parts of the world. However, the investment team expects to make most of the 50 South Private Equity Funds’ venture capital commitments to early-stage funds based in the U.S.

Certain of the 50 South Private Equity Funds invest exclusively in secondary investments of sub-funds, as opposed to primary investments. The 50 South Private Equity secondary funds seek to purchase existing interests (“secondary interests”) in sub-funds or private equity structured vehicles. They may also make direct investments in private equity sub-funds or private equity structured vehicles. 50 South believes secondary investments potentially offer investors diversification across mature private equity funds as well as shorter investment holding periods compared to funds that focus on direct fund investments.

50 South’s strategy is to invest our 50 South Private Equity Funds in a mix of holdings that may include buyout funds headquartered in the U.S. and Canada, buyout funds headquartered outside of the U.S. and Canada, and/or venture capital funds headquartered both in and outside of the U.S.

Item 8B –Material Risks

The list of risk factors below is not a complete enumeration or explanation of the risks involved in 50 South Funds and Managed Accounts or the securities in those portfolios.

Please refer to the “Risk Factors” section in the offering documents for the 50 South Funds for a more detailed discussion of the risks.

50 South Hedge Funds Material Risks:

Redemption Risks of Sub-Funds: The 50 South Hedge Funds’ redemption policies may allow tenders of units in a substantially shorter period than the redemption notice and any payment terms of sub-funds. As a result of the difference between the 50 South Hedge Funds’ redemption policies and the redemption policies of sub-funds, the manager may be required to

select sub-funds for liquidation based on the redemption policies of the sub-funds rather than other investment considerations. This may result in the remaining portfolio of sub-funds being less diverse in terms of investment strategies, number of managers or sub-funds, liquidity, or other investment considerations than would otherwise be the case.

Valuation Risk: Due to the fact that 50 South Hedge Funds may invest directly in the sub-funds or indirectly through intermediary entities, and because there will be no readily available market quotations for such securities, the valuation process for the 50 South Hedge Funds could, but under normal market conditions is not expected to, involve substantial complications. In determining the fair value of each sub-fund investment on each valuation date, the underlying manager or its delegates will take into account the estimated net asset value of such sub-fund investment provided to the 50 South Hedge Funds by the sub-fund itself, as well as any other considerations that may, in the manager's or its delegate's judgment, increase or decrease such estimated value. Although the 50 South Hedge Funds will conduct due diligence with respect to each underlying manager and sub-fund in which the 50 South Hedge Funds invests, there are risks that such sub-funds and underlying managers could have inadequate valuation procedures or could issue false reports or engage in other misconduct, all without the 50 South Hedge Funds' knowledge. Any such occurrences could distort the manager's or its delegate's valuation of such sub-fund investments and the net asset value of the 50 South Hedge Fund.

50 South Private Equity Funds Material Risks:

Illiquidity; Lack of Current Distributions: An investment in the 50 South Private Equity Funds should be viewed as illiquid. This results from the absence of an established market for investments (which market is not expected to develop) as well as from legal and contractual restrictions on transfer. Except with our consent (which may be withheld in our sole discretion), investors may not sell, transfer, exchange, assign, pledge, hypothecate or otherwise dispose of their interest in the 50 South Private Equity Funds (or any portion thereof) nor may they withdraw from the 50 South Private Equity Funds (except in very limited circumstances). It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. The expenses of operating the 50 South Private Equity Funds (including the management fee payable to us) may exceed its income, thereby requiring that the difference be paid from capital, including without limitation, unfunded commitments.

Carried Interest: The fact that 50 South Private Equity Funds' carried interest fee is based on a percentage of net profits with respect to secondary investments, it may create an incentive for us to cause the 50 South Private Equity Funds to make riskier or more speculative secondary investments than would otherwise be the case.

Limited Transferability of 50 South Private Equity Funds Interests: There will be no public market for the 50 South Private Equity Funds interests, and none is expected to develop. There are substantial restrictions upon the transferability of interests under the offering documents and

applicable securities laws. In general, withdrawals of interests are not permitted. In addition, interests are not redeemable.

Restricted Nature of Investment Positions: Generally, there will be no readily available market for the 50 South Private Equity Funds investments, and hence, most of the investments will be difficult to value. Certain investments may be distributed in kind to the investors.

