

Item 1 – Cover Page

PW Partners Capital Management, LLC

ADV Part 2A: FIRM BROCHURE

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May 30, 2015

This brochure provides information about the qualifications and business practices of PW Partners Capital Management, LLC (“PW Partners”). If you have any questions about the contents of this brochure, please contact us at (312) 347-1709 or jcrivello@pwpartnersllc.com. 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.

PW Partners is a registered investment adviser. Registration of an investment adviser with the SEC does not imply a certain level of skill or training. The oral and written communications of an adviser provide you with information you can use to determine to hire or retain an adviser.

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

Item 2 – Material Changes

As this is the initial PW Partners Capital Management, LLC (“PW Partners”) brochure filing with the SEC, there are no material changes to report.

Pursuant to SEC rules, PW Partners will provide a summary of material changes to its brochure within 120 days of the close of its fiscal year. PW Partners may provide further disclosures about material changes, as deemed necessary. Additionally, PW Partners will provide to clients a new brochure as necessary, without charge.

Item 3 – Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes.....	ii
Item 3 – Table of Contents	iii
Item 4 – Advisory Business.....	4
Item 5 – Fees and Compensation.....	6
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	10
Item 9 – Disciplinary Information	17
Item 10 – Other Financial Industry Activities and Affiliations	17
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	19
Item 12 – Brokerage Practices	23
Item 13 – Review of Accounts	27
Item 14 – Client Referrals and Other Compensation	28
Item 15 – Custody	28
Item 16 – Investment Discretion	29
Item 17 – Voting Client Securities	29
Item 18 – Financial Information	30

Item 4 – Advisory Business

A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).

Firm Description

PW Partners Capital Management, LLC (“PW Partners” or the “Investment Manager”) seeks to identify stocks that have the potential to be transformed from “value traps” into catalyst-driven investments. Our goal is to achieve excess returns through a repeatable, disciplined and vigorous process to identify businesses trading at a substantial discount to their potential value. PW Partners will identify situations where we have the ability to arbitrage valuation gaps in a security’s market price and intrinsic value by influencing corporate policies. Once identified, our goal is to positively influence a company’s operations, strategy, capital management and allocation priorities. We are value oriented, research driven and will employ an opportunistic, generalist approach to identify the best ideas. PW Partners will remain agnostic to geography, industry and market capitalization with a focus on small and mid-cap equities.

PW Partners, a Delaware limited liability corporation, serves as the investment manager for and provides discretionary investment advisory services to six funds: PW Acquisitions LP (“Acquisitions”); PW Partners Atlas Fund II LP (“Atlas II”); PW Partners Atlas Fund III, LP (“Atlas III”); PW Partners Atlas Fund LP (“Atlas I”); PW Partners Master Fund (QP), L.P. (“Master QP”); and PW Partners Master Fund, L.P. (“Master”) (collectively, the “Funds”). PW Partners also provides investment management services to a Managed Account and may in the future provide investment management services to additional funds and to additional separately managed accounts (“the Managed Account” and together with the Funds, “Clients”).

The following general partners are affiliated with PW Partners and have overall responsibility for managing the business and affairs of the Funds: PW Partners Atlas Funds, LLC (the General Partner of Acquisitions, Atlas II, Atlas III, and Atlas I) and PW Partners LLC (the General Partner of Master and Master QP). The General Partners, however, have delegated day-to-day investment authority to the Investment Manager pursuant to an investment management agreement among the Funds, the General Partners and the Investment Manager. The General Partners are deemed to be relying advisers and are deemed registered with the SEC and subject to PW Partners’ compliance program.

Principal Owners/Ownership Structure

PW Partners is owned by Patrick Walsh.

B. Describe the types of advisory services you offer. If you hold yourself out as

specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.

PW Partners provides discretionary investment management services to the Funds and the Managed Account. The Investment Manager seeks to achieve capital appreciation by concentrating its assets primarily in the equity securities of publicly traded or privately held entities and corporations (each, a “Core Holding”)

C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.

The advisory services provided by PW Partners to the Funds and Managed Account(s) are tailored to the investment objectives, investment strategy, and investment restrictions, if any, as set forth in each vehicle’s governing documents. PW Partners provides investment advice directly to the Funds and Managed Account(s) and not to investors in the Funds individually. PW Partners does not require, nor does it seek, approval from underlying Fund investors or Managed Account owners with respect to its trading.

Accordingly, PW Partners does not tailor its advisory services to the individual needs of investors in the Funds or Managed Account(s), provided, however, that in order to comply with certain legal and regulatory requirements, there may be instances when a limited partner in a Fund may not participate in an investment by the Fund (such as with respect to “new issues”) and appropriate measures will be taken by the respective Fund to comply with such laws and regulations.

D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.

PW Partners does not participate in wrap fee programs.

E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date “as of” which you calculated the amounts.

As of May 30, 2015, PW Partners manages \$120,906,000, all of it on a discretionary basis.

Item 5 – Fees and Compensation

A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.

In consideration for the investment management services provided to the Funds, the relevant General Partner is entitled to a monthly management fee from the capital account of each limited partner in each Fund (the “Management Fee”) in an amount equal to 0.1667% of the net asset value of the capital accounts held by each limited partner, payable on the first day of each month. The Management Fees are adjusted pro rata for any capital contributions or withdrawals during the relevant calendar quarter. Management Fees are payable without regard to the overall success or income earned by the Fund. Investors in Atlas II, Atlas III and Atlas I are also given the option to forgo Management Fees in exchange for an increased Incentive Allocation, as described more fully in Item 6, below, and in each respective Fund’s offering document.

PW Partners, in its sole discretion, may elect to reduce or waive the Management Fee with respect to any limited partner and/or shareholder, including Principals and employees of the Investment Manager or its affiliates. In such event, the amount of the Management Fee paid by the Fund to the Investment Manager will be adjusted accordingly. The Principals or other employees of PW Partners may receive a portion of the Management Fees, Incentive Allocation, or other compensation received by PW Partners or the General Partners.

B. Describe whether you deduct fees from clients’ assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.

Management Fees are deducted from the capital account of each investor on the first day of each calendar month.

C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.

