

Tier Asset Management LLC

Part 2A of Form ADV

(“Brochure”)

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This Brochure provides information about the qualifications and business practices of Tier Asset Management LLC. If you have any questions about the contents of this Brochure, please contact the Chief Compliance Officer at (212) 872-1316 or by e-mail at louis.petriello@maddiecap.com. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Tier Asset Management LLC also is available on the SEC’s website at www.adviserinfo.sec.gov. Tier Asset Management LLC is an SEC registered investment adviser. Registration with the SEC does not imply a certain level of skill or training.

Item 2: Material Changes

The Adviser's investment adviser registration with the U.S. Securities and Exchange Commission is not yet effective. This brochure constitutes the Adviser's initial Form ADV Part 2A Brochure.

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Item 4: Advisory Business

Tier Asset Management LLC (“**Tier**” or the “**Adviser**”) was founded in July of 2015 and is organized as a Delaware limited liability company. Tier has its principal place of business in New York, New York. Tier Capital LLC is the principal owner of Tier. Please see Form ADV Part 1, Schedule A for additional information on Tier’s current ownership.

Tier currently intends to manage separate accounts for select institutional clients (“**Managed Account Clients**”). Collectively, the Managed Account Clients are referred to as the “**Client Accounts**.”

Investment advisory services are provided directly to the Funds and not to investors in the Funds. Accordingly, such services are tailored to such Fund’s investment objectives, strategies and guidelines as described in the respective Fund’s offering documents. Tier provides investment advisory services to its Managed Account Clients in accordance with the client’s respective investment management agreement.

As of September 4, 2015, Tier had approximately \$0.00 net assets under management.

Item 5: Fees and Compensation

Management Fee

Tier intends to generally charges each Client Account a management fee of approximately one percent (1.0%) of the net assets of the Client Account. Management fees will be charged monthly (either as of the first day of the period or as of the last day of the period) and will be based on the net asset value of the assets in the Client Account (including net unrealized appreciation or depreciation of investments and cash, cash equivalents and accrued interest) on such date. The management fee will be prorated for additions to and withdrawals or distributions from a Client Account during a month, quarter or semi-annual period, as applicable.

Performance-Based Compensation

With respect to certain Client Accounts, Tier anticipates that it will charge an annual performance based fee in addition to the Management Fee cited above. This Annual Performance Fee will generally be ten percent (10.0%) of the net realized and unrealized capital appreciation, if any, of the accounts. Performance-based compensation will also be paid or allocated to Tier upon an interim-year redemption or withdrawal as if such date were the end of the fiscal year, subject to certain adjustments. The receipt of performance-based compensation may be subject to certain limitations including the application of a “high water mark” and, with respect to certain Client Accounts, Tier may only receive performance-based compensation after the investors in the respective Client Account have earned a certain rate of return (i.e. the receipt of performance-based compensation is subject to a hurdle rate).

Performance-based compensation is charged in compliance with Rule 205-3 of the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”).

Clients will generally pay Tier after having been invoiced for services or after having calculated the amount of fees owed to Tier on a monthly basis.

Tier may negotiate other forms of compensation with clients, including fixed rate fees.

Expenses

The expenses allocated to Managed Account Clients will be negotiated between each client and Tier, but generally include all investment related expenses such as brokerage commissions and other trading related costs and fees, custodial fees, interest incurred on borrowings, legal, administrator fees and expenses, tax, accounting and other costs associated with operating the managed account.

At times, an expense may be incurred and allocated between two or more Client Accounts. Under those circumstances, Tier will determine the methodology to allocate such expense across the respective Client Accounts. For example, with respect to system expenses during each fiscal year, Tier will bear system expenses on behalf of the Client Accounts and allocate such expenses across all Client Accounts for which such system expenses are attributable on a pro rata basis according to the average monthly net asset value (which may be based on estimated figures) of the respective Client Account during the fiscal year. In calculating the monthly net asset value of the respective Client Account, Tier shall use the net asset value of the Client Account as of the beginning of the respective month, taking into account any subscriptions for that month and withdrawals/redemptions effected as of the prior month-end. With respect to each fiscal year, certain (but not all) Client Accounts will reimburse Tier for system expenses allocated to the Client Accounts and borne by Tier during the year.

