

CaaS Capital Management LP

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This “**Brochure**” provides information about the qualifications and business practices of CaaS Capital Management LP (hereinafter “**CaaS Capital**”, “**we**”, “**us**”, “**our**” or the “**Firm**”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“**CCO**”), Mikhail Shilshtut, by email at mikhail.shilshtut@caascap.com. Information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

CaaS Capital has applied as a newly-registered investment adviser with the SEC. Registration as an investment adviser does not imply that CaaS Capital Management LP or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Additional information about CaaS Capital Management LP is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Brochure is CaaS Capital's initial Form ADV Part 2A, filed on the basis of registration within 120 days of submission. Clients and prospective clients should carefully review the disclosure contained herein.

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Item 4: Advisory Business

CaaS Capital Management LP (hereinafter “**CaaS Capital**”, “**we**”, “**us**”, “**our**” or the “**Firm**”) is organized as a Delaware limited partnership with a principal place of business in New York, New York. We are an affiliate of the following entities: CaaS Capital Management GP LLC (the “**General Partner**”), the general partner of the Firm; CaaS Capital Fund GP LLC (the “**Fund General Partner**”), the general partner of the Onshore Fund (as defined below) and the Master Fund (as defined below), and are herein collectively referred to as the “**CaaS Capital General Partners**.” Siufu Frank Fu, the Founder and Managing Member of the Firm (the “**Managing Member**”), is the majority beneficial owner of CaaS Capital and directs the investment activities and operations of the Funds (as defined below).

We serve as the investment adviser, with discretionary trading authority, to private, pooled investment vehicles, the securities of which are offered through a private placement memorandum to accredited investors, as defined under the Securities Act of 1933, as amended, and qualified purchasers, as defined under the Investment Company Act of 1940, as amended. We do not tailor our advisory services to the individual needs of any particular investor.

CaaS Capital manages the following private, pooled investment vehicles:

- CaaS Capital Offshore Fund Ltd, a Cayman Islands exempted company (the “**Offshore Fund**”);
- CaaS Capital Onshore Fund LP, a Delaware limited partnership (the “**Onshore Fund**”); and
- CaaS Capital Master Fund LP, a Cayman Islands exempted limited partnership (the “**Master Fund**”).

The Master Fund, the Onshore Fund and the Offshore Fund are herein each referred to as a “**Fund**” or “**Client**”, and collectively referred to as the “**Funds**” or the “**Clients**”.

The Onshore Fund’s “**Limited Partners**” and the Offshore Fund’s “**Shareholders**” are hereafter collectively referred to as the “**Investors**” where appropriate.

Our investment decisions and advice with respect to the Funds are subject to each Fund’s investment objectives and guidelines, as set forth in its respective “**Offering Documents**.”

We do not currently participate in any Wrap Fee Programs.

The Firm has regulatory assets under management of \$0, and is expecting to be eligible for full SEC registration within 120 days of the approval of this filing.

Item 5: Fees and Compensation

The fees applicable to each of the Funds are set forth in detail in the corresponding Offering Documents. A brief summary of such fees is provided below.

Management Fee

CaaS Capital is paid an investment management fee ("**Management Fee**") ranging from 1.00% to 2.00% of the net asset value of the applicable Fund. The Management Fee is normally charged on the first day of each month, and is paid in advance based on the applicable Fund's net asset value on the first day of such quarter.

Generally, the Management Fee is not negotiable. However, CaaS Capital in its sole discretion, may waive, reduce or modify the Management Fee at any time, without notice to or consent from any Fund (or underlying investor in such Fund).

Pursuant to the terms of the applicable investment advisory agreement, if the investment advisory relationship is terminated (or funds are withdrawn or redeemed) as of any date other than the last business day of the applicable payment period, we typically charge a prorated Management Fee based on the ratio that the number of days for which investment advisory services were rendered bears to the total number of days in that payment period, and we return any unearned fees to the Client or underlying Investor.

Performance-Based Fees

Please see Item 6 below for a summary of such fees.

Other Types of Fees or Expenses

CaaS Capital and the CaaS Capital General Partners are authorized to incur and pay in the name and on behalf of the Funds all expenses which they deem necessary or advisable.

The Firm is responsible for and shall pay, or cause to be paid, all of their own ordinary administrative and overhead expenses, including, without limitation, all costs and expenses related to rent, furniture, fixtures, equipment, office supplies, clerical expenses and all salaries, bonuses and benefits paid to, or on behalf of, personnel of the Firm.

