

**ITEM 1 – COVER PAGE**

**SCIENS INVESTMENT MANAGEMENT, LLC**  
**(FUND OF FUNDS BUSINESS)**

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This brochure provides information about the qualifications and business practices of Sciens Investment Management, LLC (“Sciens”), 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 us at 212.471.6100 and/or [compliance@sciensam.com](mailto:compliance@sciensam.com). The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

Sciens is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training. Additional information about Sciens is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **ITEM 2 – MATERIAL CHANGES**

This brochure represents the annual updating amendment for 2014 to the brochure Sciens Investment Management, LLC has filed on Form ADV Part 2 in respect of its fund of funds business. There have been no material changes to the fund of funds business since the initial brochure was filed. However, we encourage recipients to review this brochure in its entirety.

All the Funds that we manage, but one, are currently in liquidation or are being wound up. As such, we are not actively selecting managers for or reallocating investments in the liquidating Funds. Even with regard to the one Fund not in liquidation, it is currently be managing for discrete investors in tailored investment portfolios.

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## **ITEM 4 – ADVISORY BUSINESS**

### **STRUCTURE, HISTORY AND OWNERSHIP**

Sciens Investment Management, LLC (“Sciens”) is an investment adviser registered with the United States Securities & Exchange Commission (“SEC”) with its principal place of business in New York, New York. Sciens commenced operation as an investment adviser in April 2010 as the successor in interest to Sciens Hedge Fund Management LLC, which registered with the SEC as an investment adviser in January of 2006. Sciens is owned by Sciens Funds of Funds Management Ltd., which is in turn majority-owned indirectly by Ioannis “John P.” Rigas.

Sciens offers a variety of investment advisory and related services to its clients. This brochure provides information regarding Sciens’ and its affiliates’ fund of funds business. Other brochures describe other investment advisory services provided by Sciens and its affiliates.

Sciens provides the investment advisory services described in this brochure together with a number of other advisers referred to throughout this document (collectively, the “Relying Advisers”). Each of the Relying Advisers shares advisory and management personnel with Sciens, all of which are subject to Sciens’ compliance policies and procedures. The ownership of each of the Relying Advisers is identical to that of Sciens. Sciens conducts a single advisory business with the Relying Advisers. Sciens and the Relying Advisers are sometimes referred to herein collectively as “we” or “us.”

### **TYPES OF ADVISORY SERVICES**

We provide two types of advisory services through our fund of funds business: discretionary investment management to fund of funds clients (the “Funds” or, individually, the “Fund”). We invest the Funds’ assets primarily with investment managers (each, a “Manager”) who manage private investment partnerships, offshore funds, separate accounts and other investment vehicles. The Funds do not offer their interests to the public. Such interests are only offered in private placements to qualified investors. The terms of such offerings and the investments themselves are described in each Fund’s offering documents.

### **Fund of Funds**

Sciens acts as investment manager of Sciens Fund of Hedge Funds, L.P., a Delaware limited partnership. Sciens Offshore Management, Ltd., a Relying Adviser, acts as investment manager of Sciens Global Opportunity Fund (“SGOF”), Sciens International Fund of Hedge Funds (“SIFOHF”) and Sciens Special Purpose PPN Fund (a feeder fund into SGOF), each a Cayman Islands exempted company (collectively with Sciens Fund of Hedge Funds, L.P., the “Funds of Funds”). We provide discretionary investment management services to the Funds of Funds. With the exception of Sciens International Fund of Hedge Funds, the Funds of Funds are in the process of liquidating their assets and winding down.

### **Administrative Services**

Sciens has entered into an Administrative Support Services Agreement with Sigma Asset Management (Guernsey) Limited (“Sigma”) pursuant to which it provides administrative support services to Sigma. Sigma is registered as an investment adviser with the Guernsey Financial

Services Commission and is also an SEC registered investment advisor. Sigma acts as investment manager to a number of investment vehicles (the “Sigma Funds”).

From time to time, we also perform discrete due diligence and investment research projects on behalf of the Sigma Funds at the request of Sciens Capital Limited (“SCL”) or Sigma. SCL is registered as an investment adviser with the UK Financial Services Authority and is an SEC registered investment adviser.

