
PART 2A OF FORM ADV: FIRM BROCHURE

OSPRAIE MANAGEMENT, LLC

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This brochure provides information about the qualifications and business practices of Ospraie Management, LLC (“Ospraie Management” or the “Manager”). If you have any questions about the contents of this brochure, please contact us at (212) 602-5000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Item 2 – Material Changes

Ospraie Management is amending its ADV Part 2 Brochure to reflect updates since its last other-than-annual amendment filed on August 4, 2016. There are no material changes to report since the last amendment; however, this revised ADV Part 2 contains certain routine annual updates and enhanced disclosures. Recipients of the Brochure are encouraged to read the Brochure carefully in its entirety.

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Item 4 – Advisory Business

Ospraie Management is an investment management firm focused on directional investing in basic industry equities and commodities globally.

Ospraie Holding I, L.P. (“Ospraie Holding I”) is the managing member of Ospraie Management. Ospraie Management, Inc. is the general partner of Ospraie Holding I. Dwight Anderson is the sole shareholder of Ospraie Management, Inc.

The original “Ospraie Fund” was a private investment fund founded by Dwight Anderson in 2000, when he was an investment manager with Tudor Investment Corporation. In January 2004, Mr. Anderson formed Ospraie Management to manage the original Ospraie Fund and other investment accounts.

Ospraie Management serves as the investment manager with discretionary trading authority to private pooled investment vehicles (each a “Fund” and collectively, the “Funds”) that are offered to investors on a private placement basis. As of the date of this Brochure, Ospraie Management serves as the investment manager to (i) Ospraie Commodity Fund LP, a Delaware limited partnership (the “Domestic Fund”), (ii) Ospraie Commodity Fund Ltd., a Cayman Islands exempted corporation (the “Offshore Fund”), and (iii) Ospraie Commodity Master Fund LP, a Cayman Islands exempted limited partnership (the “Master Fund” and together with the Domestic Fund and the Offshore Fund, the “Ospraie Commodity Fund”). The Ospraie Commodity Fund vehicles are not reported in Part 1A of Ospraie Management’s Form ADV because they do not meet the definition of a “Private Fund.”

Ospraie Advisors, L.P. (“Ospraie Advisors”), an affiliate of Ospraie Management, serves as the investment manager to an additional master/feeder fund complex (the “Special Opportunities Funds,” and together with the funds described in the preceding paragraphs, the “Funds”). The Special Opportunities Funds focus on private equity style investments in commodities, natural resources and basic industries across a number of structures with varying liquidity and time horizon parameters. The Special Opportunities Funds are no longer accepting capital commitments.

Ospraie Advisors is not a separately registered adviser with the SEC, but instead relies on Ospraie Management’s registration with the SEC in not registering in accordance with the American Bar Association, Business Law Section (Jan. 18, 2012) no-action letter.

The Manager may organize additional private investment funds in the future which utilize similar or different investment strategies than the Funds.

Each general partner of a Fund that is structured as a limited partnership is an affiliate of Ospraie Management or Ospraie Advisors (the “General Partners”).

In addition, Ospraie Management serves as the investment manager with discretionary trading authority for several managed accounts (the “Managed Accounts”), which are generally managed *pari passu* (subject to the limitations discussed in Item 6) with the Ospraie Commodity Fund, or with similar, more concentrated portfolios than are permitted in accordance with the risk parameters of the Ospraie Commodity Fund. The account holders of the Managed Accounts may impose restrictions on investing in certain securities or types of securities or other instruments. Provisions relating to fees, liquidity, expenses and termination rights with respect to the Managed Accounts are negotiated on a case by case basis and certain clients may have more favorable terms than others.

The Manager may organize additional Managed Accounts in the future which may utilize similar or different investment strategies than the current clients.

As used herein, the term “client” generally refers to each Fund and each account holder of a Managed Account. The advice Ospraie provides to its clients is tailored according to the investment objectives, guidelines and requirements set forth (i) with respect to each Fund, in its respective Offering Memorandum or Private Placement Memorandum (each, a “Memorandum”) and (ii) with respect to each Managed Account, in the investment management agreement between Ospraie and its account holder (each, an “IMA”).

As of December 31, 2016 Ospraie Management managed approximately \$354 million across the Funds and Managed Accounts, including (i) Funds with approximately \$109 million of regulatory assets under management which trade securities and therefore were included in the calculation of “regulatory assets under management” under Part 1A of Ospraie Management’s Form ADV; and (ii) Funds and Managed Accounts with approximately \$245 million of assets under management which do not trade securities. The assets under management referenced in clause (ii) above are derived on a net basis, except that approximately \$185 million of such assets under management reflect notional values attributable to notionally funded Managed Accounts. “Notionally Funded Managed Accounts” refer to certain Managed Accounts which consist primarily of investments in commodity futures, options and related derivative instruments. A notional account value is agreed upon by the holder of such a Managed Account and Ospraie Management, and that notional value along with any adjustments for investment profits and losses: (i) is used by Ospraie Management to make investment decisions, determine the sizing of positions, and apply risk parameters; and (ii) serves as the basis upon which applicable fees and compensation are calculated and expenses are allocated with respect to such Managed Account. Amounts funded by the Managed Account holder may vary from the notional amount depending on the requirements of the Managed Account’s brokers.

Item 5 – Fees and Compensation

Fees and Compensation

Management fees may vary with each client and are explained more fully in each client’s Memorandum or IMA. Ospraie Management is generally paid a management fee monthly in arrears according to the terms of the relevant agreement with each client. Ospraie Advisors is generally paid management fees quarterly in advance according to the terms of the relevant agreement with each client and refunds any unearned portion of such management fees after the termination of the relevant agreement or on an intra-quarterly withdrawal/redemption of an investor from a Special Opportunities Fund. The management fee may be up to 2.0% (annualized) of (i) the net asset value of the shares or interests of each Fund held by investors and certain Managed Accounts, and (ii) the notional value of certain other Managed Accounts.

Ospraie Management and/or the General Partners generally receive annual or quarterly performance-based compensation of up to 25% of the realized and unrealized net profits of a Fund or Managed Account as defined and calculated in the applicable Memorandum or IMA. Certain clients will not bear performance-based compensation on annual (or quarterly) net profits until any respective aggregate net losses from any prior period (or in some instances, legacy investment vehicles) are recovered.

Ospraie Management and/or a General Partner will only receive performance-based compensation if the receipt of such compensation is in compliance with Rule 205-3 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

Management fees are prorated for partial periods. Performance-based compensation is charged at fiscal year-end (or quarterly, as the case may be) but may be charged during a fiscal year (or quarter) upon the termination of a Managed Account or upon an investor's redemption from a Fund. Ospraie Management and a General Partner may waive, modify or calculate differently the management fee and any performance-based compensation paid with respect to any client or investor in a Fund on a case by case basis.

Unless otherwise agreed upon with a client, management fees and performance-based compensation are generally debited directly from Fund accounts and are generally billed to the Managed Accounts.

No Ospraie Management employee is compensated for the sale of securities or other investment products.

Expenses

As more fully described in each Fund's respective Memorandum and the IMA establishing each Managed Account, the Funds and the Managed Accounts will generally bear expenses in connection with their trading and investment activities, which may include, without limitation, brokerage costs (which vary depending on a number of factors, including the broker utilized for the transaction and any research-related services provided by such broker, the particular security or other instrument traded, and the volume and size of the transaction) (*See Item 12 – Brokerage Practices*), execution, give-up, exchange, clearing, clearinghouse, principal, and regulatory commissions and fees, delivery, custody, storage, warehousing, and escrow expenses, research fees and expenses (including research subscriptions, expenses related to Bloomberg subscriptions, newsletters, and research fees and expenses paid to advisors or consultants established by former employees of the Manager), fees paid to third-party consultants (including third-party risk management consultants), finder's fees paid for the introduction of transactions, insurance costs (including directors' and officers' insurance, errors and omissions insurance and other similar policies), directors' fees, professional fees, entity-level taxes, shipping surcharges, customs levies, offloading charges, handling fees, grading fees, assay charges, interest and borrowing charges on margin accounts, borrowed money, investments, and other indebtedness, bank, broker, and dealer service fees, and related expenses and costs. Expenses that are common to multiple clients of Ospraie Management are typically borne by such clients on a *pro rata* basis as determined by the applicable net asset or notional value of such client accounts.

