

Form ADV

Part 2A

July, 2017

This brochure provides information about the qualifications and business practices of Lucerne Capital Management, L.P. If you have any questions about the contents of this brochure, please contact us at 203-983-4400. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Lucerne Capital Management, L.P. ("Lucerne Capital") is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Lucerne Capital Management, L.P. also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. Since the date of our filing dated March 30, 2016, Lucerne Capital (Lucerne Capital Management, L.P.) has the following material changes to report:

1. Effective June 2, 2016, The Lucerne Capital Master Fund, L.P. entered into a Prime Brokerage Agreement with SG Americas Securities, LLC to provide additional custody and brokerage services for the fund.
2. Effective November 1, 2016, The Lucerne Capital Master Fund, L.P. entered into a Prime Brokerage Agreement with Credit Suisse Securities (USA) LLC to provide additional custody and brokerage services for the fund.
3. On 12/30/2016, Lucerne Capital General Partner, LLC, the General Partner of Lucerne Capital created a new wholly owned subsidiary named Lucerne Netherlands B.V. Lucerne Netherlands B.V. is a limited liability company incorporated in The Netherlands under Dutch law for the sole purpose of conducting investment research and analysis of European public equities for the benefit of Lucerne Capital and Lucerne Capital's clients. Lucerne Netherlands B.V. will not be conducting any activities, such as marketing, trading or portfolio management which will require it to become a regulated entity.
4. Effective January 3, 2017, Mr. Jaap Pannevis joined Lucerne Netherlands B.V. as Head of Research. Mr. Pannevis's Biography can be found in the attached Form ADV part 2B.
5. Effective March 6, 2017, Lucerne Capital formed a new limited partnership, The Lucerne Focus Fund I, L.P. which was formed primarily to pursue a strategic, long-term investment opportunity in the securities of an identified company. Please refer to Item 4 for further details.
6. Effective March, 2017, Mr. Daniel Merkus joined Lucerne Netherlands B.V. as a Research Analyst. Mr. Merkus's Biography can be found in the following Form ADV part 2B.
7. Effective June, 2017, Mr. Thibault van Heeswijk joined Lucerne Netherlands B.V. as a Research Analyst. Mr. van Heeswijk's Biography can be found in the following Form ADV part 2B.

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Item 4 – Advisory Business

Lucerne Capital Management, L.P. (hereinafter “Lucerne Capital”) provides investment advisory services, defined as giving continuous advice to a client or making investments for a client based on the individual needs of the client. Lucerne Capital provides these services predominantly to investment limited partnerships or “limited” companies. Certain affiliates of Lucerne Capital act as the general partners of Lucerne Capital’s clients that are structured as limited partnerships.

Lucerne Capital was established in 2000, and the principals of the company are Pieter Taselaar and Matheus (Thijs) Hovers.

Lucerne Capital provides investment advisory services to the below groups of privately-offered investment funds (collectively, the “Funds”).

The following Lucerne Capital Funds are invested in the “Lucerne Capital Strategy” which invests primarily in international equity securities, both long and short, of issuers mostly in the developed European markets:

- The Lucerne Capital Master Fund, L.P. (master fund);
- The Lucerne Capital Fund, L.P. (feeder fund); and
- The Lucerne Capital Offshore Fund, Ltd. (feeder fund).

The following Lucerne Capital Funds are invested in the “Lucerne Nordic Strategy” which invests in listed European equity securities in a broad range of market-capitalization profiles focusing primarily, but not exclusively, on the issuers of the Nordic region:

- The Lucerne Capital Nordic Master Fund, Ltd. (master fund);
- The Lucerne Nordic Fund, L.P. (feeder fund); and
- The Lucerne Nordic Offshore Fund, Ltd. (feeder fund).

The following Lucerne Capital Fund is invested in the “Lucerne Concentrated Strategy” which is a concentrated and leveraged portfolio focused on the value opportunities in small- and mid-capitalization companies located or domiciled primarily in the continental Europe. The strategy is mostly long oriented but may also engage in short opportunities.

- The Lucerne Capital Special Opportunity Fund, Ltd.

The following Lucerne Capital Fund was formed specifically to pursue a high-conviction, long-term investment opportunity in the securities of an identified company (the “Identified Investment”), with the goal of maximizing concentration and exposure to that Identified Investment in accordance with Focus Fund I’s investment objectives and investment parameters:

- The Lucerne Focus I Fund, L.P. (“Focus Fund I”).

The Funds are not required to register as investment companies under the Investment Company Act of 1940 in reliance upon an exemption available to funds whose securities are not publicly offered. Lucerne Capital manages the Funds on a discretionary basis in accordance with the terms and conditions of each Fund's offering and organizational documents. As of June 30, 2017, Lucerne Capital managed approximately \$747 million on a discretionary basis.