The Funds bear all other expenses, which include, without limitation, the following expenses incurred by or allocable to the Funds:

- organizational and offering expenses;
- expenses associated with all investments and transactions considered, evaluated and/or consummated by the Funds, including, without limitation, those expenses incurred before the initial closing of the Funds, including, without limitation, expenses associated with sourcing, negotiating, investigating, researching, financing and structuring of investments and potential investments, whether or not consummated, including, without limitation, third-party research, data, analytics, modeling, structuring, pricing, execution and other third-party information systems, software and service fees (including, without limitation, the expenses with respect to data feeds, subscriptions, expert networks, political intelligence providers, and reports);

- research-related computer hardware and software expenses, including, without limitation, Bloomberg terminals;
- the Funds' pro rata share of the Firm's order management system, portfolio management system and any other software used for accounting and/or monitoring of the portfolio;
- expenses associated with holding, financing, monitoring, hedging, maintaining and disposing of all investments of the Funds and all transaction and other costs associated therewith;
- travel and related expenses associated with investments and potential investments;
- professional fees associated with investments and potential investments, including, without limitation, consulting, due diligence, accounting, valuation, financial, legal, and other advisory fees and expenses;
- transaction fees, brokerage commissions, custodial fees, clearing and settlement charges and similar fees and expenses associated with the acquisition, disposition and settling of investments and potential investments;
- expenses associated with legal and regulatory filings of the Funds (including, without limitation, pursuant to Section 13 and 16 of the Securities and Exchange Act of 1934, as amended (the "**Exchange Act**")) and the Funds' pro rata portion of the expenses associated with preparation of the Firm's Form 13F, Form 13H and Form PF, and any other similar filing in any other U.S. or non-U.S. jurisdiction;
- administrative, custodial, appraisal, valuation, legal, regulatory, compliance, consulting, advisory and similar fees and expenses associated with the Funds' operations, investments and transactions, including, without limitation, fees and expenses of the Funds' administrator;
- expenses incurred in connection with responding to requests or inquiries from any U.S. federal, state, local or non-U.S. governmental entity or authority, regulatory body or self-regulatory organization and all extraordinary expenses;
- broken-deal, failed transaction, break-up and similar fees, costs and expenses, if any;
- costs and expenses of leverage or any other borrowings of the Funds, including, without limitation, interest charges and fees;
- expenses incurred in the collection of monies owed to the Funds, as applicable;
- auditing and accounting expenses of the Funds, including, without limitation, expenses associated with the preparation of financial statements, tax returns and Schedules K-1 and the fees and expenses of the auditor;
- any entity level taxes, fees or other governmental charges on the Funds, including, without limitation, any withholding taxes not due to the status or noncompliance of a particular Investor;
- costs and expenses associated with investor communications and reports and the delivery thereof to investors;
- the costs of service providers or software to measure or monitor risk metrics, to aggregate positions and/or to provide reporting with respect to risk metrics and/or positions;
- costs and expenses associated with meetings of the Investors;

- insurance expenses; including, without limitation, directors' and officers' liability insurance, general partner liability insurance, errors and omissions insurance and other policies, if any;
- costs and expenses (including, without limitation, entity-level taxes, fees or other governmental charges) associated with the formation, organization and operation of any subsidiary, special purpose vehicle, alternative investment vehicle, holding company, or similar entity formed with respect to investments, credit facilities or other transactions entered into for the benefit of the Funds;
- wind-up, liquidation, termination and dissolution expenses;
- costs, fees and expenses related to registration, qualification and/or exemption under any applicable U.S. federal, state, local or non-U.S. laws, rules or regulations, including, without limitation, blue sky fees, Form D, Form 8.3, CFTC filings and notices and other securities and/or investment-related filing expenses;
- costs related to any transfers of interests in the Funds, unless otherwise charged to or borne by the applicable transferor and/or transferee;
- expenses incurred in connection with the preparation of any amendment to the Funds' governing documents and/or Offering Documents;
- expenses incurred in connection with pursuing, defending or participating in any litigation, arbitration, mediation or similar proceeding by the Funds;
- any extraordinary expenses (including, without limitation, all litigation-related and indemnification and contribution expenses, including, without limitation, the amount of any judgment or settlement paid in connection therewith);
- the Management Fee; and
- all other fees, costs, charges and expenses associated with the business, affairs and/or operations of the Funds.

