

Item 1 – Cover Page



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Form ADV Part 2A Brochure May 17, 2017

This Brochure provides information about the qualifications and business practices of West Side Advisors, LLC (“West Side” or the “Firm”). If you have any questions about the contents of this Brochure, please contact the Firm at (212) 712-2100. 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.

West Side has been registered as an investment adviser with the SEC since 1998. The Firm’s registration does not imply a certain level of skill or training.

A copy of this Brochure and additional information about West Side are also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This is West Side's Other-Than-Annual Amendment to Form ADV. Since the Firm's recent Form ADV Annual Updating Amendment filed on March 30, 2017, the following material changes have been disclosed in this Brochure:

- Clearview Capital Management LLC no longer provides sub-advisory services to West Side or its clients.
- The Loan Funds (as defined below) may now make investments in student loan servicing rights. As such, additional details, including associated risks, have been provided.

West Side will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, the Firm's Brochure may be requested by contacting the Chief Compliance Officer at 212-712-2108.

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Item 4 – Advisory Business

Item 4.A.

Since West Side Advisors, LLC (“**West Side**” or the “**Firm**”) was founded in 1997, West Side has been dedicated to the preservation and growth of the Firm’s investors’ capital. West Side’s personnel are primarily based in New York, NY and it has been registered with the U.S. Securities and Exchange Commission (“**SEC**”) since 1998. Gary Lieberman, the Firm’s founder, has served as President since 1997 and is the Firm’s principal owner.

Item 4.B.

West Side seeks to manage portfolios of mortgage-backed securities (“**MBS**”), commercial mortgage-backed securities (“**CMBS**”) and student loans (either directly or indirectly through trusts or other pooling vehicles, in each case, that may or may not be securitized) structured to maximize risk-adjusted returns through a discretionary relative-value approach. West Side evaluates opportunities within the fixed income and mortgage-backed markets, profiting from market inefficiencies.

WAF Master Fund, L.P. (“**WAF Master**”) was incorporated as an exempted limited partnership formed in the Cayman Islands under the Exempted Limited Partnership Law on May 29, 2008. WAF Master commenced operations on August 1, 2008 and operates under a master-feeder structure with two member feeder funds, WAF Fund, LP (“**WAF Onshore**”), a Delaware limited partnership, WAF (Ontario) Fund, LP (“**WAF Ontario**”), an Ontario limited partnership, West Side Opportunity Fund, LP (“**WOF**”), an Ontario limited partnership, and WAF Offshore Fund, Ltd. (“**WAF Offshore**,” together with WAF Onshore, WAF Ontario, WOF and WAF Master, the “**WAF Funds**”), a Cayman Islands exempt company, which invests substantially all of their investable assets in WAF Master. WAF GP, LLC provides the day-to-day management of WAF Master’s investment program and also has an investment in WAF Master. The general partner is an affiliated company of West Side and is the general partner to WAF Onshore.

WAF Master’s objective is to uncover market inefficiencies by taking advantage of relative value opportunities within the liquid fixed income and MBS markets. West Side’s portfolio managers plan to extract value from arbitrage opportunities by purchasing securities poised for capital gains and hedging out prevailing market risk. WAF Master seeks to achieve positive returns which are uncorrelated to other asset classes.

West Side employs a market neutral arbitrage strategy constructing a portfolio consisting primarily of MBS. The investment team employs continuous top-down macro-economic analysis coupled with rigorous bottom-up security selection. Disciplined risk management techniques are used in conjunction with propriety models to help minimize risks.

West Side Clearview CMBS Master Fund LP (“**CMBS Master**”) was incorporated as an exempted limited partnership formed in the Cayman Islands under the Exempted Limited Partnership Law on August 23, 2012. CMBS Master commenced operations in 2012 and operates under a master-feeder structure with two member feeder funds, West Side Clearview CMBS Fund LP (“**CMBS Onshore**”), a Delaware limited partnership, and West Side Clearview CMBS Offshore Fund Ltd (“**CMBS Offshore**,” together with CMBS Onshore and CMBS Master, the “**CMBS Funds**”), a Cayman Islands exempt company, which invests substantially all of their investable assets in CMBS Master. West Side Clearview Credit GP, LLC is the general partner to CMBS Onshore, provides the day-to-day management of CMBS Master’s investment programs and also has an investment in CMBS Master.

The primary investment objective of CMBS Onshore and CMBS Offshore is to seek capital appreciation through investments in CMBS, other commercial real estate assets, related fixed income securities, derivatives and other investments. CMBS Onshore and CMBS Offshore will seek to achieve these investment objectives by investing all or substantially all of the assets in CMBS Master, which has the same investment objective as CMBS Onshore and CMBS Offshore.

Currently, CMBS Master expects that it will make investments using little or no leverage in the acquisition of CMBS securities. As the credit markets change, however, CMBS Master may use significant leverage in efforts to increase the overall return on capital invested in whole commercial real estate loans. CMBS Master is not required to use any amount of leverage, however.

West Side Student Loan Master Fund LP, was formed as an exempted limited partnership under the Exempted Limited Partnership Law (2014 Revision) of the Cayman Islands (the “**Loan Fund Master**”) on November 20, 2014, and operates as a master fund in a master-feeder structure with two member feeder funds West Side Student Loan Fund LP (“**Loan Fund Onshore**”), a limited partnership formed under the laws of the State of Delaware, and West Side Student Loan Offshore Fund Ltd, a Cayman Islands exempt company (the “**Loan Fund Offshore**”), an offshore feeder fund of the Loan Fund Master. The Loan Fund Onshore, together with the Loan Fund Master, the “**Loan Funds.**” The West Side Student Loan GP, LLC (the “**Loan Fund GP**”), a Delaware limited liability company, is the general partner of the Loan Fund Onshore and Loan Fund Master. The Loan Fund GP has also been registered as a foreign company with the Registrar of Companies in the Cayman Islands, in order to act as the general partner of the Loan Fund Master.

Loan Fund Onshore and Loan Fund Offshore invest all or substantially all of their assets in the Loan Fund Master. The primary investment objective of the Loan Funds is to seek capital appreciation through investments in student loans directly and/or indirectly through trusts or other pooling vehicles, in each case that may or may not be securitized.

Together, the WAF Funds, the CMBS Funds, and the Loan Funds may be referred to herein as the “**Funds.**”

Additionally, West Side manages discretionary separate accounts that employ strategies similar to those of WAF Master, CMBS Master and Loan Master. Terms applicable to these client accounts (including any investment restrictions) are subject to the negotiated terms as stated in the respective investment advisory agreements.

West Side also acts as the trading adviser to implement the investment strategy with investment discretion and voting power over a separately managed account for an open ended investment company incorporated in, and having its registered office in, Jersey, Channel Islands, according to the terms of a trading advisory agreement between West Side and the client. This separately managed account trades pursuant to a different strategy than the other separately managed accounts managed by West Side.

West Side also manages a non-discretionary separate account for an affiliated banking institution that has strict requirements regarding portfolio balance, ratings and pricing among other things. West Side advises the portfolio assets on a non-discretionary basis, which involves recommending and executing trades among other things.

On occasion, West Side may permit clients meeting certain criteria to open a separately managed account.

Item 4.C.

The Firm's advisory services are provided to its clients pursuant to the terms of the Funds' relevant offering documents or the separate account client's investment advisory agreement and based on the specific investment objectives and strategies as disclosed therein. The advisory services each client receives are tailored to their individual needs and specified investment objectives and strategies as set forth in each client's offering documents or investment advisory agreements. Each client may impose restrictions on investing in certain types of securities in accordance with achieving their investment objectives and strategies.

Item 4.D.

Not applicable. West Side does not participate in a wrap fee program.

Item 4.E.

As of December 31, 2016, West Side manages approximately \$3,613,211,241 in client assets on a fully discretionary basis and approximately \$9,387,852 in client assets on a non-discretionary basis.

Item 5 – Fees and Compensation

Items 5.A. and 5.B.

West Side's current fee structure for each of the Funds and separate accounts managed by the Firm is summarized below. Fees are subject to negotiation in certain circumstances and in West Side's or the relevant general partner's sole discretion.

WAF Master pays West Side a management fee accruing daily and calculated and payable monthly in arrears, which, depending on share class, will generally equal: (a) 0.166% (2.00% on an annualized basis); or (b) 0.083% (1.00% on an annualized basis) of WAF Master's net assets, determined as of the close of business on the last day of the applicable calendar month, appropriately adjusted to reflect contributions, redemptions and distributions during the month. The management fee reduces the capital account of the series of units to which it relates and accordingly, the net asset value ("**NAV**") of the corresponding series of units of WAF Master will be equally reduced.