In addition to the Management Fee and performance allocation (described in Item 6, below) each Fund will bear its own operating expenses, including, without limitation: costs and expenses incurred by the Investment Manager in connection with investigating investment opportunities for the Funds and reviewing the continuing suitability of the Funds’ investments in light of each Fund’s investment objectives (including related travel, lodging and entertainment expenses); costs and expenses incurred in connection with each Fund’s investment strategy (including attorney’s fees, fees associated with proxy actions and securities filings fees); brokerage commissions and other charges

for transactions in securities and other instruments; interest and stock loan expenses; legal fees and expenses; accounting, tax and auditing expenses; and all other routine administrative expenses incurred by the Fund. In addition, each Fund will bear the cost of calculating an intra-month net asset value of the Fund in connection with facilitating subscriptions on an intra-month basis. Because the Fund may permit investments more frequently than as of the beginning of each month, the expenses incurred in connection with facilitating subscriptions may be somewhat higher than other comparable private funds which only permit subscriptions on a monthly or less frequent basis. Also, the General Partners and/or the Investment Manager may, in their sole discretion, determine to charge the pro rata portion of the cost of certain computer equipment and quotation and financial information services to the Fund.

Each Fund's organizational and initial offering expenses are paid by the applicable General Partner and the applicable General Partner is being reimbursed for those expenses by the relevant Fund. The Fund's organizational and initial offering expenses are expensed to the relevant Fund during its first fiscal year of operations. The Fund shall pay all of its expenses related to the ongoing offering of interests in the Funds.

The General Partners and/or the Investment Manager generally will be responsible for all other overhead expenses incurred in the operation of its business.

Investors should review the offering documents of each Fund for specific information regarding the fees and expenses of the relevant vehicle in which they are invested.

D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

Management Fees applicable to the Fund are paid monthly in arrears and Management Fees applicable to the Managed Account are paid quarterly in arrears, as described in the investment management agreement and/or the governing documents of the relevant vehicle. Each Fund is generally subject to a lock up period as further detailed in the relevant Fund's governing documents.

E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.

Not applicable (with respect to all of Item 5.E and its sub-parts).

Item 6 – Performance-Based Fees and Side-By-Side Management

If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a Client that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your supervised persons manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.

For limited partners in Master and Master QP, as of any date on which a limited partner receives a withdrawal or distribution from its capital account (an “Incentive Allocation Calculation Date”), the General Partners shall receive a performance based allocation (the “Incentive Allocation”) equal to a percentage of New Net Profits (as defined below). In the case of a partial withdrawal or distribution, the Incentive Allocation will be based on the New Net Profits attributable to the portion of the limited partner’s capital account that is to be withdrawn or distributed.

With respect to those limited partners in Atlas I, Atlas II, and Atlas III that choose to pay the 0.1667% (2.0% per annum) Management Fee with respect to an interest, the Incentive Allocation will be equal to 20% of any New Net Profits experienced by such limited partners’ capital accounts as of the Incentive Allocation Calculation Date.

For limited partners in Atlas I, Atlas II, Atlas III, and Acquisitions that choose not to pay any Management Fee with respect to an interest, the Incentive Allocation will be equal to 40% of any New Net Profits experienced by such limited partners’ capital accounts as of the Incentive Allocation Calculation Date.

“New Net Profits” with respect to any limited partner’s capital account for all Funds means the amount by which the net asset value of such capital account on an Incentive Allocation Calculation Date (as adjusted for additional subscriptions, contributions, interim redemptions and distributions, if any) exceeds the net asset value of such capital account as of the date on which the capital account was established. New Net Profits takes into account both realized and unrealized gains and losses and is adjusted for additional subscriptions, contributions, interim redemptions and distributions.

For Atlas I, Atlas II, Atlas III and Acquisitions, the General Partner only shall receive an Incentive Allocation with respect to any limited partner’s capital account if the Fund has recouped all prior losses with respect to such limited partner’s capital account, except that the amount of any prior losses, will be reduced pro rata by the amount of any distributions, withdrawals or redemptions as to such limited partner’s capital account.

For Master and Master QP, the General Partner also shall receive an annual performance based allocation (the “Incentive Allocation”) equal to 20% of any New Net Profits (after payment of the Management Fee) experienced by each limited partner’s Capital Account in the preceding calendar year. The Incentive Allocation generally will be determined as of the end of each calendar year. If, however, a limited partner makes a withdrawal (or if the General Partner makes distributions) prior to the end of a calendar year, the Incentive Allocation with respect to such withdrawal amounts will be computed as if the date of withdrawal or distribution was the end of a calendar year.

PW Partners or the General Partners may agree to a different Incentive Allocation or may elect, in its sole and absolute discretion, to waive some or all of its Incentive Allocation with respect to certain limited partners in the Fund, including without limitation, limited partners that are employees or affiliates of PW Partners. Once a Fund’s fiscal year has ended, any performance-based compensation earned during that year is not subject to reversal. The Incentive Allocation to the General Partners will be based, in part, on unrealized investment gains of the Fund that may never be realized in the event of adverse changes in the value of such investments, and thus, the allocation may be greater than if it were solely based on realized gains.

The performance-based compensation received by PW Partners and the General Partners creates a conflict between PW Partners’ interest in earning a profit in the short term with the long-term interests of the Fund and their investors. An incentive-based allocation arrangement may create an incentive for riskier or more speculative investments by PW Partners than might be the case in the absence of such performance-based allocation arrangement because these investments may allow PW Partners to collect larger incentive-based compensation. Fund investors are provided with clear disclosure as to how performance-based compensation is charged and the risks associated with such performance-based compensation prior to making an investment.

Item 7 – Types of Clients

Describe the types of clients to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

PW Partners provides discretionary investment advice to its clients, the Funds and Managed Account. For Atlas I, Atlas II, Atlas III, Acquisitions and Master, the Firm limits its investors to persons who are “accredited investors” as defined in the Securities Act of 1933 and “qualified clients” as defined in the Investment Advisers Act of 1940. For Master QP, PW Partners limits its investors to persons who are “qualified purchasers” as defined in the Investment Company Act. Minimum contributions for investments in each Fund varies and is described in each Fund’s offering documents; commitments of less than the required amounts are also accepted at the sole

discretion of each Fund's General Partner.