No Management Control: Investors will have no right or power to participate in the management or control of the business of the 50 South Capital Private Equity Funds and, thus, will depend solely upon our ability with respect to making, monitoring and realizing investments. Once the 50 South Capital Private Equity Funds makes an investment, it will likely be an investor in the sub-fund with no management authority (or, in the case of a co-investment, an investor in a company with no management authority). Neither the 50 South Private Equity Funds nor us will have the opportunity to evaluate specific portfolio company investments made indirectly through the 50 South Private Equity Funds investments. Generally, the 50 South Private Equity Funds will be relying on the management skills of the sub-funds' general partners or similar governing bodies (or, in the case of a co-investment in a company, such company's management). The 50 South Private Equity Funds may make investments in investment funds (a) with short investment histories, (b) that rely on a few key principals, and (c) that invest in companies with (i) short operating histories, (ii) that rely on a few key managers, (iii) that are organized and/or operated outside of the United States, (iv) that are highly leveraged and/or (v) that operate in rapidly changing markets.

Lack of Sufficient Investment Opportunities: The success of the 50 South Private Equity Funds depend upon our ability to identify, select and consummate fund investments that it believes offer the potential for superior returns. The availability of such opportunities will depend, in part, upon general market conditions. The business of identifying and structuring private equity transactions is highly competitive and involves a high degree of uncertainty, which will affect the portfolio company investments made by the fund investments. Furthermore, a change in market conditions could lead to substantially fewer investment funds being raised, thereby reducing the number of opportunities available to the 50 South Private Equity Funds to make 50 South Private Equity Funds investments. Even if we identify attractive opportunities for 50 South Private Equity Funds investments, there can be no assurance that the 50 South Private Equity Funds will be permitted to invest in such opportunities. As a result, it is possible that the 50 South Private Equity Funds will never be fully invested. However, investors will be required to pay management fees based on the entire amount of their commitments throughout the duration of the fund.

General Risks: The risks set forth below represent a general summary of the material risks involved in both the 50 South Hedge Funds and 50 South Private Equity Funds:

Dependence on Underlying Managers: The 50 South Funds will not have control over the assets of the sub-funds. 50 South selects the underlying advisers who are granted full discretion over all matters relating to the manner, method and timing of investment and trading transactions with respect to the fund's assets allocated to the advisers. The

underlying advisers are subject to the investment objectives, policies and restrictions that we communicate to them.

Market Risk: The value of securities owned in the sub-funds may decline, at times sharply and unpredictably, because of economic changes or other events that affect individual issuers or large portions of the market.

Revolving Bank Credit Agreement: Some of the 50 South Funds have entered into revolving bank credit agreements to borrow money for liquidity and cash management purposes. As a result, the lender will charge interest on borrowings and annual commitment fees on the unused portions of the credit lines. In the event the lender terminates a credit agreement, it could result in the 50 South Funds being unable to enter into another lending arrangement in a timely manner and it could affect the 50 South Funds' liquidity.

Management Risk: A strategy used by the investment team may fail to produce the intended results.

Issuer Risk: The value of a security held in a sub-fund may decline for a number of reasons, which directly relate to the issuer, such as management performance, financial advantage and reduced demand for the issuer's products or services.

Market Sector Risk: An investment strategy may result in significantly over or under exposure to certain industry or market sectors, which may cause a portfolio's performance to be more or less sensitive to developments affecting those industries or sectors.

Allocation Risk: Asset classes in which the strategy seeks investment exposure can perform differently from each other at any given time so the strategy will be affected by its allocation among the various asset classes. If the strategy favors exposure to an asset class during a period when that class underperforms, performance may be hurt.

Derivative Risk: A small investment in derivatives could have a potentially large impact on the strategy's performance. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is the risk that changes in the value of a derivative held by the strategy will not correlate with the underlying instruments or the strategies of other investments.

Dodd Frank Risk: The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "**Dodd-Frank Act**"), enacted into law in July 2010, is comprehensive and far-reaching financial services legislation that will have a significant impact on the activities of financial services firms conducting business in the U.S. Section 619 of the Dodd-Frank Act (the "**Volcker Rule**") places limitations on, among other things, the ability of banking entities such as NTC, The Northern Trust Company ("**TNTC**"), NTI and 50 South to sponsor or invest in private investment funds. The Volcker Rule became

effective July 2012, subject to a two-year conformance period to allow affected banking entities to bring their activities into compliance with the Volcker Rule. The federal financial regulatory agencies that are charged with administering the Volcker Rule subsequently adopted final rules implementing the Volcker Rule, which became effective on April 1, 2014, and with a conformance period adopted by the Fed which ends in July 2015. There is now a conformance period until July 2017 to bring private fund sponsorship and investment activities that occurred prior to January 1, 2014, into full compliance with the Volcker Rule and the implementing regulations. For private fund activities that occurred on or after January 1, 2014, affected banking organizations will have until July 2015 to bring their activities into compliance with the Volcker Rule and the implementing regulations. These conformance period provisions will apply to NTC and its affiliates and subsidiaries. 50 South currently believe that the Volcker Rule will not otherwise have a material impact on the overall investment activities and strategies of the 50 South Funds. 50 South intends to take appropriate actions so that the 50 South Funds qualify as a permitted “organized and offered” activity in accordance with the requirements of this exemption. Based on the requirements of the final Volcker Rule regulations, these actions include making certain changes to the 50 South Fund’s operations prior to July 2017, imposing limitations on employee investments in the 50 South Funds, and managing additional material limitations on financial transactions and relationships between NTC, TNTC, NTI and 50 South.