CMBS Master pays West Side a management fee accruing daily and calculated and payable monthly in arrears, which fee generally will equal 0.166% (2.00% on an annualized basis) of the balance of each CMBS Master capital account subject thereto, determined as of the close of business on the last day of the applicable calendar month (and after the deduction of all other expenses of CMBS Onshore or CMBS Offshore and CMBS Master allocable to that CMBS Master capital account and the CMBS Onshore or CMBS Offshore capital accounts that correspond to such CMBS Master capital account). The management fee will reduce the capital accounts of the CMBS Master interest subject thereto and accordingly the balance of the capital accounts of the corresponding interests in CMBS Onshore or CMBS Offshore will be equally reduced.

The general partner of each onshore fund and director of each offshore fund may respectively, in its sole discretion, waive or impose different fees on any limited partner (regardless of the class of units held by such limited partner), including, without limitation, by means of a rebate or issuance of a new class of units, as may be agreed to by the general partner and such limited partner, without notice to other limited partners.

At the close of business on the last day of each fiscal quarter of WAF Master, the general partner (in its capacity as general partner of WAF Master) will be entitled to receive an incentive allocation which will generally equal 20%, 17.5% or 15% (depending on share class) of the aggregate net investment profits, both realized and unrealized, in the account (after the deduction of expenses and management fees but before deducting the performance allocation). The incentive allocation accrues daily and is credited to the incentive allocation account as of the close of business on the last day of each fiscal quarter. In the event of an intra-quarter redemption, any accrued incentive allocation will be credited to the incentive allocation account upon redemption.

At the close of business on the last day of each fiscal quarter of CMBS Master, the general partner (in its capacity as general partner of CMBS Master) will be entitled to receive incentive allocation with respect to each CMBS Master capital account, which generally will equal 20% of the excess, if any, of the balance of such capital account (determined prior to any incentive allocation accrual, but after the deduction of all other expenses of CMBS Onshore or CMBS Offshore and CMBS Master, including the management fee, allocable to that CMBS Master capital account and CMBS Onshore or CMBS Offshore capital accounts that correspond to such CMBS Master capital account) over the Prior High NAV of such capital account. As used herein, the "Prior High NAV" with respect to a CMBS Master capital account initially will be equal to the initial balance of such capital account. The incentive

allocation accrues daily and is credited to the incentive allocation account as of the close of business on the last day of each fiscal quarter.

The Loan Fund Master will pay West Side a management fee accruing daily and calculated and payable monthly in arrears, which fee generally will equal 0.125% (1.50% on an annualized basis) of the balance of each Loan Fund Master capital account subject thereto, determined as of the close of business on the last day of the applicable calendar month (and after the deduction of all other expenses of the Loan Fund Onshore, the Loan Fund Offshore and the Loan Fund Master allocable to that Loan Fund Master capital account and the Loan Fund Onshore and the Loan Fund Offshore capital accounts that correspond to such Loan Fund Master capital account). The management fee will reduce the capital accounts of the Loan Fund Master interest subject thereto and accordingly the balance of the capital accounts of the corresponding interests in the Loan Fund Onshore and the Loan Fund Offshore will be equally reduced. For purposes of determining the management fee payable as of a particular date, the Loan Fund Master capital accounts as of such date are not reduced to reflect any accrued incentive allocation, including any incentive allocation that is allocated to the incentive allocation as of such date. In addition, the management fee will be appropriately prorated for any period that is less than a full calendar month. Notwithstanding the foregoing, West Side will not be paid a management fee by the Loan Fund Master until the first calendar month-end as of which the net asset value of the Loan Fund Master exceeds \$20 million. This management fee waiver has been applied retroactively to the Loan Fund's inception.

West Side or the Loan Fund GP, as the case may be, may waive or impose different fees on any limited partner, as may be agreed to by West Side or the Loan Fund GP, as the case may be, and such limited partner, without notice to other limited partners, and, if necessary, the Loan Fund GP may make appropriate amendments to the partnership agreement and in its capacity as general partner of the Loan Fund Master may make appropriate amendments to the partnership agreement of the Loan Fund Master, to reflect any such fee arrangement. To the extent that the Loan Fund Master is unable to pay the management fee in cash, it will accrue as a debt of the Loan Fund Master due to West Side, together with interest at the broker's call rate as in effect from time to time during the relevant period, which interest shall be added to the management fee, provided that West Side shall be paid for any accrued management fees not later than the March 15th following the end of the calendar year with respect to which such management fees accrue.

At the close of business on the last day of each fiscal year of the Loan Fund Master (or other measurement period used to determine the incentive allocation), the Loan Fund GP (in its capacity as general partner of the Loan Fund Master) will be entitled to receive an incentive allocation with respect to each Loan Fund Master capital account, which generally will equal 20% of the excess, if any, of the balance of such capital account (determined prior to any incentive allocation accrual, but after the deduction of all other expenses of the Loan Fund Onshore, the Loan Fund Offshore and the Loan Fund Master, including the management fee, allocable to that Loan Fund Master capital account and the Loan Fund Onshore and the Loan Fund Offshore capital accounts that correspond to such Loan Fund Master capital account) over the Prior High NAV of such capital account.

Investors in any fund that West Side may advise in the future or in additional classes of interests of existing funds may bear different fees than those described above.

Additionally, discretionary separate account clients pay West Side a monthly management fee equal to a percentage of a negotiated value, e.g., the notional risk allocation or the monthly NAV. The management fee is payable monthly in arrears and is prorated for partial periods. The discretionary separate account clients pay West Side a quarterly or an annual performance fee equal to a percentage of the aggregate net investment profits, both realized and unrealized, in the account (after the deduction of expenses and management fees but before deducting the performance fee).

The Firm's non-discretionary separate account client reimburses West Side for its allocable share of expenses related to the services it provides.

West Side does not have a standard fee structure for managed accounts and may negotiate fees with break-points, or performance based incentives with or without additional features such as high water marks.

Item 5.C.

Investors in WAF Offshore, WAF Onshore, WOF, WAF Ontario, CMBS Onshore or CMBS Offshore will bear not only the management fee and incentive allocation, but also other expenses, such as, but not limited to, brokerage, custodial, audit, legal, regulatory, administration fees, and other fund related expenses. West Side is eligible for reimbursement of certain expenses described in the offering memoranda of WAF Offshore, WAF Onshore, WOF, WAF Ontario, CMBS Onshore, and CMBS Offshore. Please see the applicable offering memoranda, supplements, if any, and audited financial statements for details. Investors in any fund that West Side may advise in the future may bear different expenses.

The Loan Fund Onshore and Loan Fund Offshore will each bear all of their own expenses, including organizational expenses, initial and ongoing offering expenses, operating expenses and other expenses. In addition, the Loan Fund Onshore and Loan Fund Offshore will each bear, through their investment in the Loan Fund Master, a pro rata portion of the Loan Fund Master's expenses.

To the extent that fees and expenses of the Funds (including management fees) are identifiable with a particular class of interests or class or series of shares, West Side charges such fees and expenses solely to the relevant interests, class or series, as applicable. Investors bear other expenses of the fund pro rata in accordance with their account balances.

Regulatory expenses borne by the Funds include those incurred in the preparation, review and filing of mandatory disclosure documents relating to the Funds, their general partners and West Side, including but not limited to filings with the U.S. Securities and Exchange Commission (e.g., Form PF, Form D and Form ADV), the Commodities Futures Trading Commission (e.g., Form PR and Form PQR), the U.S. Bureau of Economic Analysis and the Cayman Islands Monetary Authority.

The maximum annual operating expenses of the WAF Funds (other than the Management Fee, the initial offering and initial organizational expenses, or the litigation-related expenses described in the following paragraph) (collectively, the "**Capped Expenses**"), shall not exceed: (i) one-twelfth of 0.50% (0.50% on an annualized basis) of the aggregate NAV of WAF Master as of the beginning of each calendar month, at any time that the NAV of WAF Master is less than \$375 million, (ii) one-twelfth of 0.40% (0.40% on an annualized basis) of the aggregate NAV of WAF Master as of the beginning of each calendar month, at any time that the NAV of WAF Master is equal to or greater than \$375 million and less than or equal to \$550 million, and (iii) one-twelfth of 0.30% (0.30% on an annualized basis) of the aggregate NAV of WAF Master as of the beginning of each calendar month, at any time that the NAV of WAF Master is greater than \$550 million. The foregoing cap on the Capped Expenses is calculated and applied on a monthly (rather than annual) basis at the level of WAF Master, and West Side will bear the Capped Expenses in excess of such monthly cap. However, to the extent that the Capped Expenses in a given month are less than the cap for such month, the amount of such underage will be carried forward to subsequent months in such year until it is utilized (i.e., it will be applied as a credit against West Side's obligations under this paragraph in subsequent months) but will not be carried forward from one calendar year to the next. Expenses incurred by the Loan Funds are similarly capped at 0.50% per annum of the Loan Funds' net assets.