Investors in the Fund are primarily U.S. investors, which may include, among others, high net worth individuals, estate planning trusts, family limited partnerships, family limited liability companies, other investment advisers and corporations. In addition, principals, employees, and other persons associated with PW Partners may make capital contributions to the Fund.

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

A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.

The Investment Manager generally will seek to achieve the Funds' objective by becoming a significant minority investor in Core Holdings. As such, the Investment Manager anticipates investing a substantial majority of each Fund's assets into the equity securities of Core Holdings. Provided that a Fund (or Funds) successfully acquires a relatively meaningful or significant portion of a Core Holding's equity, the Investment Manager may seek to influence the operations and management of the Core Holding as a minority investor through the proxy process and otherwise in an effort to unlock the Investment Manager's perceived value in the Core Holding's securities.

For Atlas I, Atlas II, Atlas III and Acquisitions, the Investment Manager generally will seek to accumulate a position in the Core Holding's equity securities by purchasing the Core Holding's common stock in the public markets. The Investment Manager also may purchase options on the Core Holding's equity securities or make investments in additional types of securities of, or related to, the Core Holding, including, but not limited to, rights offerings and restricted stock acquired through a private investment in public equity (or PIPE).

In addition to investing in the securities of the Core Holding, the Investment Manager expects typically to invest 5-10% of each Fund's assets in other non-core investments (the "Non-Core Investments"). The Investment Manager expects that such Non-Core Investments will be made for a variety of purposes, including, without limitation, to maintain Fund liquidity in order to pay the Funds' operating costs and expenses, to serve as a partial hedge against the Funds' investment in the Core Holding securities or as a risk management tool or for any other purpose as the Investment Manager determines. The Funds' Non-Core Investments may comprise a broad range of securities, including cash equivalent investments, stocks, options, U.S. Treasury securities or other securities as the Investment Manager determines.

For Master and Master QP, the Investment Manager expects diversification of the Partnership's securities positions by issuer and industry sector, although the Investment Manager may, in its sole discretion, determine not to seek broad diversification from time to time. The Investment Manager

may also determine at times to concentrate Partnership investments in securities relating to companies engaged in the same industry or group of industries, however the Investment Manager generally does not intend to make or maintain a long investment in any one individual issue (excluding United States Treasury securities and exchange-traded funds) which would exceed 20% of the aggregate amount invested by limited partners in the Partnership.

Although the Investment Manager does not anticipate using significant amounts of leverage, the Funds may use leverage in carrying out its primary investment strategy (i.e., for the purpose of acquiring the equity securities of the Core Holding) and as part of its Non-Core Investments.

B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

An investment in the Fund entails substantial risks, including, but not limited to, the possibility of a complete loss of the amount invested. Current and prospective PW Partners investors should carefully consider the following factors, among others, in determining whether an investment in a Fund is suitable for them. Different or new risks not addressed below may arise in the future and, therefore, the following list is not intended to be exhaustive. There are many market-related and other factors, some of which cannot be anticipated, that could result in an investor losing a major portion or all of its investment in a Fund, or prevent a Fund from generating profits. Any of these factors could make a Fund unable to execute its investment strategy. No investor should invest in any fund unless the investor is fully able, financially and otherwise, to bear such a loss, and unless the investor has the background and experience to understand thoroughly the risks of its investment.

For a more detailed review of the strategies and risks of an investment in the Fund, please see our private placement memoranda. All investors should be aware of certain risk factors, which include, but are not limited to, the following:

- *Assessment of the Core Holding.* The success of the each Fund's investment strategy will depend in large part on the Investment Manager's ability to accurately assess the fundamental value of the relevant Core Holdings. An accurate assessment of fundamental value depends on a complex analysis of a number of financial and non-financial factors. No assurance can be given that the Investment Manager will be in a position to assess the nature and magnitude of all material factors having a bearing on the value of the Core Holdings, or that the Investment Manager will accurately assess the impact of all factors of which it is aware.
- *Limited Opportunity; Early Termination:* The primary investment strategy of the Funds is to

achieve capital appreciation in the equity securities of the Core Holdings by engaging management or attempting to change or influence certain aspects of each Core Holding's operations or management. When the relevant General Partner selects a Core Holding, it will be because it believes that there is an opportunity to unlock value in the Core Holding's equity securities. There is no guarantee that this perceived investment opportunity will not dissipate at any time, for example, because of a change in such Core Holding's business or operations or because of significant price moves in the Core Holding's equity securities. The occurrence of these events or any other event could render the Funds' investment strategy no longer viable. If the General Partners determines in its sole discretion that the Funds' investment strategy is no longer viable, the General Partners will cause the Funds to be wound up and liquidated.

In addition, the relevant General Partner may, in its sole discretion, determine at any time that the investment objective of a Fund has been achieved. If such determination is made, the General Partner may cause such Fund to be wound up and liquidated.

- *Investment Risks Unique to the Funds' Strategy:* The primary investment strategy of the Funds is to achieve capital appreciation in the equity securities of Core Holdings by attempting to change or influence certain aspects of each Core Holding's operations or management. Investing in this manner may raise certain regulatory requirements and potential legal liability for the Funds. For example, certain securities filings generally are required by a beneficial owner of five percent (5%) or more of a company's outstanding stock. In addition, there may be significant limitations on the purchase and sale of a company's securities when investing in this manner. There also is the risk that existing management or other shareholder groups may disagree with the relevant Fund strategy and may use the courts to try to prevent a Fund's attempt to change or influence the operation or management of a Core Holding or otherwise take action. The Funds' investment strategy may also be impeded by similar attempts to change or influence certain aspects of a Core Holding's operation or management undertaken by other investors and/or by defensive actions employed by such Core Holding's management or board of directors. All of these items may present obstacles that the Funds may have to navigate in order to achieve their investment objective.
- *Concentration Risk* Each Fund's investments will not be broadly diversified; rather, the Investment Manager intends to invest a substantial majority of the capital of Acquisitions, Atlas I, Atlas II, and Atlas III in the equity securities of one Core Holding per Fund. Master and Master QP may invest in a limited number of Core Holdings. A portfolio concentrated in the securities of a single issuer or even a limited number of issuers presents greater risk than a portfolio that is diversified across many issuers, industries and market sectors. As a result, each Fund's performance will be substantially dependent upon the return of the equity securities of the relevant Core Holdings. In addition, because the Funds' investments will be highly concentrated, the performance of the Funds may be more volatile than that of

a diversified portfolio of investments. Given that the Funds will be highly concentrated, an investment in a Fund should be considered to be speculative and should not be considered a complete investment program.