The Funds also bear additional expenses associated with organizing, administering and continually offering the Funds. Such expenses include legal, accounting, escrow, auditing, recordkeeping, administration, fund accounting, computer, and clerical expenses, insurance, expenses incurred in preparing reports and tax information to investors and regulatory authorities, expenses of printing and dispatching offering materials and reports to investors, duplicating expenses, mailing costs, courier costs and filing fees, where applicable.

Ospraie Management may voluntarily cap certain expenses for the Managed Accounts and the Funds. However, Ospraie Management is under no obligation to cap expenses beyond the terms of the relevant agreement with each client.

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

As noted in Item 5, Ospraie Management and the General Partners receive performance-based compensation from all of Ospraie Management's clients. However, the variation of performance-based compensation structures among Ospraie Management's clients may create an incentive for Ospraie

Management to direct the best investment ideas to, or to allocate or sequence trades in favor of, clients that pay or allocate performance-based compensation.

Ospraie Management has procedures designed and implemented to provide reasonable assurance that all clients are treated fairly and equally. Specifically, Ospraie Management maintains procedures designed to address the allocation of investment opportunities among clients as well as the manner in which investments are valued. (See *Item 12 – Brokerage Practices*). In addition, the Funds each retain a third party administrator which independently calculates, among other things, profit/loss allocations, management fees and performance-based compensation.

Although Ospraie Management generally manages the Managed Accounts on a *pari passu* basis with the Ospraie Commodity Fund, the investment performance of a Managed Account may differ from the investment performance of the applicable Fund due to numerous factors, including but not limited to, (i) the frequency of additions and withdrawals of assets to applicable accounts; (ii) different counterparty fees and expenses associated with applicable accounts; (iii) relative differences in account balances; (iv) trading following additions or withdrawals of capital to an account; (v) tax, legal or regulatory requirements; and (vi) any other risk parameters, instructions or restrictions imposed by a particular client.

Separately managed accounts may be managed *pari passu* with the Ospraie Commodity Fund or may have similar, more concentrated portfolios than are permitted in accordance with the risk parameters of the Fund. Accounts managed *pari passu* with the Ospraie Commodity Fund, or managed pursuant to a separate investment strategy, may be added in the future. The terms of such future accounts may differ from the terms applicable to the Fund investments.

As the performance-based compensation is based directly on the net asset value of the Funds, Ospraie Management has a conflict of interest in valuing the assets held by the Funds. Ospraie will follow its documented valuation policy and consult with the third-party administrator to the Funds in order to mitigate this risk.

Item 7 – Types of Clients

Ospraie Management primarily provides investment advice to the Funds and the Managed Accounts, as described above. It may provide investment advisory services to additional clients in the future. Ospraie Management is under no obligation to accept any client and may decline acceptance of a client in its sole discretion.

Interests in the Domestic Fund are offered on a private placement basis, and where applicable, in reliance on Section 3(c)(7) of the Investment Company Act of 1940, as amended (the “Company Act”), or on another applicable exclusion from the definition of an “investment company” under the Company Act, to persons who generally are “accredited investors” as defined under the Securities Act of 1933, as amended (the “Securities Act”), and “qualified purchasers” as defined under the Company Act, and who are subject to certain other conditions, which are fully set forth in the offering documents of such Funds. Interests in, or shares of, the Offshore Funds are generally offered to persons who are not “U.S. Persons,” as defined under Regulation S of the Securities Act, or who are tax-exempt U.S. Persons (or entities substantially comprised of tax-exempt U.S. Persons) on a private placement basis, and who are subject to certain other conditions, which are fully set forth in the offering documents of such Funds.

The minimum initial investment in the Funds is generally \$1,000,000, subject to the discretion of the applicable General Partner to accept lesser amounts.

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

Methods of Analysis

Ospraie Management relies significantly upon fundamental research in selecting and monitoring commodities investments. In doing so, Ospraie Management seeks to determine microeconomic imbalances or inevitabilities that will drive a commodity's price over a medium or long term cycle. Ospraie Management's research process attempts to incorporate multiple variables that determine the end price of a commodity, including, but not limited to, the available supply of the commodity and the cost of production including extracting or harvesting, transporting, processing and distributing such commodity. It also incorporates current and projected demand for the commodity based on relative and absolute price levels and global economic factors. In addition, the relative availability of inventory in respect to a specified commodity to the world markets is factored into Ospraie Management's analytical model.

In selecting and monitoring equity investments, Ospraie Management combines its expertise in the commodity industries with a heavy focus on asset quality and management ability and skill within individual companies. Ospraie Management utilizes a fundamental analysis of each company, with a subjective overlay as to the relative strength of its management versus its immediate competition. Ospraie Management also seeks to determine on a timely basis catalytic events that differentiate one company from its peer group.

Ospraie Management obtains its underlying research data from a variety of sources, including, but not limited to, electronic data services, industry publications and periodicals, third party research providers, meetings with company management, meetings with various consultants, conferences and brokerage meetings, and various other sources.

General Investment Strategies

Ospraie Management trades Commodity and Basic Industry investments on United States and non-United States exchanges and markets, including over-the-counter markets and emerging markets ("Investments"). Commodity sectors traded include, but are not limited to, energy, industrial metals, precious metals, grains, softs/meats, freight and related markets; and commodity and basic industry equity sectors traded include, but are not limited to, energy, industrials, materials, agriculture, transportation and associated markets. Ospraie Management trades Investments in publicly offered and privately placed transactions, on spot, current, future, forward, and when-issued delivery, settlement, and optional commitment bases, on margin, collateral, and partial and full payment bases, and in circumstances where Investments may be restricted as to transferability or disposition. Ospraie Management takes long, short, speculative, and hedged positions; utilizes various forms of leverage; and engages in stock lending transactions and foreign exchange for hedging. While Ospraie Management typically trades based upon its long-term fundamental views, it also regularly engages in short-term trades intended to capitalize on short term volatility in core portfolio positions.

The Special Opportunities Funds also invest in commodities, natural resources and basic industries, and such Investments may be made by Ospraie Advisors across a number of structures with varying liquidity and time horizon parameters, including, without limitation: (i) structured/project investments in mature and developing markets globally; (ii) strategic distressed investments in debt securities of issuers under financial duress, where such securities are likely to be converted into equity or equity-like securities in a

reorganization; (iii) strategic public equity, including investments representing a significant interest in the public equity securities of an issuer where, by virtue of such ownership, the fund may influence the financial and/or strategic affairs of such issuer; (iv) crisis investing, including opportunistic investing created by political, currency, specific industry or other crises; and (v) private equity/manager backing, including equity investments in buyout and recapitalization transactions of both public and private entities typically conditioned upon a pre-defined operating strategy of an experienced team. Other than as needed for follow on investments, hedging investments, expenses and liabilities, the Special Opportunities Funds are currently returning capital to investors following portfolio realizations.

On behalf of its clients, Ospraie Management borrows, lends, and pledges money and Investments and engages in financing transactions, including purchasing securities on margin, engaging in repurchase and reverse repurchase transactions, and providing financings to public and private companies (which are often convertible, or accompanied by instruments convertible, into equity interests). To facilitate such transactions, Ospraie's clients have established trading lines and lines of credit with certain banks, brokers and dealers. Ospraie may also leverage the capital of the Funds and Managed Accounts with options, commodity futures contracts, short sales, swaps, credit default swaps, forwards and other derivative instruments. In addition, the low margin or premiums normally required in futures trading may provide a large amount of leverage.

Ospraie Management may also invest in investments other than Commodity and Basic Industry Investments. The respective strategies that may be used by Ospraie Management are described in detail in the Memorandum or IMA of each client.

Key Risks of Ospraie's Investment Strategies

Below is a summary of potentially material risks for the significant Ospraie Management investment strategies used, the methods of analysis used, and/or the particular types of investments in which a Fund or Managed Account may invest. The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in a Fund or Managed Account. Investors should ultimately refer to the applicable Memorandum or IMA, as the case may be, for detailed risk disclosures that specifically address the risks for each Fund's or Managed Account's investment strategies, methods of analysis or types of investments.