Item 8C - Material Risks for a Particular Type of Security

50 South Funds are alternative investment funds, including hedge funds and private equity funds, that involve a high degree of risk and are not suitable for all clients. They are intended for accredited investors or qualified purchasers and sophisticated investors who are willing to bear the economic risk of the investments. These investments often engage in aggressive investment strategies that may increase the risk of investment loss. The 50 South Funds can be highly illiquid, may not be required to provide periodic pricing or valuation to investors, and may involve complex tax structures and delays in distribution of important tax information. They often are not subject to the same regulatory requirements, charge higher fees and may have limited opportunity for early redemption or transference of interests. Each investor should consult with their own advisors regarding the legal, tax, and financial suitability of the 50 South Funds. The 50 South Funds are available only to investors who meet certain financial criteria described in the private placement memorandum for each such fund. Each 50 South Funds’ offering memorandum will contain the applicable risk disclosures.

Item 9 - Disciplinary Information

There are no material legal or disciplinary events involving 50 South or any of its management personnel.

Item 10 - Other Financial Industry Activities and Affiliations

Item 10A - Broker-Dealer Registrations

50 South is not registered as a broker-dealer nor does it have an application pending to register as a broker-dealer. Certain 50 South personnel are registered representatives of an affiliated broker-dealer.

Item 10B – Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Advisor

50 South is registering as a Commodity Pool Operator (“CPO”) with the National Futures Association. Certain of 50 South employees will be registering as principals of the CPO. 50 South is not registered as a Commodity Trading Advisor.

Item 10C - Related Persons and Nature of Conflicts

As set forth above, 50 South is controlled by NTC, a financial holding company and publicly held company. NTC is a global organization that provides through its affiliates a comprehensive array of financial services including, but not limited to, investment advisory, trust, custody, administration and securities lending. As a result, 50 South may have relationships with its related persons and affiliates that are material to our business. Such related persons and affiliates, and the nature of the conflicts, include the following:

Broker-Dealer: 50 South and Northern Trust Securities Inc. (“NTSI”), a broker-dealer registered under the Securities Exchange Act of 1934, are under common control. Certain management personnel of 50 South are registered as representatives with NTSI. NTSI may receive compensation by executing trades on an agency basis as directed by clients of 50 South.

Investment Company or Other Commingled Investment Funds: 50 South serves as the investment adviser to investment companies registered under the 1940 Act and investment adviser, general partner and managing member to unregistered private funds, including the 50 South Funds. The clients of affiliates may be solicited to invest in the 50 South Funds. 50 South may receive additional fees in connection with the management, administration, transfer agent, custody and accounting services provided to these funds.

50 South employees serve on the Board of Directors of the Cayman Islands 50 South Hedge Funds. Employees do not receive compensation for their service as directors to these 50 South Hedge Funds.

Investment Adviser: NTI, Northern Trust Global Investments, Ltd. (“NTGIL”) and NTSI are affiliated investment advisers of 50 South. NTI, NTGIL and NTSI are registered under the Investment Advisers Act of 1940, as amended and are subsidiaries of NTC. NT Global Advisors, Inc. (“NTGA”), a Canadian investment adviser, is a subsidiary of NTC and an affiliate of 50 South. 50 South may obtain from, and provide investment advice to, these affiliates. Advice given to one or more clients may differ from and may conflict with advice from these

investment advisers. 50 South's employees are required to act in the best interest of their clients and generally without knowledge of trading positions or other operations of its advisory affiliates.

Banking Institution: TNTC, an Illinois state bank and NTI, an Illinois state bank and registered investment adviser under the Investment Adviser's Act of 1940, as amended, are affiliates of 50 South through common control. 50 South may act as an investment adviser to its clients or as an investment adviser to the registered or unregistered funds in which their clients may invest.

Item 10C - Other Material Affiliated Relationships

50 South may have common management and officers with some of its affiliates. We share facilities with affiliates and rely on affiliates for various administrative support, including information technology, human resources, business continuity, legal, compliance, finance, marketing, enterprise risk management and internal audit.