Other expenses may be allocated using a methodology other than pro-rata based on Client Accounts' net asset values. Such methodologies may include (i) the allocation of expenses based on usage, (ii) splitting an expense evenly across the respective Client Accounts that received the benefit of the expense, and (iii) with respect to investment related expenses, allocating expenses based on the size of each Client Account's participation in the respective investment opportunity. Tier will retain the authority to determine the methodology to allocate expenses and the method adopted by Tier may result in certain Client Accounts bearing a greater proportion of the expense than the Client Account would have otherwise borne had another allocation methodology been utilized.

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

Tier or one of its affiliates is entitled to be paid performance-based compensation by its Client Accounts. In addition, certain Client Accounts may have more favorable performance-based compensation arrangements than other accounts. Performance-based fee arrangements may create an incentive for Tier to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements may also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. Accordingly, Tier has adopted and implemented policies and procedures that are designed to address conflicts of interest relating to the management of multiple Client Accounts and to ensure that investment opportunities are allocated in a fair and equitable manner among Client Accounts over time.

Item 7: Types of Clients

As described above, Tier serves as the investment manager to Managed Account Clients. The Managed Account Clients consist of institutional investors.

There is no fixed minimum account size required for managed accounts.

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

Methods of Analysis and Investment Strategies

General

To the extent consistent with the Client Account's investment mandate, Tier provides investment advice in the structured products sector with a primary focus on residential mortgages, which includes government insured as well as non-insured securities and whole loans. Tier invests across various investment sectors, including, but not limited to, asset backed, residential mortgage-backed, other structured finance securities, mortgage loans and pools of mortgage loans, mortgage servicing rights, and related synthetic instruments and whole mortgage loans. Tier may directly or indirectly purchase or participate in purchases, or the financing of, loan portfolios or pools of consumer receivables, including credit cards, automobile loans, student loans, or potentially other secured or unsecured consumer assets.

Investment Strategies

Tier bases its investment decisions on a combination of systematic and non-systematic risk and valuation considerations. The Adviser seeks to identify high conviction themes that reflect the Adviser's outlook on the performance of macroeconomic factors, including the domestic and global economies, employment, monetary policy, cash flow, interest rates, commercial and consumer credit quality, volatility, liquidity and asset valuation and underlying credit trends. Such themes will influence portfolio allocations across credit asset classes within the Client Account's investment mandate. Capital allocations to sectors are based on the direction and momentum of fundamental trends and related market technical dynamics that may drive asymmetric returns with positive convexity. Tier utilizes bottom-up fundamental analysis combined with a top-down macroeconomic view.

With respect to investments in structured products, Tier uses a combination of loan and asset performance databases along with sophisticated proprietary and third-party analytic models to evaluate loan portfolios and underlying investment collateral, to forecast cash flows and to define and anticipate downside risk parameters. Individual security selection is done through an asset-level analysis of credit quality and performance, investment structure and cash flow priority with an emphasis on identifying idiosyncratic features that may enhance returns beyond favorable underlying fundamentals.

In constructing a portfolio, the Adviser reviews investment opportunities and compares opportunities against each other with regards to expected price appreciation, cash flow yield, volatility and hedging strategies. If the Adviser believes that an investment is undervalued relative to its risk profile, a long position may be initiated. For other investments, a short position may be taken. When an investment reaches its target price or can be replaced with a more attractive investment, it is reassessed and the position is sold or covered unless the target price is changed. Proprietary and third-party models are employed to eliminate model bias, develop risk and return profiles and perform ongoing surveillance across the portfolio.

Material Risks (Including Significant, or Unusual Risks) Relating to Investment Strategies

Below is a general description of certain risks that may be associated with investing in the types of securities that are generally part of Tier's investment strategy. The following summary does not intend to identify all risks associated with an investment in a Client Account portfolio or provide a full description of the identified risks.

Nature of Investments

Subject to adhering to a Client Account's applicable investment guidelines, the Adviser generally has broad discretion in making investments for its Client Accounts. There can be no assurance that the Adviser will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the return on such investments.