Separate accounts advised by West Side are generally responsible for expenses incurred by the account such as, but not limited to, custodial fees, brokerage expenses, audit, and administration fees.

Item 5.D.

As discussed above in response to Item 5.A., the management fees for all accounts and Funds are payable monthly in arrears.

Item 5.E.

Not Applicable.

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

As described above in Item 5, West Side (through the relevant general partner) receives performance-based fees from WAF Master, CMBS Master, Loan Fund Master, and the discretionary separate accounts.

West Side manages the Funds and separately managed accounts subject to similar investment objectives, but different rates and methods of compensation. Accordingly, West Side has adopted and implemented policies and procedures intended to address conflicts of interest that may arise relating to the management of these accounts, including accounts with different fee arrangements, and the allocation of investment opportunities. West Side periodically reviews investment decisions for the purpose of ensuring that all accounts with substantially similar investment objectives hold similar investments and are treated equitably for the allocation of investments. The performance of the Funds and the managed accounts with substantially similar investment objectives is also compared on an ongoing basis by the portfolio managers and no less than semi-annually by the Firm's Investment Committee to determine whether there are any unexplained significant discrepancies. Finally, West Side also considers a Fund's or account's investment objective when determining the allocation for limited opportunities to ensure fair and equitable allocation among accounts. These areas and activities are also overseen by the Chief Compliance Officer.

Item 7 – Types of Clients

West Side provides portfolio management services to pooled investments vehicles and institutional separate accounts on either a discretionary or non-discretionary basis. The underlying investors in the pooled investment vehicles can be corporate pensions, charitable institutions, endowments, private investment funds, family office, and/or high net worth individuals. West Side may also permit such investors to invest in institutional separate accounts. West Side also provides advisory services to an affiliated banking institution on a non-discretionary basis.

There are no standard requirements for opening a separate account and are subject to negotiation, and considered in conjunction with negotiated fees, expenses, level of reporting required as well as target growth. Investments in the Funds are subject to a \$1 million dollar minimum initial investment. However, the GP for each onshore fund maintains the right to waive the investment minimums. In the case of the offshore funds, the directors maintain the right to waive the investment minimums.

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

Item 8.A.

WAF Funds and the CMBS Funds are fixed income relative value, arbitrage funds which employ a discretionary approach. WAF Funds and the CMBS Funds are structured to achieve above market returns by profiting from various market inefficiencies that exist within the liquid fixed income, MBS, and CMBS markets. West Side extracts value from arbitrage opportunities by purchasing securities and/or whole loans poised for capital gains and hedging out prevailing market risk. West Side employs a top-down macroeconomic analysis based on the likely path of interest rates and Federal Reserve Board policy. That information is then translated into bottom-up security selection. West Side utilizes loan level and pool level data to find borrower attributes that fit the Firm's investment goals. Third party and proprietary tools are used to perform dynamic sensitivity analysis by monitoring interest rate and prepayment sensitivities. To the extent West Side utilizes a hedging strategy, it may invest in liquid interest rate products such as, but not limited to, Treasury Notes, interest-only synthetic swaps, interest rate swaps, Eurodollars, and options on these instruments to hedge out interest rate exposure. Risks related to prepayments are hedged using structured products and mortgage pass-through securities. West Side expects to actively manage and trade securities comprising the portfolio.

The primary investment objective of the Loan Funds is to seek capital appreciation through investments in student loans directly and/or indirectly through trusts or other pooling vehicles, in each case that may or may not be securitized. In addition, the Loan Fund may make investments in student loan servicing rights (which is an asset distinct from student loans and pooling vehicles holding student loans).

Investing in the Funds involves risk of loss that investors must be prepared to bear. West Side employs similar strategies, and risk management in managing the four separate discretionary accounts. West Side has a fiduciary obligation to allocate investment opportunities among its Funds and accounts in a manner that is fair and equitable and does not favor one fund or account over another. When an investment opportunity arises, West Side will determine whether the investment is suitable for more than one fund/account based upon factors it deems relevant, which may include, among others: whether the investment complements the existing portfolio; availability of funds; current leverage position based on needs; change in working capital; hedging and perceived credit risk.

The following includes a description of certain material risks for the investment strategy that West Side uses to manage each Fund and account. This description is not a complete explanation of the risks associated with the investment strategy or the risks involved in investments made by West Side. Prior to making a commitment to invest in an investment program, prospective investors are encouraged to carefully read the offering memoranda and the governing documents for the applicable investment program and consult with their own financial and legal advisors.

Unless otherwise noted, the separate accounts advised by West Side are traded pursuant to similar investment strategies as the Funds and are therefore subject to similar investment strategy-related risks as the Funds. One separate account advised by West Side pursues a rising interest rates strategy, though it is subject to many of the same investment-related risks as the WAF Funds.

Items 8.B. and 8.C.

Investment Strategies. The Funds' investment strategies may result in highly concentrated, illiquid and leveraged positions. The Funds' risk of loss is greatly increased by this strategy. An investment in the Funds is suitable only for an investor that does not need liquidity in its investment, can accept volatility in its investment, and can sustain the total loss of its investment in the Funds.

Risks of WAF Funds and the CMBS Funds

Investments May Be Speculative. Substantial risks are involved in trading MBS and CMBS. For this reason, a potential investor should note that the prices of the WAF Funds and the CMBS Funds investments may be highly volatile. Market movements are difficult to predict and are influenced by, among other factors, interest rates, general economic conditions, governmental actions, domestic and international political developments, governmental trade and fiscal policies, patterns of trade and other factors.

Use of Swap Agreements. The WAF Funds and the CMBS Funds may also engage in interest rate swap agreements, including interest rate cap and collar swap agreements for hedging purposes. Interest rate swaps are transactions in which two parties, usually one paying, or being paid, a fixed rate of interest on a notional principal amount and one paying, or being paid, a variable rate of interest, exchange their respective commitments, so that the party formerly paying or being paid a fixed rate pays or is paid a variable rate, and vice versa. There is a risk that the index with reference to which the variable rate is set may not correlate perfectly with the market and other portfolio investments. Imperfect correlation may make West Side's hedging strategy on behalf of the WAF Funds and the CMBS Funds less effective.

The WAF Funds and the CMBS Funds may also invest in interest only swaps (IOS). An IOS is the exchange of cash flows according to a predetermined agreement, usually between two parties. Upon the payment date of the swap, typically only the difference between the two payment amounts is given to the party that is entitled to it. IOS may be used for hedging purposes, for example the WAF Funds and the CMBS Funds may enter into interest only swaps to gain or reduce exposure to interest rates, as a vehicle to manage duration, or to gain or reduce sensitivity to prepayments. However, the WAF Funds and the CMBS Funds may also use IOS as an investment asset class if the investment group, which includes the portfolio managers, analysts and other investment personnel (the "Investment Group") determine market conditions present opportunities for the WAF Funds and the CMBS Funds under their investment strategies.

The investment performance of the WAF Funds and the CMBS Funds, however, may be adversely affected by the use of swaps if West Side's forecasts of market values or interest rates are inaccurate.

Repurchase Agreements. Repurchase agreements involve the simultaneous purchase of, and an agreement to resell, U.S. Government securities. Such transactions afford an opportunity for the WAF Funds and the CMBS Funds to invest temporarily available cash. There is a risk of the ability of the original seller to pay the agreed upon sum on the delivery date.

The WAF Funds and the CMBS Funds also may enter into reverse repurchase agreements. These transactions involve risks that the value of portfolio securities being relinquished may decline below the price that must be paid when the transaction closes.

Futures Trading. The WAF Funds and the CMBS Funds may engage in futures transactions (subject to all applicable regulatory requirements) as a hedging strategy. Futures contracts are usually made on a futures exchange which

call for the future delivery of a specified “commodity” at a specified time and place. The WAF Funds and the CMBS Funds profitability will depend on West Side’s ability to analyze price movements in those markets. Financial instrument and foreign currency futures prices are influenced by, among other things, interest rates, changes in balances of payments and trade, domestic and international rates of inflation, international trade restrictions and currency devaluations and revaluations. The WAF Funds and the CMBS Funds profitability will depend on West Side’s ability to analyze price movements in those markets. Because low margin deposits are normally required, an extremely high degree of leverage is obtainable in futures trading. A relatively small price movement in a futures contract, consequently, may result in large losses.