- *Restrictions on Insider Trading:* The Funds' investment strategy may result in one or more employees or principals of the Investment Manager becoming insiders of a Core Holding. If this were to occur, the Investment Manager would be restricted as to how and when it may trade the securities of such Core Holding, including those securities of the Core Holding held by the relevant Fund.

Additionally, in the event that one or more employees or principals of the Investment Manager becomes an insider of a Core Holding or if a Fund controls more than ten percent (10%) of a Core Holding, such Fund will be subject to the short-swing profit prohibitions of Section 16(b) of the 34 Act with respect to such Core Holding. These prohibitions would require the relevant Fund to repay any profit made on the purchase and sale of the Core Holding stock during any given six-month period. Any restriction on the Investment Manager's ability to freely trade the assets of a Fund could have a negative effect on such Fund.

- *Dependence on the Investment Manager, Key Individual:* Within the parameters of the investment objective and strategy described herein, the Investment Manager has full discretionary authority to identify, structure, execute, administer, monitor and liquidate Clients' investments. In exercising such authority, the Investment Manager has no responsibility to consult with any limited partner, beneficial owner or any other person. Many other decisions with respect to the management of each Fund's affairs will also be made exclusively by the Investment Manager (although it may also delegate investment management and administrative responsibilities from time to time). Limited partners of a Fund will have no right or power to take part in the management of such Fund. Accordingly, no person should purchase an interest in a Fund or open a Managed Account unless such person is willing to entrust all aspects of the management and all investment decisions of the Fund to the Investment Manager and any of its officers, employees and agents designated by the Investment Manager.

The operations of the Investment Manager as it relates to Clients are primarily dependent upon the skill, judgment and expertise of Patrick Walsh. Mr. Walsh, in his capacity as managing member and chief executive officer of the Investment Manager, will serve as the portfolio manager for each Fund and Managed Account. As a result, the each Client's potential for success is expected to be primarily dependent on Mr. Walsh's abilities to manage each Client's investments, and each Fund and Managed Account would be severely adversely affected and may be liquidated in the event the Investment Manager lost Mr. Walsh's services for any reason.

- *Restrictions on Transferability and Liquidity of Interests:* Withdrawals from a Fund generally will not be permitted during the lock-up period and thereafter may be limited or delayed under certain circumstances, in the Investment Manager's discretion. In addition, the transferability of interests will be restricted by provisions of federal and state securities laws, and transfers are prohibited except with the prior approval of the relevant General Partner. There is no public market for the interests, and none will develop.

Because of the limitation on withdrawal rights and the fact that the interests generally are not transferable, an investment in a Fund is an illiquid investment and involves a high degree of risk. Therefore, a subscription for interests should be considered only by investors who have adequate means of providing for their needs and contingencies without expecting distributions or making withdrawals from the relevant Fund(s), who are financially able to maintain their investment and who can afford a loss of all of such investment.

- *Incentive Allocation to the General Partners:* Each Fund will allocate the Incentive Allocation to its General Partner. The allocation to the General Partners of the Incentive Allocations may create an incentive for the Investment Manager, an affiliate of the General Partners, to make investments that are riskier or more speculative than would be the case in the absence of the Incentive Allocation.

The General Partners may receive its Incentive Allocation based upon unrealized appreciation as well as realized gains. The determination of unrealized appreciation of securities for which market quotations are not readily available, including private investments and other illiquid securities, are made by the Investment Manager. The use of outside appraisers or independent investment advisers to determine the valuation of such securities is not contemplated. This may create an incentive for the Investment Manager to inflate the value of private and illiquid securities in order for its affiliate, the General Partners, to receive, or receive a greater, Incentive Allocation.

- *Investment and Management Expenses:* The Funds are subject to substantial fees, transaction costs and other expenses, regardless of whether they realize any profits. In addition to the Management Fees and Incentive Allocation, the Funds may incur significant operating expenses in carrying out their investment strategy, which may exceed those of investment funds pursuing other investment strategies. Such operating expenses are not expected to be capped. Furthermore, each Fund's total capital is expected to be relatively small as compared to other investment funds which means that the operating costs of each Fund will be borne by a smaller capital base. As a result, the Funds will have to earn substantial profits to avoid depletion of their assets due to such costs and expenses.

There is no market for interests and none is expected ever to develop. Consequently, the limited partners may not be able to liquidate their investment, or securities distributed to them in kind, in

the event of an emergency or for any other reason. Interests may not be pledged as collateral.

C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.

- *Use of Leverage:* Although the Investment Manager does not anticipate that the Funds will use significant amounts of leverage, a Fund may use leverage in carrying out its primary investment strategy (i.e., for the purpose of acquiring the equity securities of the Core Holding) and as part of its Non-Core Investments. Such leverage, if any, will generally be incurred through borrowing to purchase securities (e.g., traditional margin purchases) and by purchasing inherently leveraged instruments such as options. Although leverage presents opportunities for increasing total investment return, it has the effect of potentially increasing losses as well. Any event that adversely affects the value of an investment, either directly or indirectly, held by a Fund could be magnified to the extent that leverage is employed. The cumulative effect of a Fund's use of leverage, directly or indirectly, in a market that moves adversely to the Fund's investments could result in a loss that would be greater than if leverage were not employed. For instance, upon the use of leverage a Fund will be required to deposit cash, government securities or other securities as margin against its margin purchases of securities. Adverse moves in the market price of a security may increase the margin requirement. Margin calls, as a result of such events, decrease a Fund's liquidity available for other investments, and should the Fund be unable to meet a margin call, other positions would have to be liquidated to meet the obligation, possibly at a loss. In addition, to the extent that a Fund borrows, the rates at which it can borrow may affect the results of the Fund.
- *Investments in Equity Securities:* Common stock and similar equity securities generally represent the most junior position in an issuer's capital structure and, as such, generally entitle holders to an interest in the assets of the issuer, if any, remaining after all more senior claims to such assets have been satisfied. Holders of common stock generally are entitled to dividends only if and to the extent declared by the governing body of the issuer out of income or other assets available after making interest, dividend and any other required payments on more senior securities of the issuer.
- *Limited Capitalization Companies:* The Investment Manager expects to invest a substantial portion of each Fund's assets in the securities of one or more Core Holdings, each of which may have a limited market capitalization (i.e., small-capitalization company). While the General Partners believe the equity securities of each Core Holding, once identified, will provide significant potential for appreciation, these securities involve higher risks in some respects than do investments in securities of larger companies. For example, stock prices of small-capitalization companies are often more volatile and more vulnerable to adverse