The above noted affiliations may create potential conflicts of interest. 50 South seeks to mitigate the potential conflict to favor certain clients and manage the portfolios fairly and within client and regulatory guidelines through regular peer reviews attended by portfolio management, compliance and members of senior management. In addition, we seek to mitigate potential conflicts of interest through an oversight committee governance structure and by maintaining policies and procedures that include, but are not limited to, personal and portfolio trading and custody.

In addition, the 50 South Funds' sub-funds may use one or more of our affiliated entities for its banking, trust, custody, administration, investment advisory, brokerage, underwriting, and related services. We mitigate this potential conflict of interest by 50 South not choosing sub-funds based upon their use of our affiliated entities.

50 South provides an employee co-investment program to certain private equity senior management personnel that aligns their interests of private equity with the 50 South Private Equity Funds they manage.

50 South serves as the tax matters partner of the 50 South Funds. As such, in the event that a 50 South Fund is subject to an income tax audit by any U.S. federal, state or local authority, 50 South is authorized to act on behalf of the 50 South Funds.

Item 10D – Compensation for Selection of Other Investment Advisers

50 South does not receive compensation from other investment advisers that are recommended or selected for 50 South clients.

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

Code of Ethics: 50 South has adopted a Code of Ethics that provides its employees with the framework and sets the expectations for business conduct. The Code of Ethics is designed to reinforce our reputation for integrity by avoiding even the appearance of impropriety and to ensure compliance with applicable laws in the conduct of our business. The Code of Ethics sets forth procedures and limitations that govern the personal securities transactions of our employees in accounts held in their own names as well as accounts in which they have indirect ownership. We, and our related persons and employees, may, under certain circumstances and consistent with the Code of Ethics, purchase or sell for our own accounts securities that we also recommend to clients.

All of the 50 South employees are subject to the Code of Ethics. Compliance with the 50 South's Code of Ethics is a condition of employment and requires annual affirmation by all employees. In general, the Code of Ethics contains various reporting, disclosure and approval requirements regarding an employee's personal securities transactions based on the nature of their business activities for 50 South. All employees are required to report their personal securities transactions to 50 South. Employees are also prohibited from participating in initial public offerings and must obtain approval before purchasing any privately offered securities. The Code of Ethics requires employees who have access to certain information to pre-clear personal securities transactions and imposes certain limitations on the timing of such transactions. To facilitate the monitoring of employee personal transactions, employees are required to maintain personal brokerage accounts at designated brokers and to disclose these accounts to 50 South. The Code of Ethics provides for the imposition of sanctions against employees who violate the Code. 50 South compliance personnel oversee the Code of Ethics' operation and review.

Clients may obtain a copy of 50 South's Code of Ethics by contacting 50 South at the address noted in this brochure.

Interest in Client Transactions: While the transactions discussed below may present conflicts of interest for us, we manage our accounts consistent with applicable law, and we follow procedures that we believe are reasonably designed to treat our clients fairly and to prevent any client or group of clients from being systematically favored or disadvantaged.

50 South may recommend that clients invest in the 50 South Funds in which 50 South serves as investment manager or general partner and receives fees or other direct or indirect benefits. Such investments may present a conflict of interest because 50 South or a related person has a financial interest in the transaction. 50 South maintains policies, procedures and controls, which it believes are reasonably designed to ensure such conflicts are addressed. 50 South provides advice and makes investment decisions for client accounts that it believes are consistent with each client's stated investment objectives. Advice given to clients or investment decisions made for these clients may differ from, or may conflict with, advice given or investment decisions made for an advisory or bank affiliate or another Fund or client. Action taken with respect to affiliates may adversely affect client accounts, and actions taken

by client accounts may benefit affiliates. In addition, we may invest in the same securities that our affiliates or we recommend to clients. Such interests are generally unknown to 50 South. When our affiliates or we hold for our own benefit the same securities as a client, we could be viewed as having a potential conflict of interest.

In general, we will not, as principal, buy securities for ourselves from, or sell securities we own to, any client. We are a part of a large diversified financial organization, which includes banks and broker dealers.

50 South has established certain restrictions, procedures and disclosures designed to address conflicts of interest that may arise between its employees and clients as well as between clients and 50 South itself or its affiliates. 50 South employees must act in the best interests of its advisory clients and generally do not have knowledge of proprietary trading positions or certain other operations of 50 South or its personnel.