Interest Rate Risk

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

Residential Mortgage-Backed Securities (RMBS), Residential Mortgage Loans, and Mortgage Servicing Rights (MSR)

Investments in RMBS represent interests in pools of residential mortgage loans secured by one to four family residential mortgage loans. Residential mortgage loans are obligations of the borrowers thereunder only and may or may not be insured or guaranteed by any other person or entity, although such loans may be securitized by government agencies and such securities issued may be guaranteed. Such loans may be prepaid at any time. The rate of defaults and losses on residential mortgage loans will be affected by a number of factors, including general economic conditions and those in the geographic area where the related mortgaged property is located, the terms of the loan, the borrower's "equity" in the mortgaged property and the financial circumstances of the borrower. If a residential mortgage loan is in default, foreclosure of such residential mortgage loan may be a lengthy and difficult process, and may involve significant expenses. Furthermore, the market for defaulted residential mortgage loans or foreclosed properties may be very limited. Investments in RMBS, residential mortgage loans and MSR may include cash or synthetic instruments.

Investments in MSR represent interest in the stream of cash flows due to the servicer of a pool of residential mortgage loans.

Investments in RMBS, residential mortgage loans and MSR bear various risks, including the risks traditionally associated with fixed-income securities, such as interest rate and credit risk. Certain additional risks and special considerations with respect to such investments include the risk of prepayment, the risk of investing in real estate generally, the risk of nonconforming mortgage loans, valuation risks, lack of credit availability, risks related to downgrades or withdrawal of ratings, ability of counterparties (originators, servicers, bond insurers and mortgage insurers) to satisfy their contractual obligations, environmental risks, legal risk, the risk of loan modifications by servicers, the risk that consumer protection laws may subject lenders to liability and the risk of adverse government action that reduces recoveries on defaulted mortgage loans or increases the level of defaults on mortgage loans.

Whole Loan Mortgages

Whole loan mortgages, which may include subprime residential mortgage loans and nonperforming and subperforming residential mortgage loans, are subject to increased risks. Unlike non-agency RMBS and GSE (Government-Sponsored Enterprise) issued agency securities, whole loan mortgages generally are not government guaranteed or privately insured, though in some cases they may benefit from private mortgage insurance. A whole loan mortgage is directly exposed to losses resulting from default and foreclosure. Therefore, the value of the underlying property, the creditworthiness and financial position of the borrower and the priority and enforceability of the lien will significantly impact the value of such mortgages. There can be no assurance as to the adequacy of the protection of the terms of the loan, including the validity or

enforceability of the loan and the maintenance of the anticipated priority and perfection of the applicable security interests. Furthermore, claims may be asserted that might interfere with enforcement of the investor's rights. In the event of a foreclosure, an investor may assume direct ownership of the underlying real estate. The liquidation proceeds upon sale of such real estate may not be sufficient to recover the investor's cost basis in the loan, resulting in a loss to the investor. Any costs or delays involved in the effectuation of a foreclosure of the loan or a liquidation of the underlying property will further reduce the proceeds and thus increase the loss.

Distressed Securities

Investments in "**distressed**" securities include claims and obligations of domestic and foreign entities which are experiencing significant financial or business difficulties. Investments may include loans, commercial paper, loan participations, trade claims held by trade or other creditors, stocks, partnership interests and similar financial instruments, executory contracts and options or participations therein not publicly traded. Distressed securities may result in significant returns, but also involve a substantial degree of risk. The investor may lose a substantial portion or all of its investment in a distressed environment or may be required to accept cash or securities with a value less than the investor's investment. Among the risks inherent in investments in entities experiencing significant financial or business difficulties is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments also may be adversely affected by state and federal laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims. The market prices of such instruments are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such instruments may be greater than normally expected. In trading distressed securities, litigation is sometimes required. Such litigation can be time-consuming and expensive, and can frequently lead to unpredicted delays or losses.

Option Investments

Tier may buy or sell (write) both call options and put options, and when it writes options, it may do so on a "**covered**" or an "**uncovered**" basis.