business and economic developments than those of medium-capitalization securities and large-capitalization securities. The risk of bankruptcy or insolvency of many smaller capitalized companies (with the attendant losses to investors) is higher than for larger, “blue-chip” companies. In addition, due to thin trading in certain small-capitalization securities, an investment in those securities may be illiquid, making it difficult for a Fund to buy and sell such securities.

- *Options:* Each Fund may purchase calls and puts for investment purposes including to increase its position in its Core Holding(s) or as a hedge on its investment in such Core Holding(s). In addition, the Funds may hedge an investment by writing (that is, selling) a “covered” call with respect to such investment. The Funds may also write calls or puts for speculative purposes.

Investing in options can provide a greater potential for profit or loss than an equivalent investment in the underlying asset. The value of an option may decline because of a decline in the value of the underlying asset relative to the strike price, the passage of time, changes in the market’s perception as to the future price behavior of the underlying asset, or any combination thereof. In the case of the purchase of an option, the risk of loss of an investor’s entire investment in the option (*i.e.*, the premium paid plus transaction charges) reflects the nature of an option as a wasting asset that may become worthless when the option expires. Where an option is written or granted (sold) uncovered, the seller may be liable to pay substantial additional margin and the risk of loss is unlimited, as the seller will be obligated to deliver, or take delivery of, an asset at a predetermined price which, upon exercise of the option, may be significantly different from the then market value.

- *“Uninvested” Capital:* The Funds do not intend to maintain a large cash position for an extended period. However, during certain periods, such as when a Fund is building its position in a Core Holding or when a Fund is in the process of liquidating its position in the Core Holding, a Fund’s assets may be held fully in cash or cash equivalents or may be partially invested and partially held in cash, as the Investment Manager believes the circumstances warrant. During these periods, a Fund expects to invest its assets temporarily in high quality short-term instruments such as U.S. Treasury securities and shares of “money market” mutual funds. It is not possible to determine or even estimate the degree to which a Fund’s assets will be “uninvested” during these periods. Such periods of “uninvestment” are likely to have a negative impact on such Fund’s rate of return.
- *Illiquid Positions in the Core Holdings:* The Funds may invest in restricted securities of the Core Holdings offered through a private investment in public equity (or PIPE) and for which there may be no public or over-the-counter trading market or established resale market. Furthermore, the Funds intend to take significant positions in the equity securities of the Core Holdings. Each position could constitute an illiquid “block” of equity securities of the

relevant Core Holding. The Funds may not be able to liquidate these positions or might only be able to liquidate these positions at disadvantageous prices, should the Investment Manager determine, or it become necessary, to do so. For example, substantial redemptions from a Fund could require such Fund to liquidate its positions more rapidly than otherwise desired in order to obtain the cash necessary to fund the redemptions, which could make it more difficult to recover losses or generate profits.

- *Short Sales:* As part of a Fund's Non-Core Investments, a Fund may sell securities short for hedging purposes or as a risk management tool. Since the borrowed securities sold short must later be replaced by market purchases, any appreciation in the price of the borrowed securities results in a loss. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Furthermore, a short seller may be prematurely forced out of a position if the lender from which the short seller borrowed stock, in order to effect settlement of a short sale, recalls such stock under circumstances in which such stock cannot be borrowed from other sources.
- *Distributions-in-Kind:* In the event of a liquidation of a Fund, there may be in-kind distributions by such Fund of securities, which may be illiquid. There can be no assurance that the limited partners will be able to dispose of such securities or that the value of such securities determined by the Fund for purposes of the determination of distributions and the calculation of the Incentive Allocation will ultimately be realized.
- *Counterparty Risk:* The Funds are subject to the risk that the brokers and counterparties with which, and the exchanges on which, it executes transactions or carries positions may default. The default by an exchange, clearinghouse or counterparty with or through which the Partnership trades could result in material losses.

Item 9 – Disciplinary Information

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Like other registered investment advisers, PW Partners is required to disclose all material facts regarding any legal or disciplinary events that would materially impact an investor's evaluation of PW Partners or the integrity of PW Partners' management. No events have occurred at PW Partners that are applicable to this Item 9.

Item 10 – Other Financial Industry Activities and Affiliations

A. If you or any of your management persons are registered, or have an application

pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

PW Partners is not actively engaged in a business other than giving investment advice to the Funds and the Managed Account. Neither PW Partners nor any of its management persons are registered or have an application pending to register as a broker-dealer, or associated person of the foregoing, and PW Partners does not anticipate such affiliations in the future.

B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities, disclose this fact.

Neither PW Partners nor any of its management persons are registered or have an application pending to register as a futures commission merchant, commodity pool operator, commodity-trading adviser, or associated person of the foregoing. PW Partners does not anticipate such affiliations in the future.

C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.

- 1. Broker-dealer, municipal securities dealer, or government securities dealer or broker**
- 2. Investment company or other pooled investment vehicle (including a mutual fund, closed- end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)**
- 3. Other investment adviser or financial planner**
- 4. Futures commission merchant, commodity pool operator, or commodity trading advisor**
- 5. Banking or thrift institution**
- 6. Accountant or accounting firm**
- 7. Lawyer or law firm**
- 8. Insurance company or agency**
- 9. Pension consultant**
- 10. Real estate broker or dealer**
- 11. Sponsor or syndicator of limited partnerships.**

PW Partners does not have arrangements with a related person who is a broker-dealer, investment

company, other investment adviser, financial planning firm, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships that are material to its advisory services, the Funds or their investors.