In general, each Investor will bear its proportionate share of the Fund expenses on a pro rata basis with respect to the size of such Investor's capital account(s) or with respect to the relative net asset value of the shares held by such Investor, as applicable.

Notwithstanding the foregoing, the Fund General Partner and/or the Firm, as applicable, may specially allocate the expenses described herein in any other manner, including by allocating certain expenses to certain (but not all) Investors, if the Fund General Partner and/or the Firm, as applicable, reasonably determines, in its discretion, that it is more equitable to do so.

To the extent that expenses to be borne by the Funds are paid by the Firm or its affiliates, the Funds will reimburse the Firm or its affiliates for such expenses. We may waive any such reimbursement with respect to any Fund expenses. Any waiver by us for reimbursement of any Fund expenses shall not serve as a waiver of reimbursement for any future Fund expenses to be paid by us or our affiliates.

Neither the Firm nor its employees accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

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

We and our affiliates are entitled to an annual performance-based allocation, ranging from 30% realized and unrealized income and gains of the Funds, subject to a high watermark, as described in the Offering Documents. The incentive fee will first be reduced by the management fee of 1%.

Performance-based allocation arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which we would recommend under a different arrangement in an effort to maximize a Client's gross profits and receive greater compensation.

In the event that the investment advisory relationship is terminated (or funds are withdrawn or redeemed) other than at the end of a performance allocation calculation period, such termination (or withdrawal or redemption) date shall typically be treated as the end of a performance allocation calculation period.

Item 7: Types of Clients

Our clients are the Funds, as described in Item 4 above, and the Funds are generally open to, among others, institutions, funds of funds, pension plans, foundations, endowments, high net-worth individuals, financially sophisticated individuals, and other sophisticated investors.

Generally, the minimum initial investment in the Funds is \$3 million. However, the Fund General Partner and/ or CaaS Capital, as applicable, may, in its sole discretion, accept smaller initial investments from time to time.

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

The descriptions set forth in this Brochure of specific advisory services that we will offer to Clients, and investment strategies pursued and investments made by us on behalf of our Clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each Client's investment objectives and guidelines as set forth in the Offering Documents. The investment strategies we pursue are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

Investment Objective

The investment objective of the Funds is to generate attractive, risk-adjusted returns while maintaining low correlation to broad equity indices.

The firm uses a structured process to drive consistency and repeatability, which begins with data and quantitative research in order to identify and continuously evaluate possible opportunities.

The investment strategies described herein are those that the Firm employs on behalf of the Funds. Subject to the Offering Documents, there are no limitations on the investment strategies that the Funds may employ, and the Firm may adjust the strategy that it pursues opportunistically to respond to, or to take advantage of, changing market conditions and new investment opportunities. Further, the Firm may invest opportunistically in securities or transactions that vary from the core strategy of the Funds.

The Funds, as applicable, may employ leverage in connection with its investment strategies or for any other purpose deemed necessary, desirable or appropriate at such times, in such amounts and subject to such terms and conditions as the Fund General Partner or the Firm, as applicable, may determine in its sole and absolute discretion. Such leverage may take a variety of forms, including, but not limited to, loans, repurchase agreements, derivative instruments that are inherently leveraged, margin borrowing from securities brokers and dealers and other financing arrangements, as determined by the Fund General Partner or the Firm, as applicable in its sole and absolute discretion. Leverage employed by the Funds may be secured by the securities holdings and other assets of the Funds, as applicable. If such leverage is cross-collateralized among the Funds, the assets of each Fund will be subject to the risk of loss.

The use of leverage may increase the volatility of the Funds' returns and may compound any negative returns. Leverage typically will cause the Funds' net asset value to increase or decrease at a greater rate than if leverage were not used.

Risk Management

Our investment program is speculative and entails potential substantial financial risks. We focus on managing risk through the quality of our investment process and monitoring of investments. In addition, the Firm has a Risk Committee that generally meets on a quarterly basis to evaluate portfolio risk. We as a Firm do not bring on what we believe to be unnecessary risk without seeking to conduct a complete analysis and assessment of each potential investment.

The following risks are not intended to be a complete list or explanation of the risks involved in an investment in the Funds or strategies advised by the Firm. These risk factors include only those risks the Firm believes to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by the Firm.