Item 5 – Fees and Compensation

Lucerne Capital and certain of its affiliated entities are paid fees for the portfolio management services provided to the Funds (other than Focus Fund I) (“Management Fees”), which are calculated and paid as a percentage of the net asset value of the investors' interest in the Funds. Management Fees for the Funds range between 0% and 2.0% on an annualized basis. Management Fees may be charged in advance or in arrears on a prorated basis and are deducted from investor assets in the relevant Funds. Management Fees are described in detail in the applicable fund's Private Placement Memorandum and constituent documents.

All fees paid to Lucerne Capital and its related entities are separate from other third-party fees and expenses which may be incurred by the client. For example, the Funds incur certain charges and expenses including, but not limited to, custodial fees, brokerage commissions, proxy voting expenses, transfer taxes, legal expenses, audit expenses, insurance expenses, research expenses, independent director fees, AIFMD fees, valuation services, tax preparation fees, registration and administrator fees. The third party fees and expenses incurred by the Funds are described in detail in the applicable fund's Private Placement Memorandum and constituent documents.

General Information on Fees

Negotiability of Fees: In certain circumstances, the fees and performance compensation received by Lucerne Capital and its related entities may be negotiable. Lucerne Capital and its related entities reserve the right to waive or reduce management fees and performance-based compensation for certain investors in any Fund and have waived such fees and compensation for employees and related parties of Lucerne Capital.

Termination of Advisory Relationship: An advisory agreement may be canceled at any time, by either party, for any reason upon receipt of written notice in accordance with the guidelines of the related Investment Management Agreement. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. Investors in each fund are requested to refer to the applicable fund's Private Placement Memorandum and constituent documents for complete information on withdrawals and applicable investment "lock-up" periods.

Advisory Fees in General: Investors should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

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

In addition to the Management Fee, the Funds (other than Focus Fund I) pay Lucerne Capital and its related entities performance-based compensation (“Performance Allocations”). Performance Allocations are calculated based on a percentage of the net profits of the Funds at the end of each fiscal year, and are typically 20% of the allocable share of net profits above the

High Water Mark. To the extent that the balance of the account appreciation is less than the High Water Mark, there is a Loss Carryforward provision which must be recouped before Lucerne Capital and its related entities are entitled to a Performance Allocation. This allocation is deducted from investor assets in the relevant Funds.

In measuring an investor's net profits for the calculation of Performance Allocations, Lucerne Capital and its related entities will include both realized and unrealized gains and losses during the relevant period. The calculation and payment of the Performance Allocations applicable to a particular interest in a fund is described in detail in the applicable fund's Private Placement Memorandum and constituent documents.

The Performance Allocations may create an incentive for Lucerne Capital and its related entities to cause the Funds to make investments which may be riskier or more speculative than those which would be made under a different fee arrangement, or to favor accounts which have a higher allocation arrangement. In addition, for Funds where Lucerne Capital and its related entities are not entitled to receive management fees or performance-based compensation (such as Focus Fund I), the absence thereof may create an incentive for Lucerne Capital and its related entities to make investment decisions for such Funds differently than the manner in which they would have proceeded had Lucerne Capital or its related entities been entitled to receive such management fees or performance-based compensation. Lucerne Capital has designed and implemented policies and procedures to mitigate the foregoing conflicts.

The Investment Advisers Act of 1940 restricts the payment of performance-based compensation, such as the Performance Allocations, to investment advisers registered under such act. However, SEC Rule 205-3 permits the payment of performance-based compensation to registered investment advisers provided that the investors in the Funds meet certain financial qualifications.

The offerings of interests in the Funds are structured to comply with this rule and accordingly the Funds will only accept subscriptions from investors who meet the qualifications set forth in Rule 205-3. Investors in the Funds are requested to refer to the applicable fund's Private Placement Memorandum and constituent documents for complete information on the services offered, and corresponding allocations and fees charged, by Lucerne Capital and its related entities.

Item 7 – Types of Clients

Lucerne Capital and its related entities provide investment advice to the Funds in accordance with their respective Private Placement Memorandums and other governing documents.

Prospective investors in the Funds listed under Item 4 should refer to the applicable fund's Private Placement Memorandum and constituent documents for information on minimum investment requirements.

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

Lucerne Capital aims to provide investors with consistently superior, risk-adjusted, long-term absolute returns as its common goal among its diverse range of investment products.

The Lucerne Capital Strategy

The Lucerne Capital Strategy intends to take long and short positions in international equity securities, including synthetic transactions, focusing mostly on the equity securities of issuers in Continental Europe. Lucerne Capital believes that non-U.S. issuers represent attractive investment opportunities due to a number of significant inefficiencies in this market segment and that its extensive investment experience in global equity securities, excellent information flow, valuation-driven disciplined investment process, and company specific knowledge provide it with an unrivaled competitive advantage in identifying investment opportunities.