As mentioned above in Item 4, the General Partners are relying advisers subject to registration with the SEC and together with the Investment Manager operates as a single advisory business.

PW Partners has and will continue to develop relationships with professionals who provide services it does not provide, including legal, accounting, banking, tax preparation, insurance brokerage, and other personal services. None of the above relationships, however, create a material conflict of interest with any of PW Partners' Funds or investors.

From time to time, PW Partners may receive training, information, promotional material, meals, gifts, or prize drawings from vendors and others with whom it may do business or to whom it may make referrals. At no time will PW Partners accept any benefits, gifts, or other arrangements that are conditioned on directing transactions to a specific security, product, or provider. Similarly, the personnel of the Investment Manager and/or its affiliates may speak at conferences and programs for potential investors interested in investing in hedge funds that are sponsored by the Funds' prime broker. Through such capital introduction events, prospective investors have the opportunity to meet with PW Partners. Neither PW Partners nor any Fund compensates the prime broker for organizing such events or for investments ultimately made by prospective investors attending such events.

D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

PW Partners does not recommend or select other investment advisers for its Funds.

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

A. If you are an SEC-registered adviser, briefly describe your Code of Ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your Code of Ethics to any client or prospective client upon request.

Code of Ethics

As fiduciaries, PW Partners and its employees have certain legal obligations to put its Clients' interests ahead of their own. PW Partners has adopted a written Code of Ethics based on principles of openness, honesty, integrity, and trust. At least once a year, each PW Partners employee is required to acknowledge this Code and agree to be bound by it.

PW Partners' Code of Ethics covers standards of business conduct, confidentiality of client information, personal trading requirements, insider trading, reporting of personal securities transactions, restrictions on accepting and giving of significant gifts, political contribution policies, and reporting of certain gifts and business entertainment items, among other things. The Code of Ethics also includes a prohibition on insider trading and outlines strict policies that dictate how any such information is treated.

Employees of PW Partners who violate the Code of Ethics may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, suspension, or dismissal. Employees are also required to promptly report to the Chief Compliance Officer any violations of the Code of Ethics of which they become aware.

PW Partners will provide a copy of its Code of Ethics to any existing or prospective investor upon request to its Chief Compliance Officer, Jeffery Crivello, at (312) 347-1709.

B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Examples: (1) You or a related person, as principal, buys securities from (or sells securities to) your clients; (2) you or a related person acts as general partner in a partnership in which you solicit client investments; or (3) you or a related person acts as an investment adviser to an investment company that you recommend to clients.

Participation or Interest in Client Transactions

PW Partners and certain employees and affiliates of PW Partners may invest in and alongside one or more Funds, either through the relevant General Partner, as direct investors in such Fund(s), or otherwise. The Fund(s) or the relevant General Partner, as applicable, may exempt such person from all or a portion of the Management Fee or Incentive Allocation. For further details regarding these arrangements, as well as conflicts of interest presented by such arrangements, please see Item 6.

PW Partners generally will not affect any principal or agency cross securities transactions for Client accounts without first obtaining the relevant advisory board and/or limited partner approval.

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells a security to an advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated fund and another client account.

Although it does not expect to, from time to time, the Investment Manager and its affiliates may complete securities trades (including outright purchases and sales) between Fund(s) or a Fund and Managed Accounts of PW Partners or its affiliates, known as a cross trade. In the rare event this occurs, any cross trading transactions conducted between Funds or a Fund and Managed Accounts or other Clients or affiliates will be made at the then market rate for similar transactions between unrelated parties and only where an independent pricing mechanism (such as the last sales price on the exchange where the security is principally traded) is available. Such transactions are completed for no consideration other than cash payment against prompt delivery of the relevant security or other instrument, are completed at current market prices, and do not involve any brokerage commissions, clearing charges, other transaction costs or fees, or other remuneration.

Conflicts of Interest

In addition to the conflict of interest arising from trading by PW Partners or its principals or employees for their own personal brokerage accounts, as discussed immediately above, and conflicts relating to PW Partners' receipt of performance-based compensation, which are discussed in Item 6 above, Fund investors are subject to additional conflicts of interest. The offering documents for each Fund details a complete description of what PW Partners believes to be the most significant conflicts of interest associated with an investment in a PW Partners Fund. Investors should carefully consider the conflicts of interest described in the relevant offering document prior to investing in a Fund.

The Investment Manager, who is responsible for the investment decisions made on behalf of the Funds and the Managed Accounts, may in the future be responsible directly or indirectly for investment decisions made on behalf of other Funds, Managed Accounts or investment vehicles. The Investment Manager may take action with respect to the Funds that differ from that taken with respect to other pooled investment vehicles and multiple Funds or Managed Accounts advised by the Investment Manager. To the extent a particular investment is suitable for both a Fund and a Managed Account, such investment will be allocated between the Funds or the applicable Fund and such Managed Account pro rata based on assets under management or in some other manner which the Investment Manager determines is fair and equitable under the circumstances to all vehicles.

Each Fund's investors and Managed Account's owners include persons or entities resident in various jurisdictions, including the United States and other countries, who may have conflicting investment, tax and other interests with respect to their investments. Trading decisions made by the Investment Manager may result in different after-tax returns being realized by different investors.

As a consequence, conflicts of interest may arise in connection with decisions made by PW Partners that may be more beneficial for one investor than another investor, especially with respect to investors' individual tax situations. PW Partners considers the investment and tax objectives of each Fund and Managed Account as a whole, and not the individual investment, tax or other objectives of any particular investor.

C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a related person recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.

Personal Trading

PW Partners' employees are permitted to make securities transactions in their personal accounts, subject to certain limitations. In particular, the General Partners, PW Partners, and their related persons may not knowingly trade for the accounts of Clients other than the Funds and Managed Accounts or for their own accounts in a manner that is detrimental to PW Partners' vehicles, and they may not seek profit from their knowledge that a Fund or Managed Account intends to engage in particular transactions. Employee personal trading presents potential conflicts in that an employee could make improper use of information regarding a Client's holdings or future transactions or research paid for by the Clients. PW Partners manages the potential conflicts of interest inherent in employee trading by strict enforcement of its Code of Ethics, which includes pre-clearance and reporting requirements.