All investing involves a risk of loss that investors should be prepared to bear, including the risk that the entire amount invested may be lost. The investment strategies pursued by Ospraie Management could lose money over short or long periods of time. Identifying undervalued securities and other assets is difficult, and there are no assurances that Ospraie Management's investment strategies will succeed. Ospraie Management cannot give any guarantee that it will achieve the investment objectives it establishes for a client or that any client will receive a return of its investment.

Please note that the use of the term "investor" in this section may refer to either an investor in a Fund or an account holder of a Managed Account.

Concentration of Holdings. At certain times, client accounts may hold a few, relatively large (in relation to their capital) investment positions in the same or similar financial instruments, markets or industries or that individually or in the aggregate exhibit substantial price volatility, with the result that a loss in any such position could have a material adverse impact on portfolio values. To the extent that Ospraie Management makes such concentrated investments, the exposure to credit and market risks associated with such financial instruments, markets or industries will be increased.

Hedging Strategies. Ospraie Management is not required to attempt to hedge portfolio positions and, for various reasons, may determine not to do so. Furthermore, Ospraie may not anticipate a particular risk so

as to hedge against it. Ospraie Management may utilize financial instruments, both for investment purposes and for risk management purposes, in order to (i) protect against possible changes in the market values of clients' investment portfolio resulting from fluctuations in the commodity markets, (ii) protect the unrealized gains in the value of client investment portfolios, (iii) facilitate the sale of any such investments, (iv) enhance or preserve returns, spreads or gains on any investment, (v) hedge the interest rate or currency exchange rate on any liabilities or assets, (vi) protect against any increase in the price of any securities or commodities Ospraie anticipates purchasing at a later date or (vii) for any other reason that Ospraie deems appropriate.

Leverage and Financing Risks. Ospraie Management may use leverage in connection with its investment program. Accordingly, Ospraie Management may pledge client assets in order to borrow additional funds for investment purposes. Leverage may also be created through the use of options, commodity futures contracts, short sales, swaps, credit default swaps, forwards and other derivative instruments. While leverage presents opportunities for increasing the total return on investments, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment could be magnified to the extent leverage is utilized.

In addition, the low margin or premiums normally required in futures trading may provide a large amount of leverage. As a result, a relatively small change in the price of a commodity or futures contract can produce a disproportionately larger profit or loss.

Necessity for Counterparty Trading Relationships; Counterparty Risk. Ospraie Management has established relationships to obtain financing, derivative intermediation and prime brokerage services that permit Ospraie Management to trade in a variety of markets or asset classes over time; however, there can be no assurance that Ospraie will be able to maintain such relationships or establish such relationships. An inability to establish or maintain such relationships would limit Ospraie Management's trading activities could create losses, preclude the Funds from engaging in certain transactions, financing, derivative intermediation and prime brokerage services and prevent Ospraie Management from trading at optimal rates and terms. Moreover, a disruption in the financing, derivative intermediation and prime brokerage services provided by any such relationships before Ospraie Management establishes additional relationships could have a significant impact Ospraie Management's business due to Ospraie Management's reliance on such counterparties.

Some of the markets in which Ospraie Management may effect transactions are not "exchanged-based", including "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to the credit evaluation and regulatory oversight to which members of "exchange-based" markets are subject. The lack of evaluation and oversight of over-the-counter markets exposes client accounts to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing clients to suffer losses. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where Ospraie Management has concentrated its transactions with a single or small group of counterparties. Generally, Ospraie Management will not be restricted from dealing with any particular counterparties. Ospraie Management's evaluation of the creditworthiness of counterparties may not prove sufficient and the absence of a regulated market to facilitate settlement may increase the potential for losses by clients.

Counterparty Insolvency. Client assets may be held in one or more accounts maintained by counterparties, including its futures commission merchants. There is a risk that any of such counterparties could become insolvent and/or subject to insolvency proceedings. The insolvency of counterparties is likely to impair the operational capabilities of Ospraie Management and limit access to client assets. There also exists the

risk that the recovery of client assets from counterparties could be delayed or be of a value less than the value of the instruments or assets originally entrusted to such counterparties.

In addition, Ospraie Management may use counterparties located in jurisdictions outside the United States. Such local counterparties are subject to the laws and regulations in foreign jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to client assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize about the effect of their insolvency on clients' assets.

Exchange Rate Fluctuations; Currency Considerations. Ospraie Management may invest a portion of clients' assets in the securities of non-U.S. issuers and instruments denominated in non-U.S. currencies, the prices of which are determined with reference to currencies other than the U.S. dollar. Ospraie Management may hedge its non-U.S. currency exposure, but it may not always be practicable or economical to do so. Moreover, Ospraie may choose not to enter into hedging transactions in order to obtain the non-U.S. currency exposure associated with such investments. To the extent unhedged, the value of clients' positions in non-U.S. investments will fluctuate with U.S. dollar exchange rates as well as the price changes of the investments in the various local markets and currencies. In such cases, an increase in the value of the U.S. dollar compared to the other currencies in which Ospraie Management makes its investments will reduce the effect of any increases and magnify the effect of any decreases in the prices of clients' investments in their local markets and may result in losses to client accounts.

Furthermore, accounts may incur costs in connection with conversions between various currencies. Non-U.S. currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to Ospraie Management at one rate, while offering a lesser rate of exchange should Ospraie Management desire immediately to resell that currency to the dealer. Ospraie Management will conduct currency exchange transactions either on a spot (i.e., cash) basis at the spot rate prevailing in the currency exchange market, or through entering into forward or options contracts to purchase or sell non U.S. currencies. It is anticipated that most currency exchange transactions will occur at the time non-U.S. investments are purchased and will be executed through the local broker or custodian.

Commodity Interest Trading is Speculative and Volatile. The prices of financial instruments in which Ospraie Management may invest can be highly volatile. Prices and trading volumes for certain commodities have experienced significant volatility in recent months. Price movements of contracts are influenced by, among other things: changing supply and demand relationships; weather and climate conditions; trade, fiscal, monetary, and exchange control programs and policies of governments; political and economic events and policies; changes in interest rates and rates of inflation; currency devaluations and revaluations; and emotions of the marketplace. Governments from time to time intervene, directly and by regulation, in certain markets, particularly those dealing in precious metals. Such intervention is often intended to influence prices directly.

Futures Trading May Be Illiquid. It is not always possible to execute a buy or sell order for a futures contract at the desired price or to close out an open position due to market illiquidity. Such illiquidity can be caused by intrinsic market conditions, the interrelationship between or among markets, or extrinsic factors like the imposition of daily price fluctuation limits. Most United States futures exchanges limit fluctuations in certain commodity futures and option contract prices during a single day (or part thereof) by regulations referred to as "daily price fluctuation limits" or "daily limits." Pursuant to such regulations, during a single trading day, no trades may be executed at prices beyond the daily limits. Prices in various

contracts have occasionally moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent Ospraie Management from promptly liquidating unfavorable positions and subject clients to substantial losses.

It also is possible that an exchange or the Commodity Futures Trading Commission (“CFTC”) may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only.

Speculative Position Limits. The CFTC and various exchanges impose speculative position limits on the number of futures positions that may be held in particular commodities. All open futures positions held in accounts on behalf of the Managed Accounts or the Funds or by any person or persons who are acting in concert with Ospraie Management will be aggregated for the purpose of determining such position limits unless such positions are disaggregated pursuant to applicable regulatory authority or relief. Ospraie Management may, but is not obligated to, seek such disaggregation relief, but there are no assurances that any attempts to obtain such relief will prove successful. While Ospraie Management will endeavor to treat clients fairly in the allocation of suitable investment opportunities, it may not always be possible for each client account to participate in an investment opportunity to the full extent that would otherwise be possible. Accordingly, Ospraie Management may be required to liquidate futures positions to comply with such limits, with the result that: (i) Ospraie, might be unable to enter into or hold certain positions if the accounts managed or controlled by Ospraie Management exceed the applicable limits, and (ii) it is possible that trading decisions may have to be modified from time to time, investment opportunities forgone or limited and/or positions liquidated to avoid exceeding applicable position limits.