In general, without taking into account other positions or transactions that an investor may enter into, the principal risks involved in options trading can be described as follows: when an investor buys an option, a decrease (or inadequate increase) in the price of the underlying security in the case of a call, or an increase (or inadequate decrease) in the price of the underlying security in the case of a put, could result in a total loss of the investor's investment in the option (including commissions). An investor could mitigate those losses by selling short, or buying puts on, the securities for which it holds call options, or by taking a long position (e.g., by buying the securities or buying calls on them) in securities for which it holds put options.

When an investor sells (writes) an option, the risk can be substantially greater than when it buys an option. The seller of an uncovered call option bears the risk of an increase in the market price of the underlying security above the exercise price. The risk is theoretically unlimited unless the option is "**covered**." If it is covered, an investor would forego the opportunity for profit on the underlying security should the market price of the security rise above the exercise price. If the price of the underlying security were to drop below the exercise price, the premium received on the option (after transaction costs) would provide profit that would reduce or offset any loss an investor might suffer as a result of owning the security.

Futures Contracts

Futures contracts (and options on futures) may become illiquid. For example, most commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Futures contract prices on various commodities or financial instruments occasionally have moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent an investor from promptly liquidating unfavorable positions and

subject the investor to substantial losses. In addition, an investor may not be able to execute futures contract trades at favorable prices if trading volume in such contracts is low. It is also possible that an exchange or a regulator may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract or order that trading in a particular contract be conducted for liquidation only. In addition, the U.S. Commodity Futures and Trading Commission and various exchanges impose speculative position limits on the number of positions that may be held in particular commodities. Trading in futures contracts and options are highly specialized activities that may entail greater than ordinary investment or trading risks.

Derivatives

Investments in swaps, derivative or synthetic instruments, repurchase agreements or other over-the-counter transactions or, in certain circumstances, non-U.S. securities, create counterparty credit risk and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

Swap Transactions

Depending on their structure, swap agreements may increase or decrease an investor's exposure to equity securities, long-term or short-term interest rates, non-U.S. currency values, corporate borrowing rates or other reference assets. Depending on how they are used, swap agreements may increase or decrease the overall volatility of an investor's portfolio. The most significant factors in the performance of swap agreements is the change in the individual equity values, the specific interest rate, the currency value and other reference assets that determine the amounts of payments due to the investor. If a swap agreement calls for payments by the investor, the investor must be prepared to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of swap agreements with such counterparty can be expected to decline, potentially resulting in losses by the investor.

Swap transactions are not traded on exchanges and are not subject to the same type of government regulation as exchange markets. As a result, many of the protections afforded to participants on organized exchanges and in a regulated environment are not available in connection with these transactions. The swap markets are *principals' markets*, in which performance with respect to a swap contract is the responsibility only of the counterparty to the contract, and not of any exchange or clearinghouse. As a result, an investor is subject to the risk of the inability or refusal to perform with respect to swap contracts on the part of the counterparties with which an investor trades. There are no limitations on daily price movements in swap transactions. Speculative position limits are not applicable to swap transactions, although an investor's swap counterparties may limit the size or duration of positions available to an investor as a consequence of credit considerations. Participants in the swap markets are not required to make continuous markets in the swap contracts they trade. Participants could refuse to quote prices for swap contracts or quote prices with an unusually wide spread between the price at which they are prepared to buy and the price at which they are prepared to sell. If an event of default or an additional termination event were to occur with respect to a Client Account under an ISDA master agreement governing the Client Account's swap transactions, the relevant swap counterparty, other swap counterparties and/or prime brokers may terminate all transactions with the Client Account at significant losses to the Client Account.

Trading in swaps and other derivative instruments can permit a high degree of synthetic leverage. Accordingly, the leverage offered by trading in derivative instruments may magnify the gains and losses experienced by the investor and could cause the investor's net asset value to be subject to wider fluctuations than would be the case if derivative instruments were not utilized. Thus, like other leveraged investments, a derivatives trade may result in losses in excess of the amount invested. Any increase in the amount of leverage applied in trading will increase the risk of loss by the amount of additional leverage applied.

Long-Term Investments

Investments in certain securities will frequently require longer-term holding periods to be successful and positions may experience considerable price volatility over such holding periods. In addition, investments in a Fund have limited redemption rights. Therefore, an investment in a Fund may not be appropriate for investors requiring short-term liquidity or stable returns.