The equity securities in which the Lucerne Capital Strategy may invest include common stocks, synthetic derivatives, preferred stocks, convertible securities, warrants, stock purchase rights, depository receipts, shares of investment companies, and other equity-related interests. While equity securities are the principal focus of the Lucerne Capital Strategy, the Lucerne Capital Strategy may purchase and write options and other derivative contracts on stocks, bonds, currencies or market indices and employ other active portfolio management strategies to act as a hedge against volatility and currency exposures while also seeking to reproduce additional income and capital appreciation.

Lucerne Capital believes that stock selection will be the most important contributor to the performance of the Lucerne Capital Strategy and intends to ensure the consistency of returns and low down-market correlation through the use of rigorous risk management and portfolio construction processes. Fundamental research will be a key element of risk control and through an optimal mix of long and short positions, the Lucerne Capital Strategy intends to shift macroeconomic risks (such as market, country, currency and industry risks) onto specific stock selection risk, or alpha-related risks.

The investments are generally expected to be liquid relative to the position size that the Lucerne Capital Strategy can possibly invest. Additionally, Lucerne Capital intends to utilize a disciplined approach to leverage to increase the potential for gain from Lucerne Capital's stock selection. Leveraging is expected to occur when Lucerne Capital discovers through fundamental research significant revenues/earnings trends emerging for particular sets of companies or industries and subsequently develops a strong conviction for larger exposures to those companies or industries.

The investments made within this strategy may involve a high degree of business and financial risk that can result in substantial losses. In particular, these risks could arise from changes in the financial condition or prospects of the entity in which the investment is made, changes in national or international economic and market conditions and changes in laws, regulations, fiscal policies, or political conditions of countries in which investments are made, including the risks of war and the effects of terrorist attacks and security operations. At times, a substantial portion of the strategy's assets may be invested in the securities of a limited number of issuers. Investing a significant portion of the strategy's assets in a limited number of issuers or

industries makes the strategy significantly more susceptible to risks affecting investments in such issuers or industries.

The Lucerne Nordic Strategy

The Lucerne Nordic Strategy intends to seek special investment opportunities across Europe focusing primarily, but not exclusively, on the equity securities of small and mid-cap issuers in the listed markets of the Nordic region, which includes, but is not limited to, Denmark, Finland, Sweden and Norway, using a bottom-up, long-term approach to investing that enables taking positions in a broad range of market-capitalization profiles, including relatively less liquid small-capitalization companies.

Lucerne Capital believes that Nordic issuers represent attractive investment opportunities due to a number of significant inefficiencies in this market segment. Lucerne Capital believes that its extensive investment experience in global equity securities, excellent information flow, valuation-driven disciplined investment process, and company knowledge provide it with an unrivaled competitive advantage in identifying investment opportunities.

The Lucerne Nordic Strategy intends to take long and short positions in primarily in equity securities of issuers with market capitalizations typically between \$50 million and \$10 billion, resulting in a net exposure typically ranging from -30% to +100%. The equity securities in which the Fund may invest include common stocks, preferred stocks, convertible securities, warrants, stock purchase rights, depository receipts, shares of investment companies, and other equity-related interests.

The Lucerne Nordic Strategy intends to invest in Initial Public Offerings (IPOs) in which Lucerne Capital believes offer attractive investment opportunities. Most IPOs involve a higher degree of risk not normally associated with offerings of more seasoned companies. Companies involved in IPOs generally have limited operating histories, and their prospects for future profitability are more uncertain. Stock prices of IPOs can also be highly unstable, due to the absence of a prior public market, the small number of shares available for trading and limited investor information. IPOs will often be sold within one year of purchase date, and in some instances, immediately after going public. The Lucerne Nordic Strategy may also invest in a large percentage of IPOs which can increase volatility of performance and introduce additional risk of loss to investors of this strategy. During periods where the Nordic region experiences numerous high quality IPOs, the Nordic Strategy may participate in a large number of IPOs which may have a significant effect on the performance of this strategy.

Lucerne Capital believes that stock selection will be the most important contributor to the performance of the Fund and the additional use of a disciplined risk control process will be instrumental in producing consistent performance. The Fund's investment returns can be expected to be driven by the absolute performance of both long and short positions.

The investments made within this strategy may involve a high degree of business and financial risk that can result in substantial losses. In particular, these risks could arise from changes in the financial condition or prospects of the entity in which the investment is made, changes in national or international economic and market conditions and changes in laws, regulations, fiscal policies, or political conditions of countries in which investments are made, including the risks of war and the effects of terrorist attacks and security operations.

The Lucerne Concentrated Strategy

Lucerne Capital believes that certain European-listed equities in a broad range of market-capitalization profiles, including relatively less liquid small-capitalization companies, represent attractive investments. These opportunities are often the result of lack of analyst coverage, emergent companies reaching critical mass, or, for example, companies that have been ignored for reasons that are structurally no longer valid, such as financial distress or poor management. Typical companies that fit the investment profile will have a solid strategy and market position, an asset-rich balance sheet relative to its enterprise value, strong free-cash generation and are well-managed. It is Lucerne Capital's experience that when these attributes are combined with catalysts such as a pick-up in earnings-momentum, an asset sale, or an acquisition that re-leverages the balance sheet, the stocks can generate attractive returns to long-term investors.