Failure of Futures Commission Merchants. Under the U.S. Commodity Exchange Act, futures commission merchants are required to maintain customers’ assets in a segregated account. To the extent that Ospraie Management engages in futures and options contract trading and the futures commission merchants fail to segregate client assets, client will be subject to a risk of loss in the event of the bankruptcy of any of its futures commission merchants. In certain circumstances, Ospraie Management might be able to recover, even with respect to property specifically traceable to client accounts, only a pro rata share of all property available for distribution to a bankrupt futures commission merchant’s customers.

Cash Commodities. Ospraie Management may from time to time trade physical or cash commodities for immediate or deferred delivery. Cash transactions relate to the purchase and sale of specific physical commodities and such contracts may differ from each other with respect to terms such as quantity, grade, mode of shipment, terms of payment, penalties and risk of loss. There is no limit on daily price movements of cash commodities. Lastly, the CFTC does not comprehensively regulate cash transactions, which are subject to the risk of the foregoing entities’ failure, inability or refusal to perform with respect to such contract.

Spot and Forward Contracts. Ospraie Management may enter into spot and forward contracts on commodities. Spot and forward contracts are not traded on exchanges, and as a consequence investors in such contracts do not benefit from the regulatory protections of exchanges or governmental or regulatory authorities in any jurisdiction; rather, banks, broker-dealers, or their affiliates act as principals in these markets.

Because Ospraie Management enters into spot and forward contract transactions directly with a counterparty and because the performance of a spot and forward contract is not guaranteed by any exchange or clearing organization, clients are subject to the risk of the inability or refusal to perform with respect to such contracts on the part of the principals with which Ospraie Management. In addition, spot

and forward contract transactions for client accounts generally do not benefit from other safeguards that are applicable to intermediaries in certain exchange-traded markets, including clearing organization guarantees, daily mark-to-market valuation and settlement of positions, segregation of monies and property, and minimum capital requirements. Any such failure or refusal (whether due to insolvency, bankruptcy, default, or other cause) could subject clients to substantial losses. Ospraie Management will not be excused from the performance of any spot or forward contracts into which it has entered due to the default of third parties in respect of spot or forward contracts or other transactions that were to have substantially offset such contracts.

Non-U.S. Investments. Ospraie Management may trade futures, options and forward contracts on commodity exchanges and markets located outside the United States where CFTC regulations do not apply. Some non-U.S. exchanges, in contrast to U.S. exchanges, are “principals’ markets” in which performance is the responsibility only of the individual member with whom the trader has entered into a commodity contract and not of an exchange or clearing corporation. In such a case, clients’ accounts are subject to the risk of the inability of, or refusal by, the counterparty to perform with respect to such contracts. In addition, the trading of forward contracts on certain non-U.S. commodity exchanges may be subject to price fluctuation limits.

Ospraie Management may invest a portion of its assets in securities of non-U.S. corporations, which are traded in non-U.S. markets. An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other.

Investing in commodities and in the securities of companies in non-U.S. countries may involve certain considerations not usually associated with investing in securities of U.S. companies or U.S. markets or on U.S. exchanges, including political and economic considerations, such as greater risks of expropriation and nationalization, confiscatory taxation, the potential difficulty of repatriating funds, general social, political and economic instability and adverse diplomatic developments; the possibility of imposition of withholding or other taxes on dividends, interest, capital gain or other income; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict Ospraie Management’s investment opportunities. In addition, accounting and financial reporting standards that prevail in such countries generally are not equivalent to U.S. standards and, consequently, less information is available to investors in companies located in such countries than is available to investors in companies located in the U.S. There is also less regulation, generally, of the securities and commodities markets in such countries than there is in the U.S.

Options. Clients may incur risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (where the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of an uncovered call option may be unavailable for purchase, except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to increase, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment in the call option if the option expires out of the money.

There are also risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (where the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sale price of the short position of the underlying security offset by the premium if the option expires out of the money, and thus the gain in the premium, and the option seller gives up the opportunity for gain on the underlying security below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security to zero. The buyer of a put option assumes the risk of losing the premium if the option expires out of the money.

Options may be exchange traded or traded over-the-counter (off the exchange markets) directly with dealers. To the extent an over-the-counter option is a tailored investment for Ospraie Management, it may be less liquid than an exchange-traded option. Further, as with other derivative investments, over-the-counter options are subject to counterparty risk. Ospraie Management will have the credit risk that the seller of an over-the-counter option will not perform its obligations under the option agreement if Ospraie exercises the option.

Commodity-Related Instruments. The production and marketing of commodities may be affected by actions and changes in governments. In addition, commodity-related instruments may be cyclical in nature. During periods of economic or financial instability, commodity-related instruments may be subject to broad price fluctuations, reflecting volatility of energy and basic material prices and possible instability of supply of various commodities. Commodity-related instruments may also experience greater price fluctuations than the relevant commodity. In periods of rising commodity prices, such instruments may rise at a faster rate; and conversely, in times of falling commodity prices, such instruments may suffer a greater price decline.

Natural Resource Investments. In the past, natural resources have been subject to substantial price fluctuations over short periods of time. Such prices are affected by various factors, including economic conditions, political events, natural disasters, exploration and development success or failure, and technological changes. In addition, certain natural resources are geographically concentrated, and events in those parts of the world in which such concentration exists may affect their values.

Industrial Metals Investments. Industrial metal commodities are subject to a number of factors that can lead to price fluctuations, which could adversely affect the value of Ospraie Management's investments. In addition to the factors affecting commodities generally that are described above, the industrial metal commodities are subject to a number of additional factors that can cause price fluctuations, including (i) changes in the level of industrial activity using these metals (including the availability of substitutes such as man-made or synthetic substitutes); (ii) disruptions in the supply chain, from mining to storage to smelting or refining; (iii) adjustment to inventory; (iv) variations in production costs, including storage, labor and energy costs; (v) costs associated with regulatory compliance, including environmental regulations; and (vi) changes in industrial, government and consumer demand, both in the United States and internationally. For example, with respect to aluminum, the level of activity in the automotive, packaging and construction sectors has significantly influenced demand because of the use of aluminum in these sectors. If demand is low, there could be an oversupply of aluminum, which would lead to downward pressure on prices and consequently have a negative effect on the value of a Fund or managed account if it has established a long position in aluminum. Disruptions in the supply chain also have an impact on the price of the underlying commodities in a client's portfolio as many industrial metals are often mined in locations that are subject to disruption as a result of political instability, armed conflict, terrorism or labor unrest, among other factors.

Precious Metals Investments. Ospraie Management may invest in precious metal bullion (including silver, platinum, and palladium) which has no numismatic value. In addition, Ospraie Management may invest in coins derived from bullion which have no numismatic value. The value of coins moves correspondingly with the price of bullion in that the value of coins is based primarily on their precious metal content. Since such investments do not generate any investment income, the sole source of return from such investments would be from gains realized on sales of the coins or bullion, and a negative return would be realized to the extent such coins or bullion are sold at a loss. Precious metals incur storage costs that are higher than the custody fees paid on financial assets. Precious metals trading is a speculative activity. Prices of precious metals are affected by factors such as cyclical economic conditions, political events, and monetary policies of various governments and countries. Gold and other precious metals are also subject to governmental action for political reasons. Markets are therefore at times volatile, and there may be sharp fluctuations in prices even during periods of rising prices.

Energy Investments. Ospraie Management may invest in the global energy markets, which are sensitive to, among other things, fluctuations in fuel supply and demand, interest rates, seasonal fluctuations, special risks of constructing and operating facilities, lack of control over pricing, merger and acquisition activity and regulation. Oil and gas prices have been, and are likely to continue to be, volatile and subject to wide fluctuations. As a result of the foregoing, a client's portfolio may be affected by such factors.

Agriculture Investments. Agriculture commodities are sensitive to changes in, among other things, climate, crop and livestock health, world political events, international and regional trade contracts, labor contracts, transportation systems and crop predictions. As a result, client portfolio values may be affected by such factors.

Natural Gas Investments. The price of natural gas has experienced significant periods of volatility. Among the factors that can cause volatility in the price of natural gas are: (a) worldwide or regional demand for energy, (b) the domestic and foreign supply and inventories of oil and gas; (c) weather conditions, (d) availability and adequacy of pipeline and other transportation facilities; (e) domestic and foreign governmental regulations and taxes; (f) political conditions in gas or oil producing regions; (g) the ability of members of the Organization of Petroleum Exporting Countries ("OPEC") to agree upon and maintain oil prices and production levels; (h) the price and availability of alternative fuels; and (i) the impact of energy conservation efforts. Moreover, the exploration for, and production of, natural gas is an uncertain process with many risks. The cost of drilling, completing and operating wells for natural gas is often uncertain, and a number of factors can delay or prevent drilling operations or production. In addition, natural gas transmission, distribution, gathering, and processing activities involve numerous risks that may affect the price of natural gas.