Risk of Loss Factors

An investment involves significant risks and is suitable only for those persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment, and who have met the conditions set forth in the Offering Documents. There can be no assurances that we will achieve our investment objectives. An investment carries with it the inherent risks associated with investments in publicly-traded stocks and bonds, options, and related instruments, including, without limitation, the risks described below. Each prospective investor should carefully review the Offering Documents and the documents referred to herein before deciding to invest with CaaS Capital .

General Investment and Trading Risks. All securities investments present a risk of loss of capital. Volatile financial markets increase that risk. If the Firm's evaluation of an investment opportunity should prove incorrect, the Master Fund could experience losses as a

result of a decline in the market value of securities in which the Master Fund holds a long position or an increase in the value of securities in which the Master Fund holds a short position. The Funds' investment program, as executed through the Master Fund, includes short sales, which can involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which the Funds may be subject. The risk management techniques that may be used by the Firm do not provide any assurance that the Funds will not be exposed to a risk of significant investment losses. No guarantee or representation is made that the Funds' investment program will be successful, that the Funds will achieve its targeted returns or that there will be any return of capital invested to investors in the Funds. In addition, investment results may vary substantially over time.

Investment Judgment. The profitability of a significant portion of the Funds' investment program depends to a great extent upon correctly assessing the future profitability of the price movements of securities and other investments. There can be no assurance that the Firm will be able to accurately predict the price movements of any security or other investment.

Concentration of Investments; Limited Diversification and Sector Investing. The Master Fund may hold a limited amount of positions (both long and short) at any given time and the Master Fund may hold relatively large positions in few securities. As a result of the Master Fund's possible lack of diversification, a significant loss in any one position may have a material adverse effect on the net asset value of the Master Fund and the Funds' rate of return. Therefore, any fluctuation in the overall value of securities in specific industries or sectors likely will have a material effect on the performance of the Master Fund. The Firm's specialized investment strategy and potential lack of diversification may be more vulnerable to changes in the economy or those industries or other factors than a broad based portfolio, and, as a result, performance results may be highly volatile and may result in the Master Fund significantly outperforming, or under-performing, the market as a whole.

Equity Securities. The Funds may invest in equity and equity-related securities, including, without limitation, equity investments acquired in connection with restructured debt securities or instruments, or in connection with reorganizations and/or restructurings of debt securities, equity securities or other obligations and assets of undervalued, operationally challenged and/or financially troubled companies or institutions. A risk of investing in the Funds is that equity securities held by the Master Fund may decline in value. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete, industry market conditions, interest rates and general economic environments. In addition, equity securities that the Firm believes are undervalued or incorrectly valued may not ultimately be valued by the markets in the manner that the Firm anticipates.

Debt Securities. Although the Master Fund trades primarily in equities, the Master Fund also may invest in debt or other fixed income securities, including non-investment grade securities, and similar obligations and instruments. Particularly with respect to non-investment grade securities, there is a risk that the issuer will default on its payments obligations. The market values of debt instruments may be more volatile than the values of other investments and, during periods of economic uncertainty and change, the market price of these investments may decrease significantly. Debt instruments may also be less liquid than equities, particularly during periods of market dislocation. The lack of a liquid secondary market may have an adverse effect on the market price and the Master Fund's ability to sell particular securities.

Short Sales. Short selling involves selling securities that may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from a decline in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. However, since the borrowed securities must be replaced by purchases at market prices to close out the short position, any appreciation in the price of the borrowed securities would result in a loss. A short sale involves the risk of a theoretically unlimited increase in the market price of the security. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

In addition, short sellers are subject to the risk of a “short squeeze.” A short squeeze is a situation in which the short seller is prematurely forced out of a short position. The lender of a security used to cover a short generally has the right to demand the return of the security that has been loaned at any time. If a lender were to demand the return of securities that the Master Fund had borrowed, the Master Fund would be required to replace the borrowed securities by borrowing identical securities from another lender. If the Master Fund were unable to replace the borrowed securities, it would be required to close out the short sale by buying identical securities in the market to make delivery. In such event, the Master Fund could incur significant losses if the securities sold short had increased in value.

The Master Fund also could be forced to close out a short sale prematurely as a result of an increase in margin requirements, coupled with an inability to provide the required additional margin on short notice. In addition, the cost to borrow securities in connection with short sales may be significant.