Yield Curve Changes. Changes in the shape of the yield curve can cause significant changes in the profitability of hedging operations. In the event of the inversion of the yield curve, the reversal of the interest differential between positions of different maturities can make previously profitable hedging techniques unprofitable.

Market and Credit Risks of Debt Securities. Certain of WAF Funds’ and the CMBS Funds’ investments in fixed rate and floating rate MBS and most of the CMBS investments may entail normal credit risks such as the risk of non-payment of principal and interest on the security, and market risks such as the risk that interest rates, softening economic conditions, and other factors will cause the value of a security to decline or the return of cash flow on the underlying securities to diminish.

Prepayment and Redemption Risks. MBS reflect an interest in monthly payments made by the borrowers who received the underlying mortgage loans. Although the underlying mortgage loans are for specified periods of time, such as 15 or 30 years, borrowers can, and typically do, pay them off sooner. The increased likelihood of prepayment when interest rates decline also limits market price appreciation of most MBS securities at a time when the prices of most fixed-income securities rise.

Collateralized Mortgage Obligations. There are certain risks associated specifically with Collateralized Mortgage Obligations (“CMOs”). CMOs issued by private entities are not U.S. Government securities and are not guaranteed by any government agency, although the securities underlying a CMO may be subject to a guarantee. Therefore, if the collateral securing the CMO, as well as any third party credit support or guarantees, is insufficient to make payment, the holder of a CMO could sustain a loss.

Stripped Mortgage Backed Securities (“SMBS”) and Inverse Floaters. Both of these investments are highly sensitive to changes in interest and prepayment rates and as a result, each individually is highly volatile. This risk is not measured by the credit rating of the underlying pool. Changes in the value of inverse floaters tend to be inversely proportional to the direction of interest rates as is the case with traditional fixed income securities, while the value of interest-only SMBS often is directly proportional to the direction of interest rates.

Structured Products. WAF Funds and the CMBS Funds may invest in debt-related structured products. Many structured products contain covenants designed to protect the providers of debt financing to such structured products. A failure to satisfy those covenants could result in the untimely liquidation of the structured product and a complete loss of WAF Funds and the CMBS Funds’ investment therein.

Real Estate Investment Trusts. From time to time, WAF Funds and the CMBS Funds may invest, directly or indirectly, in real estate investment trusts (“REITs”). REITs can be subject to extreme volatility due to fluctuations in the demand for real estate or mortgages, changes in interest rates, and adverse economic conditions. Additionally, the failure of a REIT to continue to qualify as a REIT for tax purposes can materially affect its value.

Lack of Liquidity of Certain Investments. During periods of limited liquidity and higher price volatility, WAF Funds' and the CMBS Funds' ability to acquire or dispose of investments at an advantageous price and may be impaired. As a result, in periods of rising market prices, the Funds may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly; WAF Funds' and the CMBS Funds' inability to dispose fully and promptly of positions in declining markets will conversely cause their NAV to decline as the value of unsold positions is marked to lower prices.

Concentration of Investments. Although West Side will follow a general policy of seeking to diversify WAF Funds and the CMBS Funds' capital among a number of investments, West Side may depart from such policy from time to time and may hold a few, relatively large positions in relation to WAF Funds' and the CMBS Funds' capital. Consequently, a loss in any such position could result in a proportionately higher reduction in WAF Funds' and the CMBS Funds' capital than if such capital had been spread among a wider number of investments.

Leverage. WAF Funds and the CMBS Funds expect that they will make investments using little or no leverage. As the credit markets change, however, WAF Funds may use a moderate amount of leverage (i.e., not in excess of one dollar of borrowed funds for every dollar of equity value) and the CMBS Funds may (depending on the type of asset being acquired), utilize significant leverage, in each case to increase the overall return on capital. Although not required, WAF Funds and the CMBS Funds have the flexibility, to use leverage, which increases the volatility of WAF Funds and the CMBS Funds. WAF Funds and the CMBS Funds may borrow funds for the purposes of, among other things, meeting operational needs, funding anticipated withdrawals, or making investments. The amount of leverage or borrowings which WAF Funds and the CMBS Funds may have outstanding at any time may be large in relation to its capital. Consequently, the level of interest rates generally, and the rates at which WAF Funds and the CMBS Funds can borrow in particular, will affect the operating results of WAF Funds and the CMBS Funds. In addition, hedging techniques may be employed in an attempt to reduce interest rate risk.

Risks of the Loan Funds

The Volatile Economy and Recent Credit Crisis. Over the past few years, the global economy has experienced a significant recession, as well as a severe, ongoing disruption in the credit markets, including the general absence of investor demand for and purchases of student loans, student loan-backed securities and other asset-backed securities and structured financial products. While the United States economy has technically come out of the recession, the recovery could be fragile and may not be sustainable for any specific period of time, and could slip into an even more significant recession.

Disruptions in the debt markets have affected the price of, as well as participants' ability to make, certain types of investments, and there can be no assurance that these disruptions will not continue or worsen in the future. Any such disruptions may negatively affect a wide range of issuers and may increase the likelihood that such issuers will be unable to make principal and interest payments when due. In the event of a default by an issuer, the Loan Funds could lose both invested capital in, and anticipated profits from, any affected investment. The continuation or worsening of these events, or other similar or dissimilar events, could have an adverse impact on the availability of credit generally and may lead to an overall weakening of the U.S., European, and global economies. In addition, any disruptions of this kind may affect the Loan Funds' ability to procure, and the terms of, its own financing arrangements.

Most of the Investments Will Not be Insured or Guaranteed. The Loan Funds will invest a substantial portion of its capital in student loans directly and/or indirectly through trusts or other pooling vehicles, in each case that may or may not be securitized. It is anticipated that most or all such loans will be "private education loans" that were

not originated through U.S. federal education loan programs, are not federally guaranteed, and may or may not be insured by a private guarantor.

Private education loans are not secured by any collateral of the borrowers and are not insured by any governmental agency. Consequently, if a borrower defaults on a private education loan held by the Loan Funds, the Loan Funds will bear the risk of such loss. Even if a private education loan is guaranteed by a private guarantor, there is a risk that the guarantor will default on its guarantee obligations, resulting in losses to the Loan Funds. In addition, borrowers under private education loans typically have already borrowed up to the maximum annual or aggregate limits under federal education loan programs and, as a result, may be more likely than other student loan borrowers to default on their payments or to be entitled to mandatory forbearance, in which case payments will not have to be made or will be reduced for a period of time.

Some student loans originated through U.S. federal education loan programs are not fully guaranteed. To the extent that borrowers default on such loans, the Loan Funds may experience losses. In addition, federal education loans issued under the Federal Family Education Loan Program (which is no longer in effect) are generally guaranteed by a state guaranty agency or a private non-profit guarantor and are reinsured by the U.S. Department of Education, subject to certain conditions. Any deterioration of a guarantor's ability to honor guarantee claims or any failure to comply with conditions imposed by the Department of Education's reinsurance program could adversely affect the value of and recoveries under such loans.

Default and Delinquency Risk. Borrowers under private education loans typically have already borrowed up to the maximum annual or aggregate limits under federal education loan programs and, as a result, may be more likely than other student loan borrowers to default on their payments or to be entitled to mandatory forbearance, in which case payments will not have to be made or will be reduced for a period of time.

Certain student loans may be extended as a result of grace periods, deferment periods, and, under some circumstances, forbearance periods. For example, various laws provide student loan payment relief to certain borrowers, including those engaged in active military duty, performing teaching services, or serving in a medical or dental internship. These extensions, to the extent they apply to private education loans, could lengthen the remaining term of such loans and delay principal and interest payments to the Loan Funds.

In addition, the performance of individual student loans may be highly correlated with each other because certain events, such as economic downturns, are likely to affect a large number of student loan borrowers and their ability to repay such loans.

Refinance and Prepayment Risk. Student loan borrowers generally may prepay a loan in whole or in part, at any time, without penalty. The rate of prepayments may be influenced by a variety of economic, social, competitive, and other factors, including changes in interest rates, the availability of alternative financing, and general economic conditions. Various loan consolidation programs that are available to eligible borrowers may increase the likelihood of prepayments. In addition, there are no origination fees on many of the student loans in which the Loan Fund will invest, incentivizing borrowers to refinance even if the shift in underlying interest rates is small. Consequently, the length of time that a loan is outstanding and accruing interest may be shorter than the Loan Fund expects. Prepayment or call risk can increase in likelihood in declining interest rate environments if lenders concurrently reduce rates on their product offerings.