## **IMPERSONAL INVESTMENT ADVICE**

Other than with respect to potential new investors in SIFOHF, we do not tailor our investment strategy to the needs of individual investors in the Funds. On occasion we will establish feeder funds, blocker corporations or separate share classes to accommodate investors if such accommodations do not adversely affect the other investors in a Fund. The Funds and their investors may include taxable and tax-exempt entities and persons or entities organized in various jurisdictions. Conflicts of interest may therefore arise in connection with decisions that may be more beneficial for one type of Fund or investor than another. In selecting investments appropriate for the Funds, we consider the investment objectives of the applicable Fund as a whole, not the investment objectives of such Fund’s individual investors.

## **ASSETS UNDER MANAGEMENT**

As of December 31, 2014, we managed approximately \$91,449,068 in our fund of funds business on a discretionary basis. We did not manage any Fund assets on a non-discretionary basis.

## **ITEM 5 – FEES AND COMPENSATION**

### **THE FUNDS**

We are generally entitled to management fees and/or performance-based compensation from the Funds of Funds. Each of the Funds generally pays us a management fee based on the value of the applicable Fund’s assets under management. The management fee is generally paid monthly in arrears, calculated at an annual rate ranging from 1% to 2% of the net assets of the applicable Fund. The management fees that we receive from the Funds are generally prorated for any period that is less than a full calendar month, and are adjusted for subscriptions and redemptions made during a month.

We are also generally entitled to receive performance-based compensation from the Funds of Funds equal to 10% to 20% of the net profits of each investor in the applicable Fund, subject to a high watermark. We generally receive such performance-based compensation annually and upon redemption. The performance-based compensation we receive is generally not subject to a claw back.

The description above represents our typical compensation rates. However, we may enter into negotiated agreements with one or more investors which provide for the waiver or modification of certain terms of the offering of interests in a Fund of Funds, including in particular the fees and compensation otherwise applicable to such interest(s). We have generally waived the compensation we receive from the Funds.

To the extent that a Fund invests in a private fund managed by a Manager with which we are affiliated, a portion or all of the compensation paid to such Manager may be offset against or reduced by the compensation we receive from the applicable Fund. Further detail regarding calculation of the Funds compensation arrangements can be found in the applicable Funds' offering documents, which are provided to potential investors.

We deduct management fees and performance-based compensation from the Funds respective accounts.

In addition to management fees and, if applicable, performance-based compensation, the Funds are also subject to other expenses such as administrative, legal, accounting, custodial, audit expenses, and costs, fees, liabilities, taxes and expenses relating to or arising from: the investment of assets, Manager fees and expenses, third-party compliance products and services, borrowing, financing or settlement arrangements, analysis and research of investments or potential investments (including subscriptions, publications or related services), risk management and due diligence associated with the development and maintenance of the portfolios, regulatory filings, investor relations and independent directors' fees.

## **THE SIGMA FUNDS**

Pursuant to the investment sub-advisory agreement entered into with SCL, we are entitled to receive a percentage of the gross fees that SCL receives from Sigma for provision of investment advice in respect of certain Sigma Funds. This fee is payable monthly in arrears by SCL, and is not borne directly by any Sigma Fund. We bear all expenses we incur in providing investment advice to the Sigma Funds.

## **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

We provide investment advisory services to multiple Funds. As described in Item 5, we may receive performance-based compensation from certain Funds. Certain Funds are subject to management fees or performance-based compensation arrangements more favorable to us than other Funds engaging in the same or similar investment activities. Our investment personnel are also typically compensated on a basis that includes a performance-based component. As a result, the potential exists for us and our investment personnel to seek to favor one Fund over another in allocating investment opportunities. In particular, we and our investment personnel may have a greater incentive to favor Funds that are subject to higher performance-based compensation arrangements, or in which our personnel have more significant investments.

Although we are sensitive to potential conflicts between the Funds' interests and our own with respect to the allocation of investment opportunities, we do not expect such conflicts to arise. The Funds that are currently in liquidation are not making new investments. The Fund that is not currently in liquidation does not tend to compete for the same investment opportunities or invest in opportunities without material limits on capacity.