The Lucerne Concentrated Strategy is managed based on the assumption that stock selection will be the key contributor to performance. Lucerne Capital will devote a significant amount of time to actively form investment ideas, and especially to analyze these investment ideas to build strong conviction in the investment thesis, which in turn will result in a concentrated portfolio. Different phases in the economic cycle may call for different approaches to stock selection, impacting the size, liquidity, and nature of the portfolio components. The Lucerne Concentrated Strategy intends to take long, and in some instances, short positions in mostly European equity securities of issuers in the small- and mid-capitalization range.

The length of an investment's holding period will be determined by Lucerne Capital's assessment of the ongoing merit of that investment relative to all other investment opportunities. The relative risk/reward of each investment at current valuation will be reflected by the net exposure each investment has in the portfolio. In general, Lucerne Capital seeks companies with an investment case that continues to be valid for a longer period of time, typically more than a year. The realized length of time a particular investment is held is primarily the result of a disciplined approach of setting a price target, which will then be used to monitor the relative attractiveness of reaching such target in relation to the health of the original investment case. The relative risk/reward of investment ideas will be translated into the size of a holding and the overall net exposure.

The Lucerne Concentrated Strategy intends to use a high level of concentration. Individual position sizes are anticipated not to be larger than 15% of the Fund, although Lucerne Capital

sets no requirement to stay below this percentage. The relative size of the position will mainly depend on the conviction, potential upside, timing, liquidity and risk profile of the investment case. All Lucerne Concentrated Strategy investments can be expected to be liquid relative to the liquidity constraints of the Lucerne Concentrated Strategy. In general, Lucerne Capital may invest in illiquid instruments when the investment case and return potential render the instrument an attractive addition to the portfolio. In all cases Lucerne Capital will constantly monitor the overall liquidity level of the portfolio.

The investments made within this strategy may involve a high degree of business and financial risk that can result in substantial losses. In particular, these risks could arise from changes in the financial condition or prospects of the entity in which the investment is made, changes in national or international economic and market conditions and changes in laws, regulations, fiscal policies, or political conditions of countries in which investments are made, including the risks of war and the effects of terrorist attacks and security operations. At times, a substantial portion of the strategy's assets may be invested in the securities of a limited number of issuers. Investing a significant portion of the strategy's assets in a limited number of issuers or industries makes the strategy significantly more susceptible to risks affecting investments in such issuers or industries.

The Lucerne Focus Strategy

In addition, Lucerne Capital has formed Focus Fund I to pursue a strategic, long-term investment opportunity in the securities of an identified company (referred to as the "Identified Investment"). In the future, Lucerne Capital may form one or more additional investment vehicles for the purpose of making focused investments in European-listed equity and other securities of companies that Lucerne Capital believes represent attractive investment opportunities for investors with a long-term investment horizon. Typical companies that fit the investment profile will have what Lucerne Capital believes to be a solid strategy and market position, an asset-rich balance sheet relative to its enterprise value, strong free-cash generation and are well-managed. It is Lucerne Capital's experience that when these attributes are combined with catalysts such as a pick-up in earnings momentum, an asset sale, or an acquisition that re-leverages the balance sheet, such investments can generate attractive returns to long-term investors.

The risks associated with investments using the Lucerne Focus Strategy will be highly dependent upon the characteristics of the applicable Identified Investment(s) in each case. As substantially all of the strategy's assets are expected to be invested in the securities of one company (absent approval of a majority in interest to invest in additional companies or securities), such investment will be subject to a high degree of concentration, business and financial risk that can result in substantial losses. In addition, the success of the investment will depend in large part on Lucerne Capital's ability to accurately assess the fundamental value of the Identified Investment(s). No assurance can be given that Lucerne Capital will be in a position to assess the nature and magnitude of all material factors having a bearing on the value

of the Identified Investment(s), or that Lucerne Capital will accurately assess the impact of all factors of which it is aware. While Lucerne Capital may believe that the Identified Investment(s) represents a compelling investment opportunity, there is no guarantee that this perceived investment opportunity will not dissipate at any time, for example, because of a change in the Identified Investment's business or operations or because of significant price moves in the Identified Investment's equity securities.

In addition, certain of the other Funds may have invested or will invest in the equity securities of any Identified Investment at different times or at different prices which may be due to, among other factors, differences in investment mandate, horizon, diversification relative to other investments, investment guidelines and risk parameters applicable to such other Funds and clients as well as in the available investment capital at the time of such transactions. In the event that any Identified Investment is subject to limited trading volume, transactions in the equity securities of such Identified Investment by other Funds or clients may impact the value of the Identified Investment. In addition, such transactions may cause the investment opportunity in the Identified Investment to dissipate more quickly than would otherwise be the case.