The yield to maturity on student loans or asset backed securities collateralized by student loans, will depend, in significant part, upon the rate and timing of principal payments on the student loans as well as any accumulation

of losses. Defaults by borrowers may result in substantial principal losses to securities collateralized by student loans.

Any changes in the weighted average lives of a security may adversely affect yield. Prepayments resulting in a shortening of weighted average lives may be made at a time of low interest rates when reinvestment of the resulting payment of principal are at a rate lower than the effective yield when making the initial investment. Conversely, delays and extensions resulting in a lengthening of those weighted average lives may occur at a time of high interest rates when reinvestment of principal payments otherwise could have been reinvested at higher rates.

Limited Performance History. The private student loans in which the Loan Funds expect to invest are a relatively new asset class. As a result, there is limited prepayment, loss and delinquency data on private loans on which to base loss projections. If the losses and delinquencies exceed the projected losses, the performance of the Loan Funds may be adversely affected.

Servicer Performance. The performance of the Loan Funds will be affected by the performance of the servicer of the student loans in the Loan Funds' portfolio or in the portfolio of any securitization vehicles in which the Loan Funds invest. The servicing of student loans, in particular private student loans, requires special expertise. Any failure of servicers to properly service the student loans could adversely affect the performance of an investment in the Loan Funds.

It is expected that the Loan Funds will acquire a significant amount of the student loans in its portfolio, and may invest in securities backed by student loans, that are originated and serviced by an affiliate of West Side, Darien Rowayton Bank. While Darien Rowayton Bank has significant experience with mortgage loan originations and servicing, it is less experienced in the student loan origination and servicing business. If Darien Rowayton Bank's lack of experience results in a failure to properly service student loans, the Loan Funds may be materially adversely affected.

Asset-Backed Securities; Asset Pools. It is expected that the Loan Funds will invest directly or indirectly in asset-backed securities, which are structured securities collateralized or backed by student loans. Asset-backed securities are often extremely complex, and their values and returns may be subject to significant fluctuations as a result of relatively small changes in interest rates; the rates of prepayments, defaults, or late payments with respect to the relevant underlying assets; or other factors. The value of an asset-backed security is highly dependent upon the performance of its underlying assets and upon the expected quality of the underlying assets.

Substantial leverage may be inherent in the structure of some asset-backed securities. Consequently, asset-backed securities may present a greater degree of risk than other types of fixed income securities and may be more volatile, less liquid, and more difficult to price accurately than less complex securities. The Loan Funds may enter into hedging transactions in certain circumstances to protect against interest rate movements, prepayment risk, defaults, or other factors, but there can be no assurance that such hedging transactions, if any are undertaken, would fully protect the Loan Funds against such risks.

Asset-backed securities are typically separated into tranches representing different degrees of credit quality, with lower-rated tranches being subordinate to senior tranches. Since there are no assets underlying student loans, recovery of principal is dependent upon the ability of the borrower to repay. While student loans are currently not dischargeable in bankruptcy, full recovery of principal may never happen or would be extended far out into the future, effecting recovery and severity rates for certain tranches. Accordingly, any defaults may materially adversely affect any long positions the Loan Funds hold in asset-backed securities. In addition, the quality of the

Loan Funds' investments in certain asset-backed securities are subject to the accuracy and completeness of representations made by the underlying obligors. Accordingly, the Loan Funds are subject to the risk that originators of certain asset-backed securities fail to adequately verify such representations, whether because of defects in the verification systems used by such originators or otherwise.

The Loan Funds may, directly or indirectly, issue asset-backed securities collateralized by student loans. Such asset-backed securities generally would be for resale in the secondary market. In connection with any such issuance, it is possible that the Loan Funds would not be able to sell all or a portion of the subordinated tranches, whether debt or equity, and such tranches would generally be the first to bear any losses with respect to the underlying collateral. Issuing asset-backed securities may not be feasible in the current market environment.

The Loan Funds may also invest directly in pools of assets that typically would be used to collateralize asset-backed securities. Such pools of assets are subject to many of the same risks of asset-backed securities, including that returns may be subject to fluctuations as a result of changes in payment rates, defaults, and other factors. Such pools may be subject to additional risks, including that the Loan Funds would own the entire risk of loss on the pool, rather than owning the risk of loss on a particular tranche as is typically the case when investing in an asset-backed security.

Legislative and Regulatory Risk. Laws relating to, and the regulation of, student loans generally are evolving, and changes in such laws and regulation may materially adversely affect the Loan Funds. The remedies available to the Loan Funds upon an event of default with respect to loans and other forms of indebtedness may be limited by applicable federal and state laws. For example, numerous federal and state consumer protection laws, including various state usury laws and related regulations, impose substantial requirements upon lenders and servicers involved in consumer finance. Some states impose finance charge ceilings and other restrictions on certain consumer transactions and require contract disclosures in addition to those required under federal law. These requirements impose specific statutory liability that could affect the Loan Funds' ability to enforce its rights with respect to such Investments, including student loans. In addition, certain states have passed legislation requiring cost-free installment repayment plan options in many cases for borrowers who request them, who default on their loans, or who claim an inability to repay their loans. Similar laws and restrictions also may exist in certain non-U.S. jurisdictions in which the Loan Funds make investments.

Pursuant to the Dodd-Frank Act, lenders will be subject to regulations promulgated by the Consumer Financial Protection Bureau (the "CFPB"). The CFPB has substantial power to define the rights of consumers and the responsibilities of lenders, and consumer advocacy groups are likely to press the CFPB to promulgate new regulations that would reduce the profitability of consumer financial products and services. Any such regulations could have a material adverse effect on the Loan Funds.

Under current federal law, private education loans made for qualified education expenses generally are not dischargeable by a borrower in bankruptcy, except under certain specified circumstances. Any change in the general rule that private education loans are not dischargeable in bankruptcy or any expansion of the exceptions to such rule could have a material adverse effect on such loans.

Impact of Terrorist Attacks and Military Operations. On September 11, 2001, the United States was subjected to multiple terrorist attacks, resulting in the loss of many lives and massive property damage and destruction in New York City, the Washington, D.C. area and Pennsylvania. In its aftermath, there was considerable uncertainty in the world financial markets. Further, a number of reported thwarted planned attacks, such as the May 2010 attempted bombing in Times Square, suggest an increased likelihood that large public areas such as shopping centers or large office buildings could become the target of terrorist attacks in the future. It is impossible to predict

whether, or the extent to which, future terrorist activities may occur in the United States. According to publicly available reports, the financial markets have in the past been adversely affected by (a) the uncertainty with regard to the scope, nature and timing of current and possible future military responses led by the United States, (b) the disruptions in air travel, (c) substantial losses reported by various companies including airlines, insurance providers and aircraft makers, (d) the need for heightened security across the country and (e) decreases in consumer confidence that can cause a general slowdown in economic growth. It is impossible to predict the duration of the current military involvement of the United States in North Africa, the Middle East or Afghanistan and whether the United States will be involved in any other future military actions.

The continued presence of United States military personnel in North Africa, the Middle East and Afghanistan may prompt further terrorist attacks against the United States. It is uncertain what effects the aftermath of such military operations of the United States in Iraq, any future terrorist activities in the United States or abroad and/or any consequent actions on the part of the United States Government and others, including military action, will have on: (a) United States and world financial markets, (b) local, regional and national economies, (c) level of unemployment, which could adversely affect borrower's ability to repay their debt. These disruptions and uncertainties could materially and adversely affect the value of, and ability to sell securities out of the portfolio.

Conflicts of Interest of the Underwriters of Securities. The activities of the underwriters of securities may result in certain conflicts of interest. The underwriter entities may retain, or own classes of securities, and any voting rights of that class could be exercised by them in a manner that could adversely impact the securities. If an underwriter entity becomes a holder of any of the securities, through market-making activity or otherwise, any actions that it takes in its capacity as a holder, including voting, providing consents or otherwise, will not necessarily be aligned with the interests of other holders of the same class or other classes of the deal. To the extent an underwriter entity makes a market in the securities (which it is under no obligation to do), it would expect to receive income from the spreads between its bid and offer prices for the securities. The price at which an underwriter entity may be willing to purchase certificates, if it makes a market, will depend on market conditions and other relevant factors and may be significantly lower than the issue price for the certificates and significantly lower than the price at which it may be willing to sell the securities. Certain activities and interests of the underwriter entities will not align with, and may in fact be directly contrary to, those of certain noteholders.