In the unlikely event a conflict arises between the Funds' interests and our own with respect to the allocation of investment opportunities, we have implemented an investment allocation policy, and we regularly review our investment allocations to ensure investments are made in a manner that is fair and equitable to all Funds and in compliance with each Fund's particular investment objective, resources and allocation restrictions (as described in Item 16).

## **ITEM 7 – TYPES OF CLIENTS**

Our clients are the Funds and Sigma. The minimum initial and additional subscription amounts for each of the Funds are disclosed in the relevant offering documents. The Funds' investors are typically high net worth individuals, institutional investors, sovereign wealth funds and pension plans.

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

As discussed previously, the only Fund we currently manage that is not in liquidation or being wound up is SIFOHF. In advising SIFOHF, we select Managers to include in our clients' portfolios. Our advice is not limited to Managers that trade using any particular strategy. The following summary of our investment process is general; details regarding our management of each Fund's portfolio can be found in the applicable Fund's offering documents, which are provided to potential investors.

### **MANAGER SELECTION**

We may consider the following factors, among others, in selecting Managers and allocating assets among Managers in SIFOHF:

- Fund investment objectives and strategies;
- Fund risk profiles;
- restrictions placed on a Fund's portfolio by the Fund or by applicable law;
- size of the Fund's portfolio;
- strategy and liquidity of the Manager's investment vehicle;
- current market conditions; and
- account liquidity, account requirements for liquidity and timing of cash flows.

### **RISK OF LOSS – FUNDS NOT IN LIQUIDATION**

Investing in securities involves a risk of loss that investors in the Funds should be prepared to bear. The investment approach described above covers a wide range of investment types and strategies. Set forth below is a summary of some of the material risks that apply to investments in the Funds that are not in liquidation. For a more complete summary of risks inherent in investing in a Fund, please see the relevant Fund's offering documents or contact us.

#### **Illiquidity**

Due to the limitations on liquidity imposed by the Managers with which we may invest the Funds' assets, an investment in a Fund may be a relatively illiquid investment and involves a high degree of risk. Investments should be considered only by persons financially able to maintain their investment and who can afford a loss of all or a substantial part of such investment.

#### **Diversification Among Managers**

The Funds' portfolios may at times be relatively concentrated among a limited number of Managers. Moreover, such Managers may have similar investment strategies or approaches, which may have the effect of further increasing concentration. An increase in the degree of investment concentration increases the level of risk exposure to a single Manager or a particular investment



strategy. Managers may take positions in the same or similar securities. Such inadvertent concentration of positions may create additional risks and performance consequences which vary from those we have anticipated.

The Managers invest wholly independently of each other and, at times, may hold economically offsetting positions. To the extent that the Managers do, in fact, hold such positions, a Fund's portfolio, considered as a whole, will not achieve any gain or loss, but will continue to incur expenses associated with their management. Gains achieved by one or more Managers may be partially or wholly offset by losses incurred by one or more other Managers.

### **Multiple Managers**

We will not have any control over the investments that the Managers make. We may, however, reallocate the Funds' portfolios among Managers, but our ability to do so may be constrained by limitations on liquidity imposed by the Managers. These limitations on liquidity are likely to prevent rapid reactions to market changes should a Manager fail to effect portfolio changes consistent with such market changes and our intentions.

In general, we will not have access to information about the underlying portfolio positions of a Manager's investments on a daily or regular basis. Investors typically have no right to demand such information of the Managers. Accordingly, we cannot be expected to analyze or respond to developments within any particular Manager's portfolio unless and until information relating thereto is disseminated by the Manager to its investors, including us. Such information may not necessarily be timely or complete.

Our multi-Manager approach places certain constraints on our ability to value the assets of the Funds' portfolios. The Managers may invest in securities with no current market or for which a market value is not readily determinable. We will rely solely on the Managers' valuations of their respective assets. Such valuations are necessarily not independent, and in many respects are subject to broad discretion on the part of the Managers, even when reflected in audited financial information. Generally, we will not independently verify valuations or other performance information furnished by Managers.

As a Manager is typically compensated based on the performance of its portfolio, a Manager may receive performance-based compensation from a Fund for a particular period even though the Fund's overall portfolio depreciated during such period.