Hedging. The Master Fund may engage in certain hedging transactions, including derivatives, options and swaps. Hedges can be more difficult to implement than many other types of transactions, and the possibilities for errors may be greater than for other transactions. Additionally, there is no guarantee that these hedging transactions will prevent losses to the Funds. The success of the Master Fund’s hedging strategy is subject to the Firm’s ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Master Fund’s hedging strategy is also subject to the Firm’s ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. In addition, hedging transactions may result in poorer overall performance for the Funds than if no such hedging transactions were executed. Moreover, the Firm may determine not to hedge against, or may not anticipate, certain risks. Finally, the Funds may be exposed to certain risks that cannot be hedged, such as credit risk (relating both to particular investments and counterparties).

Options. The Master Fund may engage in the trading of options. Such trading involves risks substantially similar to those involved in trading margined securities in that options are speculative and highly leveraged. Specific market movements of the securities underlying an option cannot accurately be predicted. The purchaser of an option is subject to the risk of losing the entire purchase price of the option. The writer of an option is subject to the risk of loss resulting from the difference between the premium received for the option and the price of the security underlying the option which the writer must purchase or deliver upon exercise of the option.

Derivatives. The Master Fund may invest in derivative financial instruments. In addition, the Master Fund may, from time to time, utilize both exchange-traded and over-the-counter futures, options and contracts for differences as well as other derivatives. Regulatory restraints may restrict the instruments that the Master Fund may trade. Such derivative instruments are highly volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a gain or a loss which is high in proportion to the amount of funds actually placed as initial margin, and may result in unquantifiable further losses exceeding any margin deposited. Further, when used for hedging purposes, there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

Forex Trading. The Master Fund may enter into transactions that are not traded on an exchange, and the funds the Master Fund invests in those transactions may not receive the same protections as funds used to margin or guarantee exchange-traded futures and options contracts. If the counterparty becomes insolvent and the Master Fund has a claim for amounts deposited or profits earned on transactions with the counterparty, the Master Fund's claim may not receive a priority. Without a priority, the Master Fund is a general creditor and its claim will be paid, along with the claims of other general creditors, from any monies still available after priority claims are paid. Even the Master Fund's funds that the counterparty keeps separate from its own operating funds may not be safe from the claims of other general and priority creditors. Forex trading can quickly lead to large losses as well as gains. Such trading losses can sharply reduce the net asset value of the Master Fund.

Leverage. The Funds employ leverage in connection with their investment strategies and/or for any other purpose deemed necessary, desirable or appropriate at such times, in such amounts and subject to such terms and conditions as the Fund General Partner and/or the Firm may determine in their sole and absolute discretion. Such leverage may take a variety of forms, including, without limitation, loans, repurchase agreements, derivative instruments that are inherently leveraged, margin borrowing from securities brokers and dealers and other financing arrangements, as determined by the Fund General Partner and/or the Firm in their sole and absolute discretion. The use of leverage increases both the possibility for gain and the risk of loss. Leverage employed by the Funds may be secured by the securities holdings and other assets of the Funds. If such leverage is cross-collateralized among the Funds, the assets of each Fund will be subject to the risk of loss. Under certain circumstances, a lender may demand an increase in the collateral that secures such obligations, and if the Funds are unable to provide additional collateral, the lender could liquidate assets held in the account to satisfy such obligations. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the Funds' borrowing and the interest rates on that borrowing, both of which will fluctuate, may have an effect on the Funds' profitability. In addition, the use of leverage may cause a U.S. tax-exempt investor to realize UBTI.

Securities Lending and Borrowing. The Master Fund may lend securities to securities brokers and other institutions as a means of earning additional income, or may borrow securities from securities brokers or other institutions to cover short positions. The cost of such borrowing may be significant. If the other party to such transaction becomes insolvent or bankrupt, the Master Fund could experience delays and extra costs in recovering payment or the securities. To the extent that, in the meantime, the value of securities changes, the Master Fund could experience further losses. Security loans must be fully collateralized, and the Investment Manager must be satisfied with the creditworthiness of the other party to the transaction.

Trade Error Risk. Trade errors include, for example, keystroke errors that occur when entering trades into an electronic trading system or typographical or drafting errors related to derivatives contracts or similar agreements. Given the volume and complexity of transactions executed by the Investment Manager on behalf of the Master Fund, trade errors are likely to occur, notwithstanding the execution of due care and special procedures designed to prevent such errors. If trading errors do occur, the Investment Manager will not be responsible for gains or losses resulting from trade errors, except where such trade error is the result of the Investment Manager's gross negligence, willful misconduct or fraud.