Illiquid Portfolio Investments

Tier may invest in securities or loans that either lack a readily assessable market value or should be held until the resolution of a special event or circumstance. Tier may not be able to readily dispose of such investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. As a result, investors may be required to bear the risk of such investments until such investment is realized or deemed realized.

Use of Leverage

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

In an unsettled credit environment, Tier may find it difficult or impossible to obtain leverage for a portfolio. In addition, any leverage obtained, if terminated on short notice by the lender, could result in Tier being forced to unwind positions quickly and at prices below what Tier deems to be fair value for the positions.

Non-Diversification

Client Account portfolios will generally be concentrated in the global structured credit markets and this lack of diversification may result in higher risk. Additionally, certain Client Account portfolios are not restricted from concentrating their investment in the securities of a single issuer, and may invest all or most of their assets in a single market sector. Being concentrated in a small number of securities, options or futures, exposes a portfolio to the risk of adverse developments in or affecting a single issuer or industry to a greater extent than if the investments were diversified over a large number of issuers and industries.

Short Selling Increases Risk of Capital Losses

The Adviser will effect short sales. Short selling, or the sale of securities not owned by the Client Account involves certain additional risks. Such transactions expose the Client Account to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a *short squeeze* can occur, wherein Tier might be compelled, at the most disadvantageous time, to replace borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

Non-U.S. Investments

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

associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Co-Investments

The Adviser may, from time to time, seek co-investors in connection with the consummation of an investment. Where appropriate, and where obligated pursuant to certain side letter provisions, the Adviser will provide co-investment opportunities to certain Managed Account Clients. In addition, the Adviser may seek third party co-investors who have specific industry sector experience or other attributes that the Adviser believes, in its sole discretion, will enhance the investment. These co-investment opportunities will be offered as interests or classes of interests in a limited partnership or other type of entity formed for each investment (a “**Co-Investment Entity**”). Subject to obligations contained in side letters entered into with investors at the time of their subscription to a Fund, the Adviser will allocate an available investment among a Client Account, the Co-Investment Entity and any third parties as it may in its sole discretion determine. The Adviser (or its affiliate) may charge performance compensation, management and other fees to co-investors, including without limitation investors in the Funds and third parties, with respect to any co-investment, and may make an investment, or otherwise participate, in any vehicle formed to structure a co-investment in connection therewith.

Generally speaking with regard to any broken deal expenses associated with a co-investment, the Client Account participating in such investment will bear such broken deal expenses and not the Co-Investment Entity.

Item 9: Disciplinary Information

Neither the Adviser nor any of its management personnel are subject to or have in the past been subject to any criminal or civil action in any domestic or foreign court, and neither the Adviser nor any of its management personnel have been subject to any administrative proceedings before the SEC or any other state, federal or foreign financial regulatory authority.

Item 10: Other Financial Industry Activities and Affiliations

Neither Tier nor any of its management persons is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, a futures commission merchant, commodity pool operator, a commodity trading advisor, or is an associated person of any of the above. Except as otherwise disclosed in this Brochure, neither Tier nor any of its management persons has a relationship or arrangement that is material to its advisory business or to its clients with any related person. In addition, the Adviser does not recommend or select other investment advisers for its clients.

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

Code of Ethics

Tier has adopted a Code of Ethics (“**Code**”) that is designed to meet the requirements of Rule 204A-1 of the Advisers Act and emphasize Tier’s role as a fiduciary to its Client Accounts. The foundation of the Code consists of three underlying principles:

- access persons must at all times place the interests of Client Accounts first;
- access persons must ensure that all personal securities transactions are conducted in a manner consistent with the Code; and
- access persons are prohibited from taking inappropriate advantage of their positions at Tier.

The Code requires all employees to comply with federal securities laws and report violations of the Code to the Chief Compliance Officer (the “**CCO**”). The Code is distributed to each employee at the time of hire. All employees are required to certify their adherence to the Code upon commencement of employment and upon any material amendment to the Code. Tier provides training on the policies and procedures set forth in the Code to its employees on not less than an annual basis.