The Funds may accept additional subscriptions from existing investors, accept new subscriptions and permit redemptions and/or withdrawals during a period when one or more Managers in which the Funds are invested does not permit additional subscriptions, new subscriptions or redemptions and/or withdrawals by the Manager's investors on the same basis. As a result, the Funds may be delayed in investing their investors' capital in, and in redeeming and/or withdrawing assets from, some Managers. This delay may, in turn, dilute exposure to certain Managers and may tend to affect the proportionate level of investment with particular Managers.

### **RISK OF LOSS – FUNDS IN LIQUIDATION**

While the foregoing risk factors also apply to some extent to those Funds that are in liquidation, distinct risks arise out of the process of winding up such funds. For example, we generally do not hedge the currency or interest rate risks of the Funds that are in liquidation. We believe that the

cost of such hedging outweighs its potential benefit; investors that are concerned about currency or interest rate risks should consider hedging such risks independently. In addition, as we liquidate assets, only those assets that are more difficult to liquidate or value will tend to remain. As a result, investors' rights to withdraw or redeem their investments may be suspended after the Funds have divested themselves of their relatively liquid assets. Finally, concentration concerns discussed above will tend to be exacerbated by the liquidation process.

## **ITEM 9 – DISCIPLINARY INFORMATION**

This Item is not applicable as we have determined that the one outstanding violation which was disclosed in response to Item 11 on Form ADV is not material.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **UK/GUERNSEY AFFILIATES**

Sciens Group Fund Services Limited ("SGFS"), which manages a separately operated managed account platform business and reports to the SEC as an exempt reporting adviser is under common control with us. SCL, Sigma and SIM are registered with the Commodities Futures Trading Commission as Commodity Pool Operators and SCL, Sigma and SGFS are also registered as Commodities Trading Advisers. All are members of the National Futures Association.

SCL and Sigma are under common control with us. Both are investment advisers registered with the SEC. As described in Item 4, Sciens has entered into an Administrative Support Services Agreement with Sigma pursuant to which it provides administrative support services to Sigma.

### **OTHER AFFILIATES**

Sciens and the Relying Advisers are part of an international family of affiliated entities that engage in a broad variety of businesses, including providing investment advice to private equity funds and other investment vehicles. Although certain of our personnel may be involved in or have an ownership interest in such affiliated entities, these entities are not material to the fund of funds advisory business discussed in this brochure.

## **ITEM 11 – CODE OF ETHICS**

### **CODE OF ETHICS**

Our parent organization has adopted a Code of Ethics and a compliance manual (collectively, the "Code of Ethics") that apply to all of our employees and certain persons with whom we are associated (collectively, "Supervised Persons") describing our high standard of business conduct and fiduciary duty to our investors. All Supervised Persons are also required to comply with applicable federal securities laws. The Code of Ethics is designed to prevent, among other things, any improper conduct whenever any potential conflict of interest may exist with respect to a client. In addition, the Code of Ethics requires the firm and/or all Supervised Persons to safeguard and prevent dissemination of non-public information, to refrain from engaging in self-interested transactions without prior approval, to develop adequate internal accounting controls and maintain proper books and records, and to refrain from insider trading. The Code of Ethics also outlines the duties of care and loyalty that the Supervised Persons are required to uphold with respect to

clients, including our obligation to exercise a high degree of care, to seek best execution, to safeguard client assets, to act in the best interest of clients and to render impartial advice to clients. All Supervised Persons must acknowledge the terms of the Code of Ethics annually, or as and when amended. A copy of our Code of Ethics is available upon request to Christopher P. Meyering, Chief Compliance Officer at (212) 471-6100 or [compliance@sciensam.com](mailto:compliance@sciensam.com).

## **INTERESTED TRANSACTIONS**

We anticipate that, in certain circumstances, consistent with the Funds' investment objectives, we may direct the Funds to purchase or sell securities in which we, our affiliates and/or our owners, directly or indirectly, have an interest. As a result, there is a possibility that our Supervised Persons might benefit from investment activity by a Fund in commonly-owned securities. Accordingly, Supervised Persons are required to follow the Code of Ethics. Subject to satisfying this policy and applicable laws, Supervised Persons may trade for their own accounts in securities which are purchased for the Funds. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the Supervised Persons will not interfere with making decisions in the best interest of the Funds. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that investments in these securities would not materially interfere with the best interest of the Funds. In addition, the Code of Ethics requires pre-clearance of transactions in private securities (including securities in hedge funds that may be managed by the Managers). Trading by Supervised Persons is monitored on an ongoing basis in an effort to prevent potential conflicts of interest between ourselves and the Funds.