Lucerne Capital's investment programs are speculative and entail substantial risks. There can be no assurance that the investment objectives will be achieved due to volatile markets, lack of complete information, concentration and exchange risk exposure, use of leverage, dependence on principals and illiquidity, among other reasons. Investing in securities involves risk of loss that investors should be prepared to bear. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Please refer to the offering documents of the respective Fund for information on the material risks involved in investing.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Lucerne Capital or the integrity of Lucerne Capital's management. Lucerne Capital has no history of any disciplinary action.

Item 10 – Other Financial Industry Activities and Affiliations

Lucerne Capital is affiliated through ownership and control with Lucerne GenPar Fund, LLC and The Lucerne Focus Fund I GP, LLC which act as General Partner to the Funds. Lucerne Capital General Partner LLC is the general partner of Lucerne Capital and is the sole owner of Lucerne Netherlands B.V., a limited liability company incorporated in The Netherlands under Dutch law for the sole purpose of conducting investment research and analysis of European public equities for the benefit of Lucerne Capital and Lucerne Capital's clients.

Item 11 – Code of Ethics

Lucerne Capital has adopted a Code of Ethics that sets forth high ethical standards of business conduct that Lucerne Capital requires of its employees to meet its fiduciary obligations. Employees must at all times place the interests of the Funds first. Employees must comply with all applicable laws and regulations, including, without limitation, federal securities laws. All personal securities transactions must be conducted in a manner consistent with the Code of Ethics and any actual or potential conflicts of interest must be avoided.

Lucerne Capital's Code of Ethics places restrictions on personal trading by employees, including that they disclose their personal securities holdings and transactions to Lucerne Capital. Generally, employees are not permitted to buy and sell publicly traded securities other than U.S. Government Securities and similar instruments issued by other G-7 countries; certain municipal and debt instruments issued by financial institutions, exchange traded funds, open and closed ended mutual funds and currencies. Employees may make investments in other private investment funds subject to preclearance by Lucerne Capital's Chief Compliance Officer. Lucerne Capital may allow employees to hire outside investment managers to manage, with full discretion, employee accounts with approval from the Chief Compliance Officer.

Lucerne Capital's Code of Ethics also includes policies and procedures that are designed to prevent the misuse of material, non-public information. Lucerne Capital's Insider Trading policies prohibit employees from trading (or recommending trading) on behalf of our Funds, themselves, or any external parties in securities of a company while knowledgeable of material, non-public information about the company.

Lucerne Capital's policy and practice is to not engage in any principal transactions. Lucerne Capital has policies and procedures in place designed to identify and/or avoid conflicts of interest that may arise between or among client accounts and any principal accounts. These policies and procedures include allocation policies for allocating trades among client accounts. If there becomes a need to rebalance positions between accounts, Lucerne Capital's policy and procedure is to execute each trade through a non-affiliated broker at a market price. This policy has been communicated to all relevant employees, traders and portfolio managers.

Investors or prospective investors may obtain a copy of Lucerne Capital's complete Code of Ethics and Personal Securities Transactions Policy by contacting Patrick Moroney, Chief Compliance Officer, at (203 983-4470) or the below address:

Lucerne Capital Management, L.P.
Attn: Chief Compliance Officer
35 Mason Street
Greenwich, Connecticut 06830

Item 12 – Brokerage Practices

As investment adviser to the Funds, Lucerne Capital is granted the discretionary authority in the relevant organizational documents and/or investment management agreements to determine the broker-dealer to be used and the commission rates to be paid. Lucerne Capital will endeavor to select those brokers or dealers which will provide the best execution at competitive commission rates.

Subject to the requirement to obtain best execution of brokerage transactions, transactions for the Funds may be allocated to brokers on the basis of and in consideration of such brokers' provision or payment of the costs of investment research and analysis and other trading services and products (sometimes referred to as "soft dollar" services and products) that are of benefit to the Funds and Lucerne Capital. Accordingly, the commission rates charged by brokers in the foregoing circumstances may be higher than those charged by other brokers who may not offer such services. Lucerne Capital may therefore use a broker who provides soft dollar services and products or who is obligated to pay third parties for such services received by Lucerne Capital, even though a lower commission may be charged by a broker who does not offer the same level of products and services. Research services may be useful in servicing all of the Funds, and not all of such research may be useful for the account for which the particular transaction was effected.

Brokers or dealers that Lucerne Capital selects to execute transactions may, from time to time, refer clients or investors to Lucerne Capital. Lucerne Capital will not make commitments to any broker or dealer to compensate that broker or dealer through brokerage or dealer transactions for client referrals; however, a potential conflict of interest may arise between the client's interest in obtaining best price and execution and Lucerne Capital's interest in receiving future referrals.