Tier is aware that certain conflicts of interest may arise relating to employee personal trading. For example, persons related to Tier, including its affiliates, officers, directors and employees, may buy, sell, or have a financial interest in securities owned or acquired by Client Accounts either by investing directly in the Funds managed by Tier or through independent transactions in personal accounts. Within the Code, the Adviser has adopted policies and procedures designed to monitor such potential conflicts of interest relating to employees’ personal trading activity, including (i) the reporting of transactions and holdings in certain securities and (ii) the pre-clearance of certain types of personal securities transactions. In addition, Tier maintains a Restricted List of issuers (or certain parts of the capital structure of an issuer). As a general rule, trades will not be allowed for Client Accounts, or for personal accounts of employees, in the securities of an issuer appearing on the Restricted List. An issuer may be placed on the Restricted List for a variety of reasons, including: (i) Tier or an employee has or may be exposed to material non-public information about an issuer; (ii) the occurrence of trading in the issuer’s securities or financial instruments could present the appearance of a conflict of interest; (iii) one of Tier’s employees has accepted a position at the issuer, such as a director or a member of a credit committee, which may lead to Tier or such employee receiving material non-public information; (iv) Tier has executed an agreement (e.g., a confidentiality agreement) restricting trading in an issuer’s securities; and (v) as otherwise determined by the CCO.

Prospective or existing investors in the Funds and Managed Account Clients may request a copy of the Code by contacting the Adviser at the address or telephone number listed on the cover page of this document.

Cross Trades

The Adviser may determine that it would be in the best interests of two Client Accounts to transfer a security from one Client Account to another Client Account (each such transfer, a “**Cross Trade**”) for a variety of reasons, including, without limitation, tax purposes, liquidity purposes, to rebalance the portfolios of the Client Accounts, or to reduce transaction costs that may arise in an open market transaction. If the Adviser decides to engage in a Cross Trade, the Adviser will determine that the trade is in the best interests of both of the Client Accounts involved in it and take steps to ensure that the transaction is consistent with the duty to obtain best execution for each of those Client Accounts. Cross Trades (including swaps) may be effected subject to the

following guidelines: (i) such transactions shall be effected for cash consideration at the current fair market value of the particular securities, and (ii) no extraordinary brokerage commissions or fees (i.e., except for customary transfer fees or commissions) or other remuneration shall be paid in connection with any such transaction.

Principal Transactions

To the extent that a cross trade may be viewed as a “**Principal Transaction**” (as such term is used under the Advisers Act) due to the ownership interest in a Client Account by the Adviser, its affiliates or personnel, the Adviser will comply with the requirements of Section 206(3) of the Advisers Act, including the obtaining of consent from the Client Account or a representative of the Client Account.

Item 12: Brokerage Practices

Generally, with respect to Client Accounts, Tier is authorized to select the broker or dealer to be used and negotiate the fees to be paid to the broker-dealer in connection with such transactions. Tier recognizes its duty to obtain best execution. Best execution is determined on a trade-by-trade basis, and should result in best qualitative execution and not necessarily the lowest possible commission cost. When selecting a broker dealer, the Adviser considers relevant factors such as:

- Prompt and reliable execution;
- Availability of securities in inventory, in particular for securities traded on a principal basis in the over-the-counter markets such as fixed income and derivatives markets;
- Overall cost of the trade (i.e. net price paid or received) including commissions, mark-ups, mark-downs or spreads (which is the difference between the price at which the dealer is willing to purchase or sell a specific security) and other transaction costs;
- Value of any research or brokerage services; and
- Financial responsibility, responsiveness and reputation of the brokerage firm.

In addition, Tier need not solicit competitive bids and does not have an obligation to seek the lowest available commission. It is not Tier's practice to negotiate "execution only" commission rates, thus Client Accounts may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission (or spread) rate.

Depending upon the portfolio transaction to be executed for a Client Account, the Adviser may not have a range of broker-dealers to select from. Specifically, when investing in securities that are traded in the over-the-counter market, the Adviser will engage primarily in transactions with dealers who make markets in such securities. In such cases, the dealer offering the security to the Adviser may be the only execution available for such investment.