Supervised Persons may invest in the Funds. Except to the extent that these affiliated investors may not be subject to management fees or performance based compensation, such investments are exposed to the same underlying portfolio of hedge funds, have the same liquidity limitations and share the same risk as all other investors in the Funds.

## **ITEM 12 – BROKERAGE PRACTICES**

This Item is not applicable because Sciens does not buy or sell securities directly.

## **ITEM 13 – REVIEW OF ACCOUNTS**

Except for the Funds that are in liquidation, we continuously review each of the Funds' portfolios with respect to investment policy and the suitability of the investments used to meet their objectives. Such portfolio reviews are also conducted by our investment committee not less frequently than monthly to assess, among other things, investment performance and whether the Funds' portfolios continue to meet certain investment criteria established by the team that manages the Fund's portfolio. We may also review these Funds' portfolios on a basis other than periodically. There is no specific factor which triggers such review, and no procedure which determines the sequence in which Funds' portfolios will be reviewed. Under normal circumstances, transactions relating to the composition of the Funds' portfolios will be initiated as a result of a new investment decision or determination that an existing investment that is not meeting expectations.

We also review the portfolios of the Funds that are in liquidation, although such reviews are generally focused upon determining whether an investment with a Manager should be liquidated or continued. We do not direct the Funds that are in liquidation to reallocate investments among Managers or to make new investments with Managers.

## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

This Item is not applicable

## **ITEM 15 – CUSTODY**

Our investors generally will receive account statements from the qualified custodian over assets of which we have custody. Occasionally, we or one of our related parties acting as Administrator of a Fund will also send account statements to clients. We encourage you to compare the account statements you receive from the qualified custodian with those you receive from us or our related parties.

## **ITEM 16 – INVESTMENT DISCRETION**

As described in greater detail in Item 4, we have discretionary authority to manage the Funds' accounts. Aside from the investment limitations set forth in the Funds' offering documents, if any, we do not permit investors in the Funds to limit our investment discretion with respect to the assets we manage.

Prior to assuming discretion in managing a Fund's assets, we enter into an investment advisory agreement or other agreement that sets forth the scope of our discretion. Unless otherwise instructed or directed, we have the authority to determine (a) the Managers to which the Funds' assets will be allocated and (b) the amount and terms of such allocation of assets (subject to restrictions on its activities set forth in the applicable investment advisory agreement and any written investment guidelines). As a result of the differences in the investment objectives and strategies, risk tolerances and other criteria among the Funds, there may be differences among the Funds in terms of underlying Managers, positions and securities held.

## **ITEM 17 – VOTING CLIENT SECURITIES**

Sciens has adopted and implemented proxy voting policies and procedures that are designed to ensure that we vote proxies with respect to client securities in the best interests of our clients in accordance with Rule 206(4)-6 under the Investment Adviser Act of 1940, as amended. We do not anticipate owning any equity securities granting us or the Funds the right to vote proxies. However, if we were to exercise voting authority with respect to the Funds, we would act in accordance with certain policies and procedures which are reasonably designed to ensure that such voting authority is exercised in the best interest of the Funds, after taking into consideration all relevant facts and circumstances at the time such voting authority is being exercised and in accordance with our fiduciary duties and applicable rules and regulations. Pursuant to our policies and procedures, we identify and address conflicts of interest between ourselves and the Funds. If a material conflict of interest exists, we determine whether voting in accordance with existing policies is in the best interests of the Funds, or whether it is in the Funds' interest to take some other appropriate action

Investors in the Funds may obtain a copy of Sciens' proxy voting policies and procedures and information about how we have voted proxies in the past by contacting our Chief Compliance Officer at (212)-471-6100 or [compliance@sciensam.com](mailto:compliance@sciensam.com).

## **ITEM 18 – FINANCIAL INFORMATION**

We do not require or solicit prepayment of more than \$1,200 in fees six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year.