In certain instances, Lucerne Capital receives from broker-dealers products or services which are used both for investment research and for administrative, marketing, or other non-research purposes. In such instances, Lucerne Capital makes a good faith effort to determine the percentage of such products or services which may be considered as investment research. The portion of the costs of such products or services attributable to research usage may be defrayed by Lucerne Capital through directing brokerage commissions generated by client transactions (soft dollars). This may be done without prior agreement or understanding by the client (and done at Lucerne Capital's discretion). The portion of the costs attributable to non-research usage of such products or services is paid by Lucerne Capital to the broker-dealer in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934.

Lucerne Capital currently receives the following services, among others, on a "soft dollar" basis:

1. Discussions with research analysts
2. Meetings with corporate executives to discuss questions on their company and industry

3. Traditional research reports from Brokerage houses analyzing public companies and industries
4. Conferences and seminars as they relate to research of investment opportunities
5. Software and models that provide analysis of Lucerne's portfolios and investment opportunities
6. Market data, trade analytics, research and advice on market views and strategies
7. Brokerage services including connectivity for execution services, order routing, clearing and settling of transactions, etc.

Research or brokerage services provided by brokers, or provided by third parties and obligated to be paid for by brokers, through which portfolio transactions for the Funds are executed may include research reports on particular industries and companies, economic surveys and analyses, recommendations as to specific securities, online quotations, news and research services, and other services providing lawful and appropriate assistance to Lucerne Capital and/or its affiliates in the performance of its or their respective investment decision-making responsibilities on behalf of the Funds and other accounts which it or such affiliates manage (collectively, "soft dollar items"). Certain soft dollar items may be made available to affiliates of Lucerne Capital solely for the purpose of such affiliates providing assistance to Lucerne Capital or its affiliates in the performance of its or their respective investment decision-making responsibilities on behalf of the Funds and other accounts which it or such affiliates manage.

Item 13 – Review of Accounts

Assets are invested according to defined investment strategies of the Fund, taking into account Fund guidelines and restrictions. Each account is maintained and supervised by the investment principals. Each account is reviewed by the principals continually. Matters reviewed include specific investments held, the percentage of assets in various types of investments and the relative and absolute performance of each account.

Each limited partner/shareholder of the Funds will receive (i) audited annual reports of the Fund within 120 days following year end, (ii) unaudited monthly account statements prepared by an independent, third-party administrator.

Item 14 – Client Referrals and Other Compensation

Lucerne Capital may from time to time compensate, either directly or indirectly, any person defined as a natural person or a company for client or investor referrals. Lucerne Capital is aware of the special considerations promulgated under Section 206(4)-3 of the Investment Advisers Act of 1940, the Securities Exchange Act of 1934 and similar state regulations. As such, appropriate disclosure shall be made, all written instruments will be maintained by Lucerne Capital and all applicable Federal and/or State laws will be observed. Currently, Lucerne Capital has an agreement with Citi Private Advisory, LLC and Wijlacker - Advies & Interim

Management for the purpose of referring investors to the Funds. Citi Private Advisory, LLC and Wijlacker - Advies & Interim Management receive a percentage of the gross fees and allocations paid to Lucerne Capital on behalf of investors that have been referred to Lucerne Capital's Funds by above entities.

Any fees paid to placement agents for the solicitation of prospective investors will be borne by Lucerne Capital; no deduction will be made from an investor's subscription amount with respect to such fees. Interests of the Funds may also be made available through the distribution platforms of certain financial institutions. While none of the Funds, Lucerne Capital or any of their affiliates pay any fees to make the interests of a Fund available through such distribution platforms, individual investors purchasing interests through a distribution platform may incur fees charged by the applicable financial institution. Such fees will be in addition to any amounts invested in the Fund and will not be shared by the applicable financial institution with the Funds, Lucerne Capital or any of their affiliates.

Item 15 – Custody

Lucerne Capital is deemed to have custody of client funds and securities because it has the authority to obtain client funds or securities, for example, by deducting Management Fees from a Fund's account or otherwise withdrawing funds from such account. Account statements related to the clients are sent by qualified custodians to Lucerne Capital.

Lucerne Capital is subject to Rule 206(4)-2 (the "Custody Rule") under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"). However, Lucerne Capital is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to each Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception", which, among other things, requires that each Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund distribute its audited financial statements to all of its investors within 120 days of the end of its fiscal year.

Item 16 – Investment Discretion

As investment adviser to the Funds, Lucerne Capital is granted the discretionary authority in the relevant organizational documents and/or investment management agreements to determine which securities and the amounts of securities that are bought and sold.

Item 17 – Voting *Client* Securities

Lucerne Capital, as a matter of policy and as a fiduciary to its Funds and investors, has responsibility for voting proxies for portfolio securities consistent with the best economic interests of the Funds. The Applicant maintains written policies and procedures as to the

handling, research, voting and reporting of proxy voting. The following is a summary of our proxy voting policies and procedures:

1. Types of Accounts to which Lucerne Capital Votes Proxies

Lucerne Capital votes proxies for each Fund for which we act as adviser with the power to vote proxies.