PW Partners' Code of Ethics prohibits it and its personnel from trading for Clients or for themselves, or recommending trading, in securities of a company while in possession of material nonpublic information ("Inside Information"), and from disclosing such information to any person not entitled to receive it, in either case in contravention of applicable securities laws. PW Partners has adopted policies and procedures reasonably designed to control and monitor the flow of Inside Information to and within PW Partners as well as prevent trading based on Inside Information.

PW Partners maintains a restricted list regarding issuers about whom it has Inside Information. Pre-clearance is required for initial public offerings and certain limited offerings. Supervised persons are required to submit their brokerage account statements or quarterly transaction reports along with annual holding reports to the Chief Compliance Officer for review to confirm employees are abiding by PW Partners' personal trading requirements.

D. If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts

that arise.

Please refer to Items 11.A, 11.B, and 11.C.

Item 12 – Brokerage Practices

A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

1. Research and Other Soft Dollar Benefits. If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.

- a. Explain that when you use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.**
- b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your clients’ interest in receiving most favorable execution.**
- c. If you may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact.**
- d. Disclose whether you use soft dollar benefits to service all of your clients’ accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.**
- e. Describe the types of products and services you or any of your related persons acquired with client brokerage commissions (or markups or markdowns) within your last fiscal year.**
- f. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits you received.**

Transactions for the Funds and Managed Account are allocated to broker-dealers on the basis of best execution available in light of the overall quality of brokerage, prime brokerage, financing, and other services provided. PW Partners is authorized to determine the broker or dealer to be used for each securities transaction for its Funds and Managed Account. In selecting brokers or dealers to execute transactions, PW Partners will consider the following factors, among others: the financial stability and reputation of the broker; PW Partners’ experience with the broker; the quality of the

broker's investment research, investment strategies, special execution capabilities, clearance, settlement, custody, and recordkeeping; and other services provided by such broker. PW Partners need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. PW Partners does not request or permit investors to direct brokerage.

Section 28(e) of the Securities Exchange Act of 1934, as amended, is a "safe harbor" that permits an investment manager to use commissions or "soft dollars" to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. The Investment Manager will limit the use of "soft dollars" to obtain research and brokerage services to services that constitute research and brokerage within the meaning of Section 28(e). Research and brokerage services within Section 28(e) may include, but are not limited to: research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; analyses concerning specific securities, companies or sectors; and data services (including services providing market data, company financial data and economic data); services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (*i.e.*, connectivity services between an investment manager and a broker-dealer); and trading software operated by a broker-dealer to route orders.

Research and brokerage services obtained by the use of commissions arising from a Fund or Managed Account's portfolio transactions may be used by PW Partners in its other investment activities and thus, a Fund or Managed Account may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided.

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

- 2. Brokerage for Client Referrals. If you consider, in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.**
 - a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving client referrals, rather than on your clients' interest in receiving most favorable execution.**
 - b. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for client referrals.**

In selecting brokers and negotiating commission rates, the Investment Manager will take into

account, among other things, the financial stability and reputation of brokerage firms as well as the research, brokerage, or other services provided by such brokers. PW Partners may place transactions with a broker or dealer that (i) provides it (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer; or (ii) refers investors to a Fund or Managed Account or other product, if any, advised by PW Partners (or an affiliate), if otherwise consistent with seeking best execution, provided the Investment Manager is not selecting the broker-dealer solely in recognition of the opportunity to participate in such capital introduction events or the referral of investors. The selection of a broker (including a prime broker) to execute transactions, provide financing and securities on loan, hold cash and short balances, and provide other services may be influenced by, among other things, the provision by the broker of the following: capital introduction; marketing assistance; consulting with respect to technology, operations, and equipment; commitment of capital; access to company management; and access to deal flow. Neither the General Partners nor any of the Funds or the Managed Account separately compensates any broker for any of these other services.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. Actual brokerage business received by any broker may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above. A broker is not excluded from receiving business because it has not been identified as providing research services.

The Funds' and Managed Account's securities transactions generate brokerage commissions and other compensation, all of which the Funds and Managed Accounts, not the Investment Manager, will be obligated to pay. The Investment Manager has complete discretion in deciding what brokers and dealers the Funds and the Managed Account will use and in negotiating the rates of compensation the Funds and the Managed Account will pay. In addition to using brokers as "agents" and paying commissions, the Funds and the Managed Account may buy or sell securities directly from or to dealers acting as principals at prices that include markups or markdowns, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers. Any sales charges payable to an agent in connection with the purchase of interests will be fully disclosed to the relevant Fund's limited partners.

As mentioned in Item 10, above, from time to time, the personnel of the Investment Manager and/or its affiliates may speak at conferences and programs for potential investors interested in investing in hedge funds, which are sponsored by the Funds' prime broker and others. Through such capital introduction events, prospective investors have the opportunity to meet with PW Partners. Neither PW Partners nor the Funds (or Managed Accounts) compensates these brokers for organizing such events or for investments ultimately made by prospective investors attending such events. Such events and other services (including, without limitation, capital introduction and business consulting services and technology) provided by a broker(s) to the Funds and to the Investment Manager may be a factor in deciding whether to use such broker in connection with

brokerage, financing, and other activities of the Funds.

PW Partners recognizes that it may have an incentive to favor broker-dealers that provide capital introduction services to PW Partners or refer investors. PW Partners receives asset-based fees and accordingly would receive a financial benefit from the increase in assets under management that result from capital introduction services and investor referrals. Similarly, PW Partners receives a performance-based fee and accordingly could receive a larger performance-based fee in any given profit period as a result of an increase in assets under management that results from capital introduction services and investor referrals. The potential for higher fees presents a potential conflict in that PW Partners has an incentive to favor broker-dealers that provide services that have a direct impact on fees even if those broker-dealers rate unfavorably in other categories.

PW Partners addresses this potential conflict by periodically reviewing its broker-dealer arrangements and evaluating each broker-dealer's performance in a variety of categories, including but not limited to, the broker's or dealer's execution capabilities, reputation and access to the markets for the securities being traded. ConvergeEx Prime Services LLC has been appointed as the prime broker and custodian for the Fund's securities transactions. The General Partners, in their sole and absolute discretion, may select other or additional custodians or brokers to act as prime broker(s) to the Funds.