Equity Securities. Ospraie Management may invest in the securities of small and development-stage companies, which securities may be subject to more abrupt or erratic market movements than securities of larger, more established companies, because there is less marketplace information regarding smaller companies, such securities typically are traded in lower volume and such companies typically are subject to a greater degree to changes in earnings and prospects.

Liquidation of Securities. Dispositions of securities may be effected through, among other methods, open market sales, inclusion in public offerings in which insiders may liquidate their holdings, or divestiture through privately negotiated sales to private sector buyers. Timing of the disposition of securities is critical to realizing optimal returns on investments, and depends on the issuer's performance, the judgment of controlling investors as to value, financial market conditions and opportunities, and governmental restrictions or incentives, some or all of which may influence the possibility or profitability

of such disposition. There can be no assurance that there will be a market for the holdings when Ospraie Management believes it appropriate to dispose of them.

Short Selling. Short selling involves selling securities which are not owned by the short seller, and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the seller to profit from a decline in market price to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. The extent to which Ospraie Management engages in short sales will depend upon the Funds' investment strategy and opportunities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to Ospraie Management of buying those securities to cover the short position. There can be no assurance that Ospraie will be able to maintain the ability to borrow securities sold short. In such cases, Ospraie Management can be "bought in" (i.e., forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Stock Index Options. Ospraie Management may also purchase and sell call and put options on stock indices listed on securities exchanges or traded in the over-the-counter market for the purpose of realizing its investment objectives or for the purpose of hedging its portfolio. A stock index fluctuates with changes in the market values of the stocks included in the index. The effectiveness of purchasing or writing stock index options for hedging purposes will depend upon the extent to which price movements in the portfolio correlate with price movements of the stock indices selected. Because the value of an index option depends upon movements in the level of the index rather than the price of a particular stock, whether the portfolio realizes gains or losses from the purchase or writing of options on indices depends upon movements in the level of stock prices in the stock market generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular stocks. Accordingly, successful use of options on stock indices will be subject to Ospraie Management's ability to correctly predict movements in the direction of the stock market generally or of particular industries or market segments.

Derivatives; Swaps. Ospraie Management may purchase and sell derivatives. "Derivatives" are financial instruments or contractual arrangements whose economic results depend upon, or are derived by reference to, other securities (equity or fixed income), commodities, currencies, interest rates, indices, or other assets, the relative values of two or more items or assets, economic or other activities, or other items. Some derivatives are standardized instruments, such as futures contracts or options traded on recognized exchanges. Other derivatives are directly negotiated contractual arrangements with one or more counterparties. Terms, conditions and characteristics of derivatives vary widely, and new structures and products are developed continually. Such products are often complex, involve significant leverage, and are dependent upon credit and other considerations affecting the ability or willingness of the counterparties with which Ospraie deals to perform as anticipated. In general, derivatives involve a high degree of risk (including the possibility of total loss) as well as the opportunity for gain.

Swap transactions are privately negotiated, non-standardized derivative agreements between Ospraie Management and a counterparty to exchange or swap investment cash flows or assets at specified intervals in the future measured by different commodities or other items, indices, or prices, with payments generally calculated by reference to a principal ("notional") amount or quantity. Swap trading is similar to the spot and forward markets in that banks, broker-dealers or their affiliates generally act as principals in the swap markets, and Ospraie is subject to risks similar to those described in the discussion of the spot and forward markets, below.

Other Derivative Instruments. Ospraie Management may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objective of the Fund and legally permissible. Special risks may apply to instruments that are invested in by Ospraie in the future that cannot be determined at this time or until such instruments are developed or invested in. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk.

Debt Securities Generally. Ospraie Management may invest in private and government debt securities and instruments. Ospraie Management may invest in debt instruments that are unrated, and whether or not rated, the debt instruments may have speculative characteristics. The issuers of such instruments (including sovereign issuers) may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal. Such instruments are regarded as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligations and involve major risk exposure to adverse conditions.

Emerging Market Investments. Ospraie Management may invest a portion of Client assets in securities of companies based in emerging countries or issued by the governments of such countries. Emerging markets have different clearance and settlement procedures than those in developed markets, and in certain financial markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could result in temporary periods when a portion of the assets of each Fund is uninvested and no return is earned thereon. The inability to make intended securities purchases due to settlement problems could cause a miss potential investment opportunities. Inability to dispose of securities due to settlement problems either could result in losses due to subsequent declines in the value of the securities or, if entered into a contract to sell the securities, could result in possible liability to the purchaser.

Foreign investment in certain instruments is restricted or controlled to varying degrees in certain emerging markets. These restrictions or controls may at times limit or preclude foreign investment in certain emerging market instruments and increase the costs and expenses. Certain emerging markets require prior governmental approval of investment by foreign persons, limit the amount of investment by foreign persons in a particular company, limit the investment by foreign persons only to a specific class of securities of a company that may have less advantageous rights than the classes available for purchase by domiciliaries of the countries, or impose additional taxes on foreign investors. Certain emerging markets may also restrict investment opportunities in issuers in industries deemed important to national interests. Additionally, certain emerging markets may require governmental approval for, or otherwise restrict, the repatriation of investment income, capital, or proceeds of sales of securities by foreign investors.

Control Positions. Ospraie Management may seek certain investment opportunities that allow it to have significant influence on the management, operations and strategic direction of certain of the portfolio companies in which it invests. The exercise of control and/or significant influence over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise management and other types of liability in which the limited liability generally characteristic of business operations may be ignored. The exercise of control and/or significant influence over a portfolio company could expose the assets to claims by such portfolio company, its security holders and its creditors. While Ospraie Management intends to manage Client assets in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

Ospraie Management may also make minority equity investments in portfolio companies where it may have limited influence. Such portfolio companies may have economic or business interests or goals that are inconsistent with those of the Client, and Ospraie Management may not be in a position to limit or otherwise protect the value of its investment in such portfolio companies. Control over the investment policies of the portfolio companies may also be limited. This could result in investments being frozen in minority positions that incur substantial losses.

Portfolio Company Leverage. Ospraie Management's investments, in particular, certain private equity investments, may include portfolio companies whose capital structures have significant leverage. The leveraged capital structure of such portfolio companies will increase the exposure of the portfolio companies to adverse economic factors, such as rising interest rates, downturns in the economy or deteriorations in the condition of such company or its industry. In the event that such a portfolio company is unable to generate sufficient cash flow to meet principal and/or interest payments on its indebtedness, the value of the investment in such company could be significantly reduced or even eliminated.

Disposition of Private Investments. Private equity investments will involve private securities. In connection with the disposition of an investment in private equity investments, Ospraie Management may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of a business. Ospraie Management also may be required to indemnify the purchasers of such investment to the extent that any such representations turn out to be inaccurate. These arrangements may result in the incurrence of contingent liabilities that may ultimately yield funding obligations.

Event-Driven Investing. Event-driven investing requires making predictions about (i) the likelihood that an event will occur and (ii) the impact such event will have on the value of a company's securities. If the event fails to occur or it does not have the effect foreseen, losses can result. For example, the adoption of new business strategies or completion of asset dispositions or debt reduction programs by a company may not be valued as highly by the market anticipated, resulting in losses. In addition, a company may announce a plan of restructuring which promises to enhance value and fail to implement it, resulting in losses to investors. In liquidations and other forms of corporate reorganization, the risk exists that the reorganization either will be unsuccessful, will be delayed or will result in a distribution of cash or a new security, the value of which will be less than the purchase price of the security in respect of which such distribution was made. The consummation of mergers and tender and exchange offers can be prevented or delayed by a variety of factors, including: (i) opposition of the management or stockholders of the target company, which will often result in litigation to enjoin the proposed transaction; (ii) intervention of a Federal or state regulatory agency; (iii) efforts by the target company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) in the case of a merger, failure to obtain the necessary stockholder approvals; (v) market conditions resulting in material changes in securities prices; (vi) compliance with any applicable U.S. Federal or state securities laws; and (vii) inability to obtain adequate financing. Because of the inherently speculative nature of event-driven

investing, the results of operations may be expected to fluctuate from period to period. Accordingly, investors should understand that the results of a particular period will not necessarily be indicative of results that may be expected in future periods.