2. General Guidelines

In voting proxies, Lucerne Capital is guided by general fiduciary principles. Lucerne Capital's goal is to act prudently, solely in the best interest of the investors of the Funds it manages, and, in the case of ERISA accounts, for the exclusive purpose of providing economic benefits to such persons. Lucerne Capital attempts to consider all factors of its vote that could affect the value of the investment and will vote proxies in the manner that it believes will be consistent with efforts to maximize shareholder values.

3. How Lucerne Votes

Generally, Lucerne Capital divides proxies into routine matters and non-recurring or extraordinary matters. It is Lucerne's general policy, absent a particular reason to the contrary, to vote with management's recommendations on routine matters. For non-recurring extraordinary matters, Lucerne Capital votes on a case-by-case basis, generally following the suggestions for such matters detailed in the complete proxy policy.

For the Funds that use Morgan Stanley & Co. ("MS") as one of their prime brokers, Lucerne uses ProxyEdge to provide record keeping services on behalf of the Funds. This is a complementary service provided by MS to the Funds.

For the Funds that use Goldman Sachs & Co. ("GS") as one of their prime brokers, Lucerne has engaged Institutional Shareholder Services, Inc. ("ISS") to provide record keeping services on behalf of the Funds. This cost of this service is prorated to the Funds that use this service.

For the Funds that use Credit Suisse Securities (USA) LLC ("CS") as one of their prime brokers, Lucerne has engaged Institutional Shareholder Services, Inc. ("ISS") to provide record keeping services on behalf of the Funds. This cost of this service is prorated to the Funds that use this service.

For the Funds that use SG Americas Securities LLC ("SG") as one of their prime brokers, Lucerne provides record keeping services on behalf of the Funds.

4. Conflicts of Interest

In furtherance of Lucerne Capital's goal to vote proxies in the best interests of Funds, Lucerne Capital follows procedures designed to identify and address material conflicts that may arise between Lucerne Capital's interests and those of the Funds before voting proxies on behalf of such Funds.

Investors may obtain a copy of Lucerne Capital's complete Proxy Voting Policies and Procedures by contacting Patrick Moroney, Chief Compliance Officer, at (203 983-4470) or the below address:

Lucerne Capital Management, L.P.
Attn: Chief Compliance Officer
35 Mason Street
Greenwich, Connecticut 06830

Item 18 – Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about Lucerne's financial condition. Lucerne has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to the Funds and investors and has not been the subject of a bankruptcy proceeding.

Form ADV

Part 2B

Pieter Taselaar

July, 2017

This Brochure Supplement provides information about Pieter Taselaar that supplements the Lucerne Capital Management, L.P. Brochure. You should have received a copy of that Brochure. Please contact Lucerne Capital at the above address if you did not receive Lucerne Capital's Brochure or if you have any questions about the contents of this supplement.

Item 2 – Educational Background and Business Experience

Pieter Taselaar

YOB: 1962

M.B.A. Columbia University and Law Degree from Leiden University, the Netherlands

Lucerne Capital Management, L.P.

Principal (2000–current)

Item 3– Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

Pieter Taselaar has no other business activities other than his position at Lucerne Capital Management, L.P.

Item 5 – Additional Compensation

Pieter Taselaar does not receive economic benefits for providing investment advisory services to other parties.

Item 6 – Supervision

Matheus Hovers, a principal of the firm and Patrick Moroney, Chief Compliance Officer of the firm monitor Pieter Taselaar's performance and investment advice for suitability and adherence to relevant organizational documents and/or investment management agreements. They can be reached at the above contact information.

Form ADV Part 2B

Matheus Hovers

July, 2017

This Brochure Supplement provides information about Matheus Hovers that supplements the Lucerne Capital Management, L.P. Brochure. You should have received a copy of that Brochure. Please contact Lucerne Capital at the above address if you did not receive Lucerne Capital's Brochure or if you have any questions about the contents of this supplement.

Item 2 – Educational Background and Business Experience

Matheus Hovers

YOB: 1974

M.A. International Finance and B.A. Economics from the University of Amsterdam, the Netherlands

Lucerne Capital Management, L.P.

Principal (2009 – current)

Senior Investment Analyst (2007 – 2009)

ABN Amro

Senior Vice President, Head of Equity Research – European Small & Midcaps (2005 – 2007)

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

Matheus Hovers has no other business activities other than his position at Lucerne Capital Management, L.P.

Item 5 – Additional Compensation

Matheus Hovers does not receive economic benefits for providing investment advisory services to other parties.

Item 6 – Supervision

Pieter Taselaar, a principal of the firm and Patrick Moroney, Chief Compliance Officer of the firm monitor Matheus Hovers' performance and investment advice for suitability and adherence to relevant organizational documents and/or investment management agreements. They can be reached at the above contact information.