3. Directed Brokerage.

- a. If you routinely recommend, request or require that a client direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their clients to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of client transactions, and that this practice may cost clients more money.**
- b. If you permit a client to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of client transactions. Explain that directing brokerage may cost clients more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.**

PW Partners does not have any directed brokerage arrangements.

B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the

opportunity to do so, explain your practice and describe the costs to clients of not aggregating.

PW Partners aggregates the purchase or sale of securities for its Funds and Managed Accounts when to do so is in the Clients' best interest. In such circumstance, the Investment Manager will generally allocate on a pro rata basis among the Funds and the Managed Account, unless investment restrictions or investment guidelines otherwise require.

Item 13 – Review of Accounts

A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.

Patrick Walsh and Jeffery Crivello regularly review the portfolios of the Funds and the Managed Account to determine if they are consistent with applicable investment objectives and restrictions, as detailed in the relevant vehicle's governing documents. PW Partners also considers whether the portfolio should change or modify its portfolios based on various factors, including but not limited to, changes in company fundamentals, advisers, key industry personnel, analysts, news and press releases, general market conditions and assessments of the financial consequences of world events derived from general information, or such other material as is appropriate under the particular circumstances.

Jeffery Crivello, the Chief Compliance Officer, reviews records of trades placed for the Funds and the Managed Account on a regular basis. The Funds' accounts are also reviewed on a regular basis by NAV Consulting, the Funds' accountant, to price the portfolio based on independent third party pricing sources or methodologies approved by PW Partners. NAV Consulting also ensures that PW Partners' records are accurate and in agreement with those of its custodian.

B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.

Client reviews on an other-than-periodic basis would occur in the event of performance anomalies and market volatility.

C. Describe the content and indicate the frequency of regular reports you provide to Clients regarding their accounts. State whether these reports are written.

PW Partners distributes monthly and annual written reports to investors in each of its Funds. Each Fund's monthly reports contain summary information regarding performance and exposures, including the estimated NAV as compared to the previous calendar month. Annual reports are

delivered within 120 days of year-end and include a summary of investments and performance, as well as annual audited financial statements and audited balance sheet. All reports are sent to investors in writing and are delivered electronically. PW Partners has contact with investors (personal visits, telephone calls and e-mails) throughout the year as conditions warrant. PW Partners distributes written reports to Managed Account clients as negotiated and reflected in the investment management agreements for the Managed Account.

Item 14 – Client Referrals and Other Compensation

A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

PW Partners does not receive any monetary compensation or any other economic benefit from a non-client for PW Partners' provision of investment advisory services to a Client.

B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.

PW Partners has entered into arrangements with two third-party marketers to assist in its fundraising efforts. The Firm has entered into a contract with Rothschild Investment Corporation and with Old City Securities, LLC, both FINRA-registered broker dealers. These arrangement have been structured in accordance with Rule 206(4)-3(A)(1)(ii) and the cost of any such fees associated with these arrangements will be borne entirely by PW Partners and the relevant General Partners and not by any limited partner.

Item 15 – Custody

If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.

The Investment Advisers Act of 1940 Rule 206(4) (the "Custody Rule") requires that pooled investment vehicles advised by the adviser either undergo an annual generally accepted accounting principles ("GAAP") financial statement audit or be subject to a surprise custody examination by an

SEC-registered auditing firm. The Firm has elected to undergo an annual GAAP financial statement audit of its Funds, copies of which are delivered to underlying fund investors within 120 days of year-end, thus satisfying the Custody Rule's requirements.

Each Fund's General Partner is deemed under federal securities laws to have custody over such Fund's funds by virtue of its ability to deduct fees. PW Partners does not take physical possession of Client money or securities; capital contributions are directly sent or wired into the Investment Manager's custodial accounts. PW Partners' receives monthly statements from its qualified custodians, prime broker and introducing broker(s).

PW Partners does not maintain custody of its Managed Account and thus the Managed Account is not subject to these same custody requirements.

Item 16 – Investment Discretion

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Investment advice is provided directly to the Funds and Managed Accounts, subject to the discretion and control of the General Partners, and not to investors in the Funds and the Managed Account individually. PW Partners and its General Partners have discretionary authority based on the governing documents of each vehicle to buy and sell securities or other investments and to determine the amount of such investments to be bought and sold. The terms upon which PW Partners serves as an Investment Manager of the Funds and the Managed Account are established at the time the Fund or Managed Account is established. PW Partners' authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

To become a limited partner in a Fund, an investor must execute a subscription agreement with such Fund. Such subscription agreements, and the other governing documents of the applicable Fund, contain a power of attorney that generally grants the relevant General Partner, an affiliate of PW Partners, certain powers related to the orderly administration of the affairs of such Fund.

Item 17 – Voting Client Securities

A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6. Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from

you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.

By virtue of the investment management agreements entered into with each Fund's and the Managed Account, PW Partners has the authority to vote on behalf of its Funds and the Managed Account in any proxy solicitations that may occur with respect to the issuers of securities held by the Funds or the Managed Account. PW Partners has adopted a proxy voting policy pursuant to SEC Rule 206(4)-6 to describe how it votes its Clients' proxies. PW Partners votes proxies consistent with the best interests of its Clients and in accordance with the Funds' and the Managed Account's stated objectives, primarily maximizing portfolio values. PW Partners cannot anticipate every situation, and certain issues are better handled on a case-by-case basis. The Chief Compliance Officer will retain all proxy voting records in accordance with SEC Rule 206(4)-6. In general, limited partners of the Funds of the owner of the Managed Account cannot request that PW Partners vote in a particular way on any specific proposal.

Investors may obtain a copy of PW Partners' complete proxy voting policy upon request, free of charge, from PW Partners' Chief Compliance Officer, Jeffery Crivello, at (312) 347-1709. Investors may also obtain information from PW Partners, free of charge, about how PW Partners voted any previous proxies.

B. If you do not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.

Not applicable.

Item 18 – Financial Information

A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.

- 1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.**
- 2. Show parenthetically the market or fair value of securities included at cost.**
- 3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X.**

Not applicable.

B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.

PW Partners has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to investors.

C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.

PW Partners has not been the subject of a bankruptcy proceeding.