Distressed Securities. Ospraie Management may invest in securities of companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Although such investments may result in significant returns, they involve a substantial degree of risk. Any one or all of the issuers of the securities may invest may be unsuccessful or not show any return for a considerable period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that Ospraie Management will correctly evaluate the value of the assets collateralizing loans or the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a company in which Ospraie Management invests, Ospraie Management may lose its entire investment, may be required to accept cash or securities with a value less than the original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from investments may not compensate the shareholders adequately for the risks assumed.

Troubled company and other asset-based investments require active monitoring and may, at times, require participation in business strategy or reorganization proceedings by Ospraie Management. To the extent that Ospraie Management becomes involved in such proceedings, an investor may have a more active participation in the affairs of the issuer than that assumed generally by an investor. In addition, involvement by Ospraie in an issuer's reorganization proceedings could result in the imposition of restrictions limiting the ability to liquidate the position in the issuer.

All of these risks, and other important risks, are described in detail in each Memorandum. Prospective investors are strongly urged to review the applicable Memorandum carefully and consult with their own financial, legal and tax advisers, before investing in a Fund.

Item 9 – Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of Ospraie Management's advisory business or the integrity of Ospraie Management's management.

Item 10 – Other Financial Industry Activities and Affiliations

Ospraie Affiliates

As discussed above, Ospraie Advisors, an affiliate of Ospraie Management, serves as the investment manager to the Special Opportunities Funds. Certain affiliated entities of Ospraie Management serve as the General Partners. These affiliated advisers are under common control and subject to Ospraie Management's Code of Ethics and Advisers Act compliance program.

Ospraie Management is registered as a commodity pool operator with the CFTC and is a member of the National Futures Association (the "NFA"). Jason Mraz is registered with the CFTC as an associated person of Ospraie and is approved by the NFA as an associate member in connection therewith.

Pandion Mine Finance, L.P., an affiliate of Ospraie Management, is a registered investment adviser with the SEC. Pandion and Ospraie are under common control and are subject to the same Code of Ethics and Advisers Act compliance program.

Relationships or Arrangements with Industry Participants

Credit Suisse

An affiliate of Credit Suisse (the “CS Affiliate”) owns a 5% passive interest in Ospraie Management and has an additional passive interest in Ospraie Advisors, but has no involvement in the investment decisions made in connection with the Ospraie Management or Ospraie Advisors clients. Such interest held by the CS Affiliate may create an incentive for Ospraie Management to continue to use the services of Credit Suisse in connection with a client’s brokerage and clearing activities even though other brokers may provide better services in terms of quality and cost. Notwithstanding this potential conflict of interest, Ospraie Management selects brokers on behalf of each client in accordance with its fiduciary obligations.

Wingspan, Wilton Agricultural Strategies and Tropical Research Services

In 2005, Ospraie developed a multi-manager investment platform, Ospraie Wingspan, and Ospraie Management or Credit Suisse provided initial seed capital to selected investment management entities (collectively referred to herein as “Seeded Managers”). The seed capital has since been returned by all but one Seeded Manager, and Ospraie Management continues to receive a portion of the net revenue earned by such manager, Arias Resource Capital Management LP.

Two of the research providers utilized by Ospraie Management are Wilton Agricultural Strategies, LLC (“WAS”) and Tropical Research Services (“TRS”). WAS provides Ospraie Management with access to five commodities research analysts and TRS provides Ospraie Management access to two commodities research analysts, each of whom provide research related to specified commodity sectors. The WAS and TRS research analysts are a resource which is shared by Ospraie Management and certain of the Seeded Managers. Third-party research costs incurred by WAS and TRS are charged to clients of Ospraie Management and such Seeded Managers on a pro-rata basis based on the net asset or notional value of each applicable client account. In addition, WAS and TRS receive compensation from Ospraie Management based upon certain pre-agreed operating costs of those firms, and may receive a portion of management fees or performance-based compensation earned by Ospraie Management.

ParkRiver

Personnel formerly associated with Ospraie Services Group (“OSG”), a wholly owned subsidiary of Ospraie Management that provided middle and back office services to Ospraie Management and certain Seeded Managers, established ParkRiver Fund Solutions, LP (“ParkRiver”) in January 2011 as an independent business focused on providing middle and back office services to Ospraie Management and other alternative investment managers. ParkRiver has continued to provide Ospraie Management the same services as OSG on a day-to-day basis, including assistance with respect to trade confirmation and settlement, financial reporting, financing and counterparty credit, legal and regulatory support, accounting, collateral management, investor relations and marketing support, tax compliance, treasury and valuation support.

In consideration for the provision of such services and support, ParkRiver is paid a fee based on Ospraie Management’s assets under management and a percentage of performance based compensation received by Ospraie Management. As a result of Ospraie Management’s role in establishing OSG and agreeing to retain ParkRiver, Ospraie Management retains an economic interest in ParkRiver, including a reduced fee

structure and rights in the event of a sale of the business. Generally, all fees due to ParkRiver in consideration of services rendered to Ospraie Management and the Funds pursuant to its services agreement are borne by Ospraie Management and not by Fund or Managed Account investors, unless specifically set forth in the offering documents of a Fund or in the IMA relating to a Managed Account; provided that Ospraie Management may engage ParkRiver for other supplemental projects or services (e.g. tax return preparation, regulatory filing preparation) relating to the Funds or Managed Accounts, the expenses of which may be borne by the Funds or Managed Accounts in accordance with the related Offering Memorandum or IMA.

Kiski

Kiski Alpha Partners (“Kiski”) provides third-party, independent risk management consulting services to the Ospraie Commodity Fund including providing personnel to serve as the external risk manager, daily internal risk reporting monthly risk calculations for Ospraie Management’s external investor reporting, risk-limit and position monitoring, and other internal investment process analyses and advice. Certain principals of Ospraie Management own a passive interest of collectively less than 5% in Kiski Group, Inc., the parent company of Kiski. Such principals have no involvement in the management of any Kiski entity.

Marianas

Ospraie Management retains a passive, minority interest in Marianas Fund Management LLC (“Marianas”), a firm which was founded by Will Snellings in partnership with Ospraie in May 2013 when he was a portfolio manager at Ospraie Management. Marianas became an independent advisory firm in August 2014.

Blue Road

Certain private equity team personnel formerly associated with Ospraie Advisors established Blue Road Management, L.P. (“Blue Road”) in 2013 as an independent investment advisory firm. Ospraie has engaged Blue Road to serve as a sub-advisor to the Special Opportunities Funds and Ospraie Advisors. Blue Road advises on the remaining unrealized investments in the Special Opportunities Funds illiquid portfolio. These services are provided pursuant to a sub-advisory agreement among Blue Road, Ospraie and the Special Opportunities Funds and any compensation paid to Blue Road is borne by Ospraie. Ospraie has a passive ownership interest in Blue Road and certain of its affiliates.

Portfolio Companies and Personal Investments

Certain personnel of Ospraie and its affiliates may serve on the boards of directors of portfolio companies of clients. Serving in such capacity may give rise to conflicts to the extent that such personnel’s fiduciary duties to a portfolio company as a director may conflict with the interests of a client. In addition, Ospraie, its affiliates and their respective principals, personnel, affiliates and certain companies in which any of the foregoing may have an interest and/or serve on the board of directors or similar capacity, are active participants in the commodities sector. Such interests may give rise to conflicts to the extent that such interests conflict with the interests of a client.

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

Code of Ethics

Ospraie Management’s Code of Ethics (the “Code”) sets forth a standard of business conduct expected of all Ospraie Management employees, reflecting Ospraie Management’s fiduciary obligations, supervisory requirements, and duty to comply with applicable federal securities laws. Employees are provided with a copy of the Code and are required to sign and acknowledge that they have read and understand it on an annual basis.