Form ADV Part 2B

Jaap Pannevis

July, 2017

This Brochure Supplement provides information about Jaap Pannevis that supplements the Lucerne Capital Management, L.P. Brochure. You should have received a copy of that Brochure. Please contact Lucerne Capital at the above address if you did not receive Lucerne Capital's Brochure or if you have any questions about the contents of this supplement.

Item 2 – Educational Background and Business Experience

Jaap Pannevis

YOB: 1982

Msc. in Business Economics & Finance, University of Amsterdam, Netherlands

Lucerne Netherlands B.V.

Head of Research (2017 – Present)

Kempen & Co

Head of Research (2015-2017)

Goldman Sachs Investment Research – European Midcap Team

Vice President (2013-2015)

Goldman Sachs - London

Analyst – (2007-2013)

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

Jaap Pannevis has no other business activities other than his position at Lucerne Netherlands, B.V.

Item 5 – Additional Compensation

Jaap Pannevis does not receive economic benefits for providing investment advisory services to other parties.

Item 6 – Supervision

Pieter Taselaar and Matheus Hovers, the principals of the firm; and Patrick Moroney, Chief Compliance Officer of the firm monitor Jaap Pannevis's performance and investment advice for suitability and adherence to relevant organizational documents and/or investment management agreements. They can be reached at the above contact information.

Form ADV

Part 2B

Jonathan Copplestone

July, 2017

This Brochure Supplement provides information about Jonathan Copplestone that supplements the Lucerne Capital Management, L.P.'s Brochure. You should have received a copy of that Brochure. Please contact Lucerne Capital at the above address if you did not receive Lucerne Capital's Brochure or if you have any questions about the contents of this supplement.

Item 2 – Educational Background and Business Experience

Jonathan Copplestone

YOB: 1959

B.A. Economics from the University of Kent, Canterbury

Lucerne Capital Management, L.P.

Senior Investment Analyst (2014 – Present)

Mermaid Asset Management

Founding Partner

ABN AMRO

Senior Managing Director

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

Jonathan Copplestone has no other business activities other than his position at Lucerne Capital Management, L.P.

Item 5 – Additional Compensation

Jonathan Copplestone does not receive economic benefits for providing investment advisory services to other parties.

Item 6 – Supervision

Pieter Taselaar and Matheus Hovers, the principals of the firm; and Patrick Moroney, Chief Compliance Officer of the firm monitor Jonathan Copplestone's performance and investment advice for suitability and adherence to relevant organizational documents and/or investment management agreements. They can be reached at the above contact information.

Form ADV Part 2B

Daniel Merkus

July, 2017

This Brochure Supplement provides information about Daniel Merkus that supplements the Lucerne Capital Management, L.P.'s Brochure. You should have received a copy of that Brochure. Please contact Lucerne Capital at the above address if you did not receive Lucerne Capital's Brochure or if you have any questions about the contents of this supplement.

Item 2 – Educational Background and Business Experience

Daniel Merkus

YOB: 1987

Bachelor Degree – University of Amsterdam 2009

Lucerne Capital Management, L.P.

Research Analyst (2017 – Present)

Kempen & Co.

Analyst – Benelux Equities Team

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

Daniel Merkus has no other business activities other than his position at Lucerne Netherlands, B.V.

Item 5 – Additional Compensation

Daniel Merkus does not receive economic benefits for providing investment advisory services to other parties.

Item 6 – Supervision

Pieter Taselaar and Matheus Hovers, the principals of the firm and Patrick Moroney, Chief Compliance Officer of the firm monitor Daniel Merkus's performance and investment advice for suitability and adherence to relevant organizational documents and/or investment management agreements. They can be reached at the above contact information.

Form ADV

Part 2B

Thibault van Heeswijk

July, 2017

This Brochure Supplement provides information about Thibault van Heeswijk that supplements the Lucerne Capital Management, L.P.'s Brochure. You should have received a copy of that Brochure. Please contact Lucerne Capital at the above address if you did not receive Lucerne Capital's Brochure or if you have any questions about the contents of this supplement.

Item 2 – Educational Background and Business Experience

Thibault van Heeswijk

YOB: 1987

Msc. Financial Economics, Erasmus University Rotterdam, Netherlands

Lucerne Capital Management, L.P.

Research Analyst (2017 – Present)

Quore Capital

Associate – Research Analyst

Item 3 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

Item 4 – Other Business Activities

Thibault van Heeswijk has no other business activities other than his position at Lucerne Netherlands, B.V.

Item 5 – Additional Compensation

Thibault van Heeswijk does not receive economic benefits for providing investment advisory services to other parties.

Item 6 – Supervision

Pieter Taselaar and Matheus Hovers, the principals of the firm and Patrick Moroney, Chief Compliance Officer of the firm monitor Thibault van Heeswijk's performance and investment advice for suitability and adherence to relevant organizational documents and/or investment management agreements. They can be reached at the above contact information.