Competition. The securities industry is extremely competitive. The Firm competes for investment opportunities against various other investors, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staffs. Competitive investment activity by other firms may reduce the Master Fund's opportunity for profit by reducing the availability of or increasing the price of what the Master Fund believes to be, based on its investment criteria, exceptional investment opportunities.

Risks of Foreign Investments. The Master Fund may invest in securities of foreign companies, governments and government agencies. Investing in such securities, which are generally denominated in foreign currencies, and the use of forward foreign currency exchange contracts, involves unusual risk not typically associated with investing in securities issued by U.S. companies or by the U.S. government or its agencies or instrumentalities. Investing in emerging markets poses greater risks and a greater potential for returns than investing in developed countries. Securities of companies in these emerging markets are generally more volatile and may be much more volatile than securities issued by companies located in developed countries. The Master Fund may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rate between such currencies and the U.S. dollar. Moreover, individual foreign economies may compare unfavorably with the U.S. economy in growth of gross national product, rate of inflation, rate of savings and capital reinvestment, resource self-sufficiency, balance-of-payment positions and in other respects. Some of the countries in which the Master Fund may invest have laws and regulations that currently preclude or severely restrict direct foreign investment in securities of their companies. Securities of some foreign companies are less liquid and their prices are more volatile than securities of comparable U.S. companies. Investing in foreign securities creates a greater risk of securities clearance and settlement problems. Further, some of the securities in which the Master Fund may invest may be thinly traded and relatively illiquid or may cease to be traded after the Master Fund invests in them. In addition to being illiquid, such securities may be issued by unseasoned companies and may be highly speculative. In addition, the Master Fund occasionally may acquire relatively large positions in a few securities. In such cases, and in the event of extreme market activity, the Master Fund may not be able to liquidate investments promptly, if the need should arise, which could materially and adversely affect the results of such investments.

Company Capitalization. The Master Fund may invest in securities of companies with various capitalizations where such companies meet the investment criteria described herein. While such companies may provide significant potential for appreciation, such investments, particularly small-capitalization securities, involve higher risks in some respects than do investments in securities of larger companies. The prices of small capitalization and even medium-capitalization and mid-capitalization securities are often more volatile than prices of large capitalization securities and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to long investors) is higher than for larger, "blue-chip" companies. In addition, due to thin trading in some small-, mid- and medium-capitalization

securities, an investment in those securities may be illiquid. The small-, mid- and medium-capitalization securities may, at times, significantly underperform the large capitalization securities and may do so in the future. A related concern for short sale risk is that smaller companies tend to be more readily acquired.

Securities of Sub-Investment Grade Companies. Special risks may arise if the Master Fund invests in the securities of sub-investment grade and highly-leveraged companies. Although such investments may result in significant returns to the Master Fund, they involve a substantial degree of risk. If the “natural leverage” created by a company’s high level of borrowing work against a Master Fund short position, the Master Fund’s losses would be heightened. If the Master Fund purchases distressed and/or non-performing debt securities, and subsequent to purchasing them finds that they are no longer readily traded by broker-dealers, these securities may not show any return for a considerable period of time. Many distressed and/or non-performing securities ordinarily remain unpaid while the company is in bankruptcy and may not ultimately be paid unless and until the company reorganizes and/or emerges from bankruptcy proceedings. As a result, if they are no longer readily traded by broker-dealers, such securities may have to be held for an extended period of time. There is no assurance that the Firm will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a company in which the Master Fund invests, the Funds may lose their entire investment. Under such circumstances, the returns generated from the Master Fund’s investments may not compensate the Investors adequately for the risks assumed.

Special Situation Investments. The Master Fund may invest in companies involved in, or the target of, acquisition attempts or tender offers or in companies involved in or undergoing work-outs, liquidations, spin-offs, reorganizations, bankruptcies or other catalytic changes or similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or will result in a distribution of cash or a new security, the value of which will be less than the purchase price to the Master Fund of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Master Fund may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of the transactions involving financially troubled companies in which the Master Fund may invest, there is a potential risk of loss by the Master Fund of its entire investment in such companies.