The Code requires Ospraie Management’s employees to periodically report their personal securities holdings and transactions to Ospraie Management’s Chief Compliance Officer or his designee. The Code requires each employee’s broker to provide duplicate personal account statements and trade confirmations directly to Ospraie Management or its designee.

Ospraie Management generally prohibits any employee to participate in initial public offerings or purchase private placements without the prior approval of the Chief Compliance Officer or his designee.

The Code includes restrictions designed to supervise the giving or receiving of gifts and entertainment, and employees’ outside business activities. The Code also includes restrictions on certain political contributions and related solicitation activities.

Ospraie Management will provide a copy of the Code to any client or prospective client upon request.

Personal Trading

All Ospraie Management employee personal trades (e.g., purchases or sales of long positions, entering into or covering short positions) must be pre-cleared by the Chief Compliance Officer or his designee for all covered securities which include all securities, futures, forward and options on futures, closed-end or exchange traded funds, private placements and other derivatives contracts, other than mutual funds, direct obligations of the U.S. government, money market funds and similar instruments. Generally, pre-approval to purchase or sell a long position, or enter into or cover a short position, will not be granted with respect to any security in which a client is invested or may be expected to invest. Additionally, most personal positions must be held for not less than 15 calendar days. Any exceptions to this policy must be expressly approved by the Chief Compliance Officer or his designee.

Principal Transactions/Cross Trades

Subject to applicable law, Ospraie Management may effect transactions between its clients whereby one client will purchase securities from or sell securities to another client. This may be done for reasons including but not limited to: when a client crosses its investment guidelines with respect to a particular sector, region or security; to account for inflows and outflows of capital to and from the clients; when one client is overexposed to a particular security and Ospraie Management determines that another client may benefit from additional exposure to such security; to correct misallocations of trades among the clients; or when Ospraie Management believes that such a transaction will otherwise have a beneficial effect for each of the applicable clients.

This may result in a conflict of interest because a potential transaction may result in benefits to one client account that may be greater than the benefits to the other client account. In order to mitigate such conflicts, Ospraie Management effects such transactions only when it believes that such transactions are in the best interests of the participating client accounts. Such securities transactions will be executed by an independent broker-dealer on an agency basis at the current fair market value as determined by such broker-dealer and/or in a manner otherwise consistent with Ospraie Management’s fiduciary obligations.

Cross trades will not be executed for any client where such trade would not be permitted under applicable law (e.g., under the Employee Retirement Income Security Act of 1974 (“ERISA”)).

In the event that Ospraie Management effects a cross trade between a fund client in which it or its controlling persons own more than twenty five percent (25%) and another client, such transaction may be deemed to be a principal transaction under the Advisers Act. Such transactions may create a conflict of interest for Ospraie Management because it may put its or its control persons’ interests in such accounts before the interests of its fund clients. In the event of a proposed transaction between Ospraie Management’s fund clients, the Chief Compliance Officer will review and analyze the interests of Ospraie Management, its control persons and their affiliates in the applicable fund clients in addition to economic interests that may create incentives for Ospraie Management to favor one fund client over another (e.g., different fees charged by Ospraie Management to the applicable clients, economic interests of family members, and persons with social and/or business relationships with Ospraie Management and/or its controlling persons). Ospraie Management will not effect any cross trades between accounts if the Chief Compliance Officer believes that such trade would result in a principal transaction unless Ospraie Management: (i) believes that such transaction is in the best interest of the clients participating in the transaction; and (ii) obtains consent of the applicable clients as required by the Advisers Act.

Material Non-Public or Confidential Information

By reason of Ospraie Management’s business or investment activities, it may acquire material nonpublic or confidential information or otherwise be restricted in its investment activities, and, in such event, may not be free to act upon such information. Moreover, due to such confidential information and/or restrictions, Ospraie Management may not initiate a transaction for a Fund that it otherwise might have initiated, and a Fund may, as a result, be required to maintain a position that it otherwise might have sold, or be required to refrain from acquiring a position that it otherwise might have acquired.

Additional Considerations

From time to time, various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of Ospraie Management its affiliates and their respective personnel. Ospraie has established policies and procedures to monitor and resolve conflicts and will endeavor to resolve conflicts with respect to investment opportunities in a manner it deems equitable to the extent possible under the prevailing facts and circumstances.

In addition, Ospraie may give advice or take action with respect to the investments of one or more Funds or Managed Accounts that may not be given or taken with respect to other Funds or Managed Accounts with similar investment programs, objectives, and strategies. Accordingly, although the Funds and the Managed Accounts may have similar strategies, they may not hold the same securities or instruments or achieve the same performance. These activities also may adversely affect the prices and availability of other securities or instruments held by or potentially considered for one or more clients.

The Advisory Affiliates may also have ongoing relationships with companies whose securities are in or are being considered for Ospraie Management’s clients. Ospraie Management recognizes that conflicts may arise under such circumstances and will endeavor to treat all clients fairly and equitably.

Item 12 – Brokerage Practices

Trading and Execution

Ospraie Management has the authority to select prime brokers, executing brokers and futures commissions merchants (collectively, the “Brokers”) for each of the Funds. Ospraie Management

suggests that clients who establish Managed Accounts utilize the same Brokers as those selected for the Funds. Client assets will generally be cleared and custodied at major global broker-dealers including, but not limited to, Morgan Stanley, Credit Suisse, and Goldman Sachs.

Ospraie Management utilizes many Brokers, including those referenced above, to execute trades for its clients. Prior to engaging Ospraie Management to provide investment advisory services, each client is required to enter into (i) a formal agreement with Ospraie Management (generally as part of the limited partnership agreement for the Domestic Fund or an investment management agreement for the Offshore Fund or clients that establish Managed Accounts) setting forth the terms and conditions under which Ospraie Management will manage the client's assets, and (ii) a separate custodial/clearing agreement with each prime broker and futures commission merchant.

Factors that Ospraie Management considers in recommending or utilizing a Broker may include (i) the price, (ii) the Brokers' facilities, reliability and relative creditworthiness, (iii) the ability of the Broker to effect the transactions, (iv) the provision or payment (or the rebate to the Funds for payment) by the Broker of the costs of brokerage or research products or services, and (v) the ancillary services provided by such Broker such as capital introduction services, the generation of investment ideas and research services provided. The commissions and/or transaction fees charged by a Broker may be higher or lower than those charged by other broker-dealers. Ospraie Management will not receive any portion of the brokerage commissions and/or transaction fees charged to clients. The brokerage commissions and/or transaction fees charged by any Broker are exclusive of, and in addition to, Ospraie Management's management fee. Although the commissions paid by Ospraie Management's clients will comply with Ospraie Management's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Ospraie Management determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Ospraie Management will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. Ospraie Management will periodically evaluate the execution performance of Brokers executing its transactions.

Soft Dollars

In return for effecting securities transactions through a Broker, Ospraie Management may receive certain investment research products and related services which assist Ospraie Management in its investment decision-making process for the client, all of which are generally intended to be in compliance with Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Ospraie also may, from time to time, receive soft dollar credits in respect of transactions involving instruments outside of the safe harbor (*e.g.*, futures), provided the goods and services received from such transactions are of the type that fall within Section 28(e) of the Exchange Act. Research products and related services furnished by Brokers may include written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies, data and forecasts; statistics and pricing services; as well as discussions with research personnel and other services utilized in the investment management process.

Although the investment research products and/or services that are obtained by Ospraie Management may be used to service some or all of Ospraie Management's clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

When Ospraie Management uses client brokerage commissions (or markups or markdowns) to obtain research or other products or services, it receives a benefit because it does not have to produce or pay for the research, products or services. Ospraie Management may have an incentive to select a broker based on its interest in receiving the research or other products or services offered by such broker, rather than on its clients' interests in receiving most favorable execution.

Where a product or service obtained with client commission dollars provides both research and non-research assistance to Ospraie Management, Ospraie Management will make a reasonable allocation of the cost which may be paid for with client commission dollars.

During Ospraie Management's last fiscal year, Ospraie Management acquired with client brokerage commissions (or markups or markdowns) (i) research, such as proprietary research from brokers, which may have been written and/or oral; (ii) research products, such as databases and quotation services; and (iii) research services, such as Bloomberg and consultation with industry consultants concerning specific companies, industries or sectors.