Rating Downgrade Risk. Ratings on classes of securities given by the rating agencies are based, among other things, on the economic characteristics of the underlying assets and other relevant structural features of the transaction. Ratings may be reviewed, revised, suspended, downgraded, upgraded, qualified or withdrawn entirely by the applicable rating agency as a result of changes in, among other things, performance of underlying loans, amount and type of current credit support, current economic conditions, updated appraisals and a change in availability of information.

Furthermore, the SEC may determine that one or more of the rating agencies engaged by the depositor no longer qualifies as a nationally recognized statistical rating organization, or is no longer qualified to rate security, and that determination may also have an adverse effect on the liquidity and market value of that security.

Use of Swap Agreements. The Loan Funds also may engage in interest rate swap agreements, including interest rate cap and collar swap agreements for hedging purposes. Interest rate swaps are transactions in which two parties, usually one paying, or being paid, a fixed rate of interest on a notional principal amount and one paying, or being paid, a variable rate of interest, exchange their respective commitments, so that the party formerly paying or being paid a fixed rate pays or is paid a variable rate, and vice versa. West Side usually will enter into interest rate swap agreements for hedging purposes and on a net basis so that the Loan Funds receive or pay, as the case may be, only the difference between the fixed and the variable rate on the notional amount of principal. There is

a risk that the index with reference to which the variable rate is set may not correlate perfectly with the market and other portfolio investments. Imperfect correlation may make West Side's hedging strategy on behalf of the Loan Funds less effective. The use of swaps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary securities transactions. Interest rate swaps, for example, do not typically involve the delivery of securities, other underlying assets or principal. Accordingly, the market risk of loss with respect to an interest rate swap is often limited to the amount of interest payments that the Loan Funds are contractually obligated to make on a net basis. If the other party to an interest rate swap defaults, the Loan Funds' risk of credit loss may be the amount of interest payments that it is contractually entitled to receive on a net basis. However, where swap agreements require one party's payments to be "up-front" and timed differently than the other party's payments, the entire principal value of the swap may be subject to the risk that the other party to the swap will default on its contractual delivery obligations. If there is a default by the counterparty, the Loan Funds may have contractual remedies pursuant to the agreements related to the transaction. The swap market has grown substantially in recent years, and has become relatively more liquid, with a large number of banks and investment banking firms acting both as principals and as agents utilizing standardized swap documentation. The investment performance of the Loan Funds, however, may be adversely affected by the use of swaps if West Side's forecasts of market values, interest rates or currency exchange rates are inaccurate.

Futures Trading. The Loan Funds may engage in futures transactions (subject to all applicable regulatory requirements) as a hedging strategy. Futures contracts are usually made on a futures exchange which call for the future delivery of a specified "commodity" at a specified time and place. These contractual obligations, depending on whether one is a buyer or a seller, may be satisfied either by taking or making physical delivery of the "commodity" or by making an offsetting sale or purchase of an equivalent futures contract on the same exchange prior to the end of trading in the contract month. Futures prices are highly volatile. Financial instrument and foreign currency futures prices are influenced by, among other things, interest rates, changes in balances of payments and trade, domestic and international rates of inflation, international trade restrictions and currency devaluations and revaluations. The Loan Funds' profitability will depend on West Side's ability to analyze price movements in those markets. Because low margin deposits are normally required, an extremely high degree of leverage is obtainable in futures trading. A relatively small price movement in a futures contract, consequently, may result in large losses. Thus, like other highly leveraged investments, any purchase or sale of a futures contract may result in losses which exceed the amount invested.

Most U.S. futures exchanges limit fluctuations during a single day in futures contract prices by regulations referred to as "daily price fluctuation limits" or "daily limits." During a single trading day, no trade may be executed at prices beyond the daily limits, and positions in a particular contract can neither be taken nor liquidated at a price beyond the applicable limit. Futures prices in various commodities have occasionally moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Loan Funds from promptly liquidating unfavorable positions and subject it to substantial losses, which could exceed the margin initially committed to such trades. In addition, even if futures prices have not moved the daily limit, West Side may not be able to execute futures trades at favorable prices if little trading in the contracts West Side wishes to trade is taking place.

Repurchase Agreements. Repurchase agreements involve the simultaneous purchase of, and an agreement to resell, securities and/or loans. For example, at the same time the Loan Funds buy a security, it agrees to resell it to the original seller and is obligated to deliver the security to such seller at a fixed price and time, thereby determining the yield during its holding period. The agreements are either executed for a one day term or, if for a longer term, the collateral exposure is repriced daily and positions maybe subject to a margin call. The repurchase price is in excess of the sale price and reflects an agreed upon market price unrelated to the coupon date on the purchased security. Such transactions afford an opportunity for the Loan Funds to invest temporarily

available cash. There is a risk of the ability of the original seller to pay the agreed upon sum on the delivery date; in the event of default the repurchase agreement provides that the Loan Fund Master is entitled to sell the underlying collateral and the value of the collateral at the time the transaction is entered into always exceeds the agreed upon sum to be paid to the Loan Funds. However, if the value of the collateral declines after the agreement is entered into and if the seller defaults under a repurchase agreement when the value of the underlying collateral is less than the repurchase price, then the Loan Funds will incur a loss. Also, securities positions held by dealers in repurchase transactions that are transferred to others by such dealers are subject to the risk of such dealers' default or bankruptcy.

The Loan Funds also may enter into reverse repurchase agreements. A reverse repurchase agreement typically involves the sale of a security (or a loan) by a party to a bank or securities dealer and the selling party's simultaneous agreement to repurchase that security for a fixed price (reflecting a rate of interest) on a specific date, and may be considered a form of borrowing for some purposes. These transactions involve risks that the value of portfolio securities being relinquished may decline below the price that must be paid when the transaction closes or that the other party to a reverse repurchase agreement will be unable or unwilling to complete the transaction as scheduled, which may result in losses to the Loan Funds. Reverse repurchase agreements are a form of leverage that may also increase the volatility of the Loan Funds' investment portfolio.

General Market Risk. The market value of the any securities can decline even if those securities and the student loans are performing at or above expectations.

The market value of securities will be sensitive to fluctuations in current interest rates. However, a change in the market value of the securities as a result of an upward or downward movement in current interest rates may not equal the change in the market value of the securities as a result of an equal but opposite movement in interest rates.

The market value of the securities will also be influenced by the supply of and demand for asset-backed securities generally. The supply of asset-backed securities collateralized by student loans will depend on, among other things, the amount of student loans, whether newly originated or held in the portfolio, that are available for securitization. A number of factors will affect investors' demand for asset-backed securities, including:

- the availability of alternative investments that offer higher yields or are perceived as being a better credit risk, having a less volatile market value or being more liquid;
- legal and other restrictions that prohibit a particular entity from investing in certain asset-backed securities or limit the amount or types of certain asset-backed securities that it may acquire;
- investors' perceptions regarding the economy generally and the job market, which may be adversely affected by, among other things, an increase in defaults on student loans;
- investors' perceptions regarding credit, liquidity and the capital markets in general, which may be adversely affected by political, social and economic events completely unrelated to the student loan markets; and
- the impact on demand generally for asset-backed securities as a result of the existence or cancellation of government-sponsored economic programs.

The ability to sell certain securities will depend on, among other things, whether and to what extent a secondary market then exists for those securities, and if a sale is required it may have to be at a discount from the price paid for reasons unrelated to the performance of the securities or the underlying student loans. Pricing information regarding certain securities may not be generally available on an ongoing basis or on any particular date.

Lack of Liquidity of Certain Investments. During periods of limited liquidity and higher price volatility, the Loan Funds' ability to acquire or dispose of Loan Funds' investments at a price and time that the Loan Funds deem advantageous may be impaired. As a result, in periods of rising market prices, the Loan Funds may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly; the Loan Funds' inability to dispose fully and promptly of positions in declining markets will conversely cause the value of an interest in the Loan Funds, and in turn the value of an investment in the Partnership, to decline as the value of unsold positions is marked to lower prices. The Loan Funds may have difficulty disposing of student loan asset-backed securities because there may be a thin trading market for such securities.