Item 12 - Brokerage Practices

50 South completes subscription documents for the 50 South Funds for their respective investments in sub-funds. Each sub-fund invests directly in portfolio securities and/or other investments. Generally, 50 South does not effect the purchase or sale of individual securities and instruments for its client accounts. 50 South may receive in-kind redemptions from sub-funds that it may need to liquidate through a broker.

50 South does not select or recommend broker-dealers in return for client referrals, accept directed brokerage instructions or receive soft dollar benefits in connection with any transactions.

Item 13 - Review of Accounts

Decisions regarding the investment allocations to the sub-funds for 50 South Private Equity Funds and 50 South Hedge Funds are reviewed by our investment oversight committees. In making these decisions, 50 South generally considers whether each selected investment is appropriate for the Managed Account or 50 South Fund based on criteria germane to the investment objective, which includes, but is not limited to, legal, tax, regulatory and other considerations, such as the Managed Accounts' or 50 South Funds' investment objective, available capital, investment strategy, current investment portfolio and diversification requirements.

Annually, the independent Board of Trustees of the registered 50 South Hedge Funds and an oversight committee of 50 South review the nature, quality and extent of the services provided by its service providers, including affiliates of 50 South. In addition, 50 South's oversight committees review the quality and services provided to non-registered 50 South Hedge Funds including services provided by affiliates of 50 South.

Clients also receive, at a minimum, a quarterly status report that includes but is not limited to, information regarding the account holdings, fees and the account performance during the immediately preceding quarter. The information is generally either accessible online or mailed to the client.

Item 14 - Client Referrals and Other Compensation

50 South selects or recommends third-party managers and sub-funds for Managed Accounts and the 50 South Funds. 50 South is not compensated by these third-party managers or sub-funds. Further, 50 South does not receive an economic benefit from non-clients for providing investment advice or services to our Managed Account or 50 South Funds. 50 South does not have any agreements to compensate solicitors to refer clients. Advisory or bank affiliates may receive indirect compensation for the referral of certain clients as discussed in the Item 10. "Other Financial Industry Activities and Affiliations."

Item 15 - Custody

Generally, 50 South does not maintain custody of client assets. However, under Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended, due to 50 South's relationship to the 50 South Funds and to its affiliate, TNTC, we are deemed to have custody.

50 South's clients are responsible for selecting the qualified custodian at which their assets will be maintained. All clients for whom 50 South is deemed to have custody receive quarterly account statements directly from the qualified custodian. Clients should compare the information in 50 South's quarterly client statement with the information in the custodian account statement and contact us if the statements do not match.

The ownership of the 50 South Funds are held in the investors' names, the investors obtain the 50 South Funds in a non-public offering and consent is required to transfer the 50 South Funds. With the exception of certain private equity employee investment funds, the 50 South Funds offered to investors are audited annually by an independent public accountant and audited financial statements are distributed to investors within 120 days after the end of the 50 South Funds' fiscal year.

Our affiliate, TNTC, has custody of certain of 50 South's client funds or securities. Our clients, regardless of their advisory relationship, are under no obligation to use TNTC or any other affiliate as custodian of their assets.

Item 16 - Investment Discretion

We exercise full investment discretion for all of the 50 South Funds.

Generally, we do not have discretionary authority for our Managed Accounts. This means we only recommend the hedge fund or private equity fund to be subscribed to or redeemed from. We do not invest in sub-funds on a client's behalf. We may on occasion have discretionary

authority over a Managed Account. We consider the investment objectives and guidelines for the particular client account in our recommendations to the client.

In those instances where 50 South provides non-discretionary services, such arrangements and limitations are outlined in the investment advisory agreement at the outset of an advisory relationship. When recommending third party and proprietary funds, 50 South observes the investment guidelines, limitations and restrictions of the clients for which it advises. Clients must deliver their investment guidelines and restrictions to us in writing and we will adhere to such guidelines and restrictions when making investment decisions.

Item 17 - Voting Client Securities

50 South has adopted proxy voting policies and procedures (the “**Proxy Voting Policy**”) for the voting of proxies on behalf of client accounts for which 50 South has voting discretion. Under the proxy voting policy, 50 South must vote the shares to reflect its clients’ best interests.

The proxy voting policies, procedures and guidelines and information on how we voted proxies may be obtained by contacting:

50 South Capital Advisors, LLC
Attn: Compliance, MB16
50 South LaSalle Street
Chicago, Illinois 60603

Item 18 - Financial Information

50 South has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients.

Item 18A - Balance Sheet

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance so are not required to submit a balance sheet.

Item 18B - Financial Condition

We are not aware of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

Item 18C – Bankruptcy Proceeding

We have not been the subject of a bankruptcy proceeding.