Aggregation and Allocation

Ospraie Management will generally execute transactions for clients on an aggregated basis when Ospraie Management believes that to do so will allow it to obtain best execution and to negotiate more favorable commission rates or avoid certain transaction costs that might have otherwise been paid had such orders been placed independently. When aggregating orders across client accounts, the order and subsequent fills will generally be allocated among such clients based on a pre-set monthly weighting largely proportionate to such participating clients' relative assets under management (including available cash balances). To the extent Ospraie Management is allocating a trade among any two or more clients that are not managed *pari passu*, then a determination will be made prior to entering in such transaction as to the relative allocations of all participating clients. Reasons for allocating among clients may include (but are not limited to): a client's investment guidelines and restrictions, available cash, liquidity requirements, leverage targets, rebalancing total risk exposure across all clients, tax or legal reasons, and to avoid odd-lots or in cases when a normal allocation would result in a *de minimis* allocation to one or more clients. No client will be favored over any other client with respect to an aggregated order.

Trade Error Policies and Procedures

Except as set forth below, neither Ospraie Management nor any of its affiliates, will be liable to any Fund or investor in such Fund for: (i) any acts or omissions arising out of, or in connection with, the client, any investment made or held by the client or any governing agreement, unless such action or inaction was performed or omitted made in bad faith or constituted fraud, willful misconduct or gross negligence or (ii) any act or omission of any broker or agent, provided that such broker or agent was selected, engaged or retained by Ospraie Management with reasonable care. As a result, any negative or positive results of trading errors generally will be borne by the Fund, rather than by Ospraie Management or an affiliate, so long as Ospraie Management or such affiliate adheres to the foregoing standard of care.

Trade errors made in respect of accounts subject to ERISA and certain Managed Accounts will be corrected as set forth in the applicable investment management agreements and/or disclosure documents, and in accordance with all applicable laws and regulations, which may be different than the Funds.

Additional Brokerage Considerations

From time to time, Brokers (including prime brokers) may assist the Funds in raising additional funds from investors, and representatives of Ospraie Management may speak at conferences and programs sponsored by such Brokers for investors interested in investing in hedge funds. Through such "capital introduction" events, prospective investors in the Funds would have the opportunity to meet with representatives of Ospraie Management. Currently, neither Ospraie Management nor the Funds

compensate any Broker for organizing such events or for any investments ultimately made by prospective investors attending such events, nor do they anticipate doing so in the future. The Funds may accept subscriptions from investors who also provide services to the Funds, including Brokers and their affiliates. Relationships such as these could be viewed as creating a conflict of interest that potentially could affect Ospraie Management's ability to seek best execution. While our relationship with Brokers may influence Ospraie in deciding whether to use such Broker in connection with Brokerage, financing and other activities of the Funds, Ospraie Management will not commit to allocate a particular amount of Brokerage to a Broker in any such situation. Furthermore, Ospraie Management conducts periodic best execution reviews in an effort to identify and mitigate compliance risks associated with Brokerage relationships, and to determine that Ospraie Management is obtaining best execution for clients' accounts.

Item 13 – Review of Accounts

Ospraie Management's portfolio managers are responsible for evaluating securities (and other products) for investment, reviewing portfolios for each client and making asset allocation decisions. Daily reports of each client's portfolio positions and performance are provided to portfolio managers, every principal executive officer, and certain investment professionals. Each portfolio is reviewed on an ongoing basis according to the client's investment objectives and pursuant to the stated investment strategies of the respective Funds and Managed Accounts. Portfolios are reviewed for performance, liquidity, diversification, and risk.

The Funds are audited on an annual basis by an independent public accounting firm. The investors in each respective Fund generally receive (i) audited annual financial reports, (ii) unaudited monthly (or quarterly, in the case of the Special Opportunities Funds) financial reports and (iii) annual tax information for the completion of tax returns. Clients that have Managed Accounts with Ospraie Management receive daily reports in their capacity as account holder from applicable brokers detailing the estimated profits and losses for the account for that day. Additionally, each such client receives monthly reports detailing their account information, including the account's beginning and ending value, and the account's performance for that period.

In addition to the information provided to all investors, Ospraie Management may provide certain investors with additional information or more frequent reports that other investors will not receive, possibly enabling such investors to better assess the prospects and performance of the Funds. In addition, investors may be provided with information about Ospraie Management and the Funds in response to questions and requests, and/or in connection with due diligence meetings and other communications, but such information will not be distributed to other investors and prospective investors who do not request such information. Each investor is responsible for asking such questions as it believes are necessary in order to make its own investment decisions and must decide for itself whether the limited information provided by Ospraie Management is sufficient for its needs.

Item 14 – Client Referrals and Other Compensation

Ospraie Management has in the past and may in the future enter into arrangements with marketing representatives or selling agents or other third parties whereby it agrees to pay a portion of its fees to such other parties in connection with the introduction of investors to the Funds.

Broker, including prime brokers, and other counterparties may provide Ospraie Management a variety of services, including capital introduction services. While this creates an incentive to maintain the

relationship with such counterparties, Ospraie Management is not required to direct any volume of business in return for these services.

Transaction Fees

Ospraie Advisors and its affiliates may receive transaction, consulting, advisory, directors' (including in the form of options or warrants), break-up and other similar fees (collectively, "Transaction Fees") associated with investments or proposed investments or commitments made by the Special Opportunities Funds. Generally 80% of the Special Opportunities Funds *pro rata* share of any such Transaction Fees (net of related expenses) will be applied to reduce the related Fund's management fee. If necessary, management fee offsets will be carried forward. If a Transaction Fee relates to a particular investment, the offset to the management fee will be for the benefit of those investors having an interest in such investment *pro rata* in accordance with their respective interests therein.

Item 15 – Custody

Ospraie Management uses a third party unaffiliated qualified custodian to hold the funds and securities of the Funds in accordance with current SEC rules and regulations. Although Ospraie Management is deemed to have custody of underlying assets of the Funds, Ospraie Management relies upon the "pooled investment vehicles" exemption from reporting and surprise examinations. Accordingly, the Funds are subject to a year-end audit by an independent public accounting firm that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board and audited financial statements of each Fund will be provided to the investors of such Fund within 120 days or 180 days of the end of the fiscal year, as applicable.

Item 16 – Investment Discretion

Ospraie Management, through its investment management agreements, generally maintains full investment discretion with respect to the Funds and the Managed Accounts, subject to any limitations specified in the relevant investment management agreement. In its role as a discretionary investment manager, Ospraie Management has the authority to choose which investments are purchased or sold, the quantities of each investment to be purchased and sold and the Broker through which transactions are executed. Investors in the Funds generally may not place any limit on Ospraie Management's authority beyond the limitations set forth in their PPM and other Fund documents. Similarly, Managed Accounts generally may not place any limit on Ospraie Management's authority beyond the limitations set forth in the respective IMA.

Item 17 – Voting Client Securities

The SEC adopted Rule 206(4)-6 under the Advisers Act, which requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. In compliance with such rules, Ospraie Management has adopted proxy voting policies and procedures which are summarized below:

With the aim of ensuring that proxies are voted in the best interest of clients, Ospraie Management has engaged the Proxyedge service from Broadridge as its independent proxy voting service to handle the administrative mechanics of proxy voting, and Glass Lewis & Co ("Glass Lewis") to provide voting

recommendations. Glass Lewis is an unaffiliated, third party proxy voting research service, specializing in providing a variety of proxy-related services to institutional investment managers.

There may be occasions where the voting of proxies may present an actual or perceived conflict of interest between Ospraie Management and its clients. Ospraie Management will not vote proxies contrary to the best interest of its clients due to business or personal relationships with an issuer's management, participants in proxy contests, corporate directors or candidates for corporate directorships, or where Ospraie Management or an employee may have a personal interest in the outcome of a particular matter before shareholders. When there exists an actual or potential conflict of interest, Ospraie Management addresses these conflicts or appearances of conflicts by ensuring that proxies are voted in accordance with the recommendations made by Glass Lewis.

Clients may contact Ospraie Management to obtain information on how proxies were voted for them and to request a copy of Ospraie's proxy voting policies and procedures.

Item 18 – Financial Information

Ospraie Management is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual and fiduciary commitments to its clients, nor has it been the subject to any bankruptcy proceeding.

Item 19 – Requirements for State-Registered Advisers

Not applicable.