Concentration of Investments. The Loan Funds do not have any diversification requirements, other than requirements (if any) that may be imposed by applicable law or regulation. The Loan Funds will invest a substantial portion of their assets in private student loans originated by, among others, Darien Rowayton Bank under the bank's then-current underwriting criteria with the Loan Funds will review from time to time. As a result, the investments in the Loan Funds' portfolio may be concentrated in loans issued to younger borrowers with higher debt loads in addition to having other shared characteristics. Such borrowers may be concentrated in particular employment fields such as law and medicine, and in larger cities that draw these types of professionals. In general, less diversification will tend to expose the limited partners and investors to greater volatility and/or risk than would be the case with a more broadly diversified portfolio.

Leverage. The Loan Funds may from time to time utilize substantial amounts of leverage in implementing its investment program. Leverage may take the form of borrowings pursuant to credit facilities (including asset-based facilities), loans for borrowed money, lines of credit, trading on margin, derivative instruments that are inherently leveraged (including, among other things, forward contracts, futures contracts, options, swaps, repurchase agreements and reverse repurchase agreements), other forms of direct and indirect borrowings and other instruments and transactions that are inherently leveraged. To the extent permitted by applicable law, the Loan Funds may borrow funds from the Loan Fund GP, its affiliates or other parties, for purposes of employing leverage in its investment program or when otherwise deemed appropriate by the Loan Fund GP, for the purposes of, among other things, meeting operational needs, funding anticipated withdrawals, making investments, or for other purposes. The Loan Funds may pledge their assets in order to secure any such borrowings. Borrowing increases certain risks and the rights of any lenders to the Loan Funds to receive payments of interest or repayments of principal will be senior to those of the limited partners and the investors in the Loan Funds, respectively, and the terms of any borrowings may contain provisions that limit certain activities of the Loan Funds.

Leveraging through borrowing will exaggerate the effect on the value of interests in the Loan Funds of any increase or decrease in the market value of the securities in the Loan Funds' portfolio. Monies borrowed will be subject to interest costs that may or may not be recovered through appreciation of the securities purchased or the yield from such securities. As the Loan Funds may invest their assets in restricted securities, their respective ability to borrow on margin may be limited.

The Loan Funds do not have any formal commitments from banks or others regarding its future borrowing. The Loan Funds may seek, in the future, standby or permanent financing from one or more banks, and may enter into any other type of financing arrangement the Loan Fund GP considers appropriate. If the Loan Funds utilize leverage, the possibilities for profit and the risk of loss are increased and the debt the Loan Funds may have outstanding at any time might be large in relation to its capital. Furthermore, if the Loan Funds' revenues are not sufficient to pay the principal of, and interest on, the Loan Funds' debt when due, the Loan Funds could sustain a total loss of its assets.

Similarly, the Loan Fund Master may, to the extent permitted by applicable law, borrow funds, and the Loan Fund Master's Limited Partnership Agreement imposes no limit on the amount that the Loan Fund Master may borrow.

Illiquidity. Because there are significant restrictions on the transferability and withdrawal of the Loan Funds interest, an investor may not be able to liquidate its investment promptly and may be required to bear the economic risk of its investment for an indefinite period of time. Furthermore, the Loan Funds may distribute securities (which may themselves have limited liquidity) rather than cash to satisfy such withdrawals.

There is no market for the interests and none is expected to develop. There are also significant restrictions on the transferability of the interests. The Loan Funds interests have not been registered under the securities laws of any jurisdiction, including the United States and the states thereof, and cannot be sold or otherwise transferred by investors unless they are subsequently registered under applicable law or an exemption from registration is available. No transfer of Loan Funds interests, in whole or in part, may be made without first obtaining the written consent of the Loan Funds, which consent may be withheld in the Loan Fund GP's sole discretion.

Student Loan Servicing Rights. Student loans typically obligate the borrower to pay a servicing fee (the "**Servicing Fee**") that is included in the regular debt service payments and is earmarked to compensate the entity or entities responsible for originating and/or servicing the loan. The Servicing Fee is normally in excess of the actual cost of servicing the loan. As a result, the Servicing Fee may be thought of as having two components – one of which reimburses the servicer for its servicing activities (the "**Cost Component**") and the other of which represents a potential excess above the Cost Component (the "**Excess Component**"). The entity or entities that are entitled to receive the Excess Component may sell the right to receive the Excess Component to a financial investor, effectively exchanging a right to the future cash flow represented by the Excess Component for current cash consideration. The Loan Funds may acquire the Excess Components of Servicing Fees directly from the entity or entities that are entitled to receive the Excess Component or may acquire Excess Components indirectly, for example through a securitization or other vehicle. A servicer or sub-servicer would continue to service the loans in exchange for receipt of the Cost Component. The Loan Funds may acquire Excess Components from Darien Rowayton Bank, an affiliate of the Firm. Investments in Servicing Fees involve certain risks that are not present in investments in student loans and student loan pooling vehicles. These risks include the following:

- The value of any such investment is contingent upon the loan originator, servicer and/or sub-servicer continuing to satisfactorily perform their obligations with respect to the underlying student loans. These parties may experience business difficulties and not be incentivized to perform their obligations with respect to the underlying student loans (including because they no longer have an interest in the Excess Component). A failure of such entities to perform or to adequately perform such duties or a bankruptcy or other issues affecting such entities could result in such parties being removed from their roles, which could in turn result in the Servicing Fees no longer being paid to them and there being no further Excess Component for such party to pay over to the Loan Funds. The Loan Funds may have limited recourse against any such party in connection with the foregoing
- The price paid by the Loan Funds will be based on assumptions as to the actual cost of servicing the underlying student loans, which will dictate the size of the Cost Component and the Excess Component. There can be no assurance that such assumptions will be accurate. If the actual cost of servicing the underlying student loans increases, the Cost Component will increase and the Excess Component will decrease accordingly. The Cost Component could in fact take up the entire Servicing Fee, resulting in there being no remaining Excess Component to pay to the Loan Funds.
- Some or all of the underlying student loans may be prepaid or default, which would result in lower Servicing Fees with respect to such loans and in turn reduce the Excess Component.

Item 9 – Disciplinary Information

Items 9.A., 9.B., and 9.C.

West Side is not aware of any legal or disciplinary events or actions that are material to its advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

Item 10.A.

Not Applicable. West Side is currently not applying to register as a broker-dealer and has no intention to do so in the future.

Item 10.B.

West Side is registered as a commodity pool operator and commodity trading advisor with the Commodity Futures Trading Commission (“**CFTC**”) and is a member of the National Futures Association (“**NFA**”) but operate the Funds pursuant to exemptions from the requirements associated with registration as a commodity pool operator. Gary Lieberman, Erin Rewalt, Andrew Ball, Vlad Kotlyarsky and Jennifer Pariseau are associated persons of the Firm.

Item 10.C.

West Side has a material business relationship with WAF GP, LLC, which is not a registered investment adviser. There is overlapping, but not identical ownership. Both companies perform services related to the investment management business and are compensated under the terms of agreements directly and indirectly with West Side.

WAF GP, LLC is the general partner of WAF Master, WOF, WAF Ontario and WAF Onshore. West Side Clearview Credit GP, LLC serves as the general partner to CMBS Master and CMBS Onshore. Each general partner is entitled to a performance allocation of shares from the respective master fund accounts. These entities were created for reasons not directly related to West Side’s clients and generally perform functions that would be performed by West Side itself, if they did not exist. West Side does not believe its relationships with these entities cause a conflict of interest with the Firm’s clients.

West Side also has a material business relationship with the Loan Fund GP which is not a registered investment adviser. There is overlapping but not identical ownership. The Loan Fund GP is the general partner of the Loan Funds.

As discussed in response to Item 7, West Side is the investment manager to a diverse group of clients. West Side does not believe that the contemporaneous management of the Funds and its institutional separate accounts causes a conflict as all but one of the discretionary client accounts utilize the same strategy as one or more of the Funds and that differing client account strategy is an unhedged version of the existing Funds’ strategy with a rising interest rate bias. The allocation of investment opportunities and any related conflicts are discussed in response to Item 6.

West Side has a relationship with Alcar LLC, which is the bank holding company and majority shareholder of Darien Rowayton Bank (“DRB”), which has a non-discretionary separate account with West Side. Gary Lieberman, West Side’s President and principal owner, is also chairman of the Board of DRB, and is the majority shareholder, board member and a control person of Alcar LLC, a bank holding company that owns DRB. West Side has entered into a business arrangement with DRB whereby the Firm is compensated by DRB in connection with non-advisory services it provides DRB including technology support, administration and other services as may be requested and agreed to in relation to DRB’s student loan platform, as well as assistance with DRB’s underwriting, loan approval process and operational support to DRB’s management team. Additionally, one or more portfolio managers may,

from time to time, own an equity investment in Alcar, DRB and/or DRB Lending, Inc. The President of the Firm is the majority shareholder, President and Chairman of the Board of Directors of DRB Lending, Inc., which is expected to succeed the student loan origination business conducted by DRB.