Other Brokerage Considerations

From time to time, brokers (including prime brokers) may assist the Funds in raising additional funds from investors, and representatives of the Adviser may speak at conferences and programs sponsored by such brokers for investors interested in hedge funds. In attending such conferences, the Adviser will be afforded the opportunity to meet with prospective investors. While such events or services may influence the Adviser when deciding whether to use such broker in connection with brokerage, financing and other activities of the Funds, the Adviser does not commit to allocate a certain volume of business to a broker and the Adviser will continue to seek best execution when placing transactions with such broker.

Research and Other Soft Dollar Benefits

Tier does not have any formal soft dollar arrangements but reserves the right to enter into such arrangements in the future. Additionally, Tier receives research (which includes but is not limited to proprietary and third party research, economic and market information, industry/sector/company commentary, etc.) from certain broker-dealers that it executes transactions with or from broker-dealers that are seeking the Adviser's business. Receipt of research is a "soft dollar" benefit and is within the meaning of Section 28(e) (as described below).

Except for services that would be a Client Account expense or as otherwise described below, the Adviser will limit the use of "soft dollars" to obtain research and brokerage services to services which constitute research

and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934, as amended (“**Section 28(e)**”). Research is often made available to the Adviser and its personnel on an unsolicited basis and without regard to transaction costs charged or the volume of business the Adviser directs to the respective counterparty.

Any soft dollars received will benefit the Adviser and many, but not necessarily all of, the Adviser’s Client Accounts. The Adviser will have a conflict and incentive to select brokers that are providing such soft dollar benefits based on its desire to receive such product or service.

Aggregation and Allocation of Orders

Tier will perform investment management services for various Client Accounts. There will be occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts advised by Tier, some of which may have similar investment objectives. Such concurrent authorizations potentially could be either advantageous or disadvantageous to one or more particular accounts. When appropriate, the Adviser may, but is not required to, aggregate client orders to achieve more efficient execution or to provide for equitable treatment among accounts. With respect to equity investments and hedging transactions, to the extent orders are aggregated, each participating account generally will receive the average price. Please see Item 6 for a summary of Tier’s policy on allocating investment opportunities across Client Accounts.

Trade Errors

The Adviser generally will endeavor to detect trade errors prior to settlement and correct and/or mitigate them in an expeditious manner. The Adviser will determine an appropriate method to correct an error in light of the facts and circumstances and on a case-by-case basis. Trade errors may result in losses or gains. To the extent an error is caused by a counterparty, such as a broker-dealer, the Adviser will seek to recover any losses associated with such error from the counterparty. The Client Account (and not the Adviser) will benefit from any gains resulting from trade errors and will be responsible for any losses (including additional trading costs) resulting from trade errors and similar human errors, absent the Adviser’s negligence, willful misfeasance or bad faith; provided that the Adviser shall not be responsible for trade errors caused by other persons, including third-party brokers and custodians.

Item 13: Review of Accounts

Most Client Accounts require active management by the Adviser, and, accordingly, reviews of transactions, positions and cash balances occur on a daily basis. Additionally, to the extent applicable, the Adviser reviews Client Accounts portfolios on a daily basis to assure compliance with an account's specific investment guidelines.

Reporting

Generally, Managed Account Clients receive reports and/or statements as set forth in the client's investment management agreement.

Item 14: Client Referrals and Other Compensation

Tier does not currently maintain any agreements with placement agents or other intermediaries to solicit Managed Account Clients.

Item 15: Custody

With respect to the Managed Account Clients, the Adviser does not maintain Custody of the Managed Accounts. The custodians of said Managed Accounts are independent third party banks and broker dealers. Clients will receive periodic account statements from such qualified custodians, and clients should carefully review those statements.

Item 16: Investment Discretion

With respect to the Managed Account Clients, the Adviser has investment discretion, subject to any investment guidelines set forth in the respective investment management agreement for such Managed Account Clients.

Item 17: Voting Client Securities

To the extent Tier has been delegated proxy voting authority on behalf of its Client Accounts, Tier complies with its proxy voting policies and procedures. Such policies and procedures are designed to ensure that such proxies are voted in the best interest of the client. Upon request, the Adviser will provide clients with a copy of its proxy voting policies and procedures and/or a record of all proxy votes cast by Tier on behalf of the respective Client Account.

Item 18: Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. Tier has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.