Item 10.D.

Not Applicable. West Side 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

Item 11.A.

West Side's Code of Ethics (the “**Code**”) was adopted in an effort to avoid possible conflicts of interest, the inappropriate use of material, nonpublic information and ensure the propriety of its employees’ and partners’ personal trading activity.

West Side is an SEC registered investment adviser who maintains a Code of Ethics. The Firm’s reputation in the investment community, with its limited partners, investors and clients, and with those individuals and organizations with which it has contact, depends upon the trust and professionalism with which the Firm and its employees and partners conduct the affairs of West Side. To this end, West Side has adopted its Code as part of its compliance program to guide the Firm and to help West Side to ensure that it complies with all the applicable laws, rules and regulations set forth by the United States governing bodies and the states in which West Side conducts its business and, more generally, to comply with the Firm’s fiduciary duty to West Side’s clients. Failure to adhere to both the letter and spirit of this Code and with the compliance manual may result in disciplinary action, including termination.

The Code is based on the principle that, as employees of West Side, the Firm owes a fiduciary duty to its clients. Accordingly, West Side must avoid activities, interests, and relationships that might interfere, or appear to interfere, with making decisions that are in the best interests of its clients.

The Code is distributed to each employee at the time of hire and at least annually thereafter. West Side’s employees are required to have duplicate copies of confirmations and periodic statements with respect to their personal brokerage accounts sent to the Chief Compliance Officer at West Side.

Clients and prospective clients may obtain a copy of the Code by addressing a request to West Side's Chief Compliance Officer, 1995 Broadway, 8th Floor, New York, NY 10023.

Items 11.B., 11.C., and 11.D.

West Side, as a fiduciary to its clients and endeavoring to be honest and truthful to its clients at all times, prohibits investments in the personal account of any Firm personnel or related person in a security that is currently held or intended to be held by the applicable fund or account. West Side has policies and procedures designed to identify and resolve potential conflicts of interest that may arise in the operation of the business. From time to time, Mr. Lieberman may beneficially own a controlling interest in each of the Funds. Potential conflicts could arise related to matters impacting limited partners and investors in the Funds due to his level of ownership and control of the limited partnership interests in each onshore fund. In compliance with the Advisers Act, West Side would not buy securities from or sell securities to a West Side client without making appropriate disclosures to the client and obtaining the appropriate consent. As referenced above, the President of the Firm is the majority shareholder, President and Chairman of the Board of Directors of DRB Lending, Inc., which is expected to succeed the student loan origination business conducted by DRB. Potential conflicts could arise related to matters involving the loan origination business and the Loan Funds’ willingness and desire to acquire loans originated by DRB Lending, Inc. or DRB and/or securities issued by trusts or other pooling vehicles which acquire loans originated by DRB Lending, Inc. or DRB. For purposes of this paragraph, references to West Side include any West Side-related person.

Item 12 – Brokerage Practices

Item 12.A.

In selecting broker-dealers with and through whom to effect transactions, West Side will consider a number of factors, including primarily price, dealer spread or commission, size of the transaction, difficulty of execution; and secondarily, the value and to a quality of any research, statistical, quotation or valuation services provided by the broker-dealer. Research services provided by broker-dealers may include advice, either directly or through publications or writings, as to the value of securities, the advisability of purchasing or selling securities, the availability of securities or purchasers or sellers of securities, and analyses and reports concerning issuers, industries, securities, economic factors and trends and investment strategy. West Side does not enter into arrangements with brokers serving the Firm's clients providing for the use of commissions or "soft dollars" to pay the costs of research products or services.

Item 12.B.

Purchases and sales of securities for the Funds and/or accounts may be aggregated or bunched with orders for other funds/accounts managed or advised by West Side or its affiliates. Neither West Side nor any of its affiliates, however, is required to bunch or aggregate orders if portfolio management decisions for different accounts are made separately, or if the general partner or one of its affiliates determines that bunching or aggregating would be inconsistent with its investment management duties or with client direction.

Item 13 – Review of Accounts

Items 13.A. and 13.B.

On a monthly basis, West Side obtains from its fund administrator a detailed trial balance, financial statements, and a sub-ledger of capital accounts. West Side reviews these documents on a monthly basis for completeness and accuracy.

On a monthly basis, West Side obtains from the discretionary separate account clients a detailed portfolio holdings report and a profit and loss report, by security. West Side reviews these documents on a monthly basis for completeness and accuracy.

West Side's back office personnel perform reconciliations and reviews of portfolio data on a monthly basis for the Funds. The applicable portfolio managers and the Firm's Investment Committee members each performs on-going portfolio reviews to ensure that investments in each fund's, and account's, portfolio fits within the overall investment strategy for that client.

The non-discretionary separate account client is responsible for calculation of NAV, risk based capital, leverage and relevant federal and state regulatory issues. Reviews of the non-discretionary separate account client are triggered primarily by trading considerations and state regulations around portfolio size.

Item 13.C.

West Side provides unaudited monthly statements to investors in each of the Funds which set forth various data and information. The Funds are audited annually by an independent certified public accounting firm that is both registered with, and subject to regular inspection by, the Public Companies Accounting Oversight Board, and investors in WAF Funds, Loan Funds and CMBS Funds receive the audited financial reports within 120 days of year-end. If applicable, the information necessary for the investor to complete its annual federal income tax return will also be provided.

With respect to the discretionary separate account clients, West Side relies upon the account reporting issued by the applicable administrator or custodian.

On a monthly basis, West Side is responsible for obtaining independent broker dealer quotes for each security as well as performing and documenting surveillance on the performance of each security in the portfolio which is reported to each separate account.

Item 14 – Client Referrals and Other Compensation

Item 14.A.

As noted in the response to Item 12, West Side does not currently have any soft dollar arrangements.

Additionally, West Side does not receive a direct economic benefit from any third party for providing investment advice or other advisory services to its Funds related to the selection or recommendation of broker-dealers.

As the largest shareholder in DRB (through his investment in Alcar, LLC) and DRB Lending, Inc., Mr. Lieberman may be considered to be receiving an indirect economic benefit whenever a Fund or separately managed account client purchases loans or securities which are collateralized by loans originated by DRB or DRB Lending, Inc. West Side ameliorates the impact of this potential conflict of interest by having Mr. Lieberman recuse himself from investment decisions relating to the Loan Funds (and separate accounts when they invest in student loans and student loan securities) as well as having the Loan Funds engage an independent approval party to consider and approve such transactions on behalf of the Loan Funds pursuant to Section 206(3) of the Advisers Act.

Item 14.B.

West Side does not currently utilize the services of any third-party marketers to solicit investors on behalf of any of its Funds. In exchange for a referral, the agreements allow for the third-party marketer to be paid a fee, on a contingent basis, for any fees which West Side may earn and receive in connection with any referral.

Item 15 – Custody

West Side is deemed to have custody of each Fund's cash and securities by virtue of its relationship with each general partner. Cash and securities of the Funds are held by "qualified custodians" as defined in Rule 206(4)-2 of the Advisers Act. Each investor in the Funds receives audited financial statements prepared in accordance with generally accepted accounting principles within 120 days of the end of the Funds' fiscal year. West side does not maintain custody over the assets of any of its separate account clients.

Item 16 – Investment Discretion

West Side has been granted discretionary authority to manage the accounts of certain of its clients pursuant to the relevant investment management agreements entered into with such clients. West Side endeavors to buy and sell assets for its clients on a discretionary and non-discretionary basis, depending on the client account, in a manner consistent with each client's stated investment objectives and restrictions.

Item 17 – Voting Client Securities

Items 17.A. and 17.B.

West Side's advisory clients do not invest in equity securities and, as such, would have no voting rights to underlying investments. If a West Side client invests in an equity security and West Side is in a position to vote a proxy, the Chief Compliance Officer, with the assistance of counsel, determines the appropriate procedure for voting such proxy on a case-by-case basis. Investors may obtain a copy of West Side's proxy voting policies and procedures by addressing a request to West Side's Chief Compliance Officer, 1995 Broadway, 8th Floor, New York, NY 10023.

Item 18 – Financial Information

Item 18.A.

Not Applicable. West Side does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Item 18.B.

West Side is not aware of any financial condition that is reasonably likely to impact its ability to meet its contractual commitments to clients.

Item 18.C.

Not Applicable. West Side has not been the subject of a bankruptcy petition at any time during the past ten years.