Borrowing; Interest Rates; Margin. We may borrow funds from brokerage firms and banks on behalf of the Funds to be able to increase the amount of capital available for marketable securities investments. The rates at which the Funds can borrow, in particular, will affect the operating results of the Funds. Even if the Master Fund makes a profit on a trade, the interest expense incurred in carrying the position may exceed the profit generated by the trade. Any use of short-term borrowings or repurchase agreements will result in certain additional risks to the Funds. For example, should the securities pledged to brokers to secure the Master Fund’s margin accounts or repurchase obligation decline in value, the Master Fund could be subject to a “margin call,” pursuant to which the Master Fund must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of the Master Fund’s assets, the Master Fund might not be able to liquidate assets quickly enough to pay off its margin debt.

Institutional Risks. Institutions will have custody of the assets of the Funds. Certain assets of the Funds will be exposed to the credit risk of the dealers, brokers and exchanges through which the Firm deals, whether the Firm engages in exchange-traded or off-exchange transactions. These firms and/or financial institutions, regardless of how large or well-capitalized, may encounter financial difficulties that impair the operating capabilities or the capital position of the Funds. If any broker-dealer or other financial institution holding the Funds' assets were to become bankrupt or insolvent, it is possible that the Funds would be able to recover only a portion, or in certain circumstances, none of its assets held by such bankrupt or insolvent entity.

Counterparty Risk. Brokers may trade with an exchange as principals on behalf of the Master Fund, in a "debtor-creditor" relationship, unlike other clearing broker relationships where the broker is merely a facilitator of the transaction. Such broker could, therefore, have title to all of the assets of the Master Fund (for example, the transactions that the broker has entered into on behalf of the Master Fund as principal as well as the margin payments that the Master Fund provides). In the event of such broker's insolvency, the transactions into which the broker has entered as principal could default, and the Master Fund's assets could become part of the insolvent broker's estate, to the detriment of the Funds. The Master Fund's assets may be held in "street name," in which case, a default by the broker could cause the Master Fund's rights to be limited to that of an unsecured creditor.

To the extent that the Master Fund invests in swaps, derivative or synthetic instruments, or other over-the-counter transactions, including forward contracts, or, in certain circumstances, non-U.S. securities, the Master Fund may also take credit risk with respect to the parties with whom it trades and may bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions, which generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

Discretion and Changes in Investment Strategy. The Firm has considerable discretion in choosing the securities that may be acquired, and subject to the Offering Documents, has the right to modify the investment strategy, selection criteria or hedging techniques used by the Funds without the consent of the Investors.

Business Continuity and Disaster Recovery. The Fund General Partner, the Firm, their affiliates, the Funds' and their portfolio companies' business operations may be vulnerable to disruption in the case of catastrophic events such as fires, natural disaster (e.g., tornadoes, floods, hurricanes and earthquakes), terrorist attacks or other circumstances resulting in property damage, network interruption and/or prolonged power outages. Although the Fund General Partner, the Firm and/or their affiliates have implemented measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. These risks of loss can be substantial and could have a material adverse effect on the Funds and the Investors' investments therein.

Cyber Security Breaches and Identity Theft. The Fund General Partner, the Firm, their affiliates, the Funds' and their service providers' and portfolio companies' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons, other security breaches and/or usage errors by their respective professionals. The techniques used to obtain unauthorized access to data, disable or degrade service, or

sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security.

Although the Fund General Partner, the Firm and/or their affiliates have implemented measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Fund General Partner, the Firm, their affiliates, one or more Funds, their service providers and/or their portfolio companies may have to make a significant investment to fix or replace them. The failure of these systems for any reason could cause significant interruptions in such parties' operations and/or a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the reputation of the Fund General Partner, the Firm, their affiliates, the Funds and/or their portfolio companies, subject any such entity and their respective affiliates to legal claims and/or otherwise affect their business and financial performance. Specifically, cyberattacks and the failure of such systems may interfere with the processing of Investor subscriptions or withdrawals/redemptions, impact the Funds' ability to value its assets, cause the release of confidential information and/or subject the Funds to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and/or additional compliance costs. The Funds also may incur substantial costs for cyber- security risk management to prevent any cyber incidents in the future. The Funds and the Investors could be negatively impacted as a result.

Item 9: Disciplinary Information

To the best of our knowledge, there are no legal or disciplinary events that are material to an Investor's or prospective investor's evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

Neither we nor our management persons are registered as broker-dealers, and neither of us has any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer, respectively.

CaaS Capital meets the definition of a commodity pool operator ("**CPO**") and, depending on the amount of commodity interests that we trade, we may be required to register with the CFTC and become a member of the National Futures Association ("**NFA**"). However, we expect to be exempt from registration pursuant to CFTC Rule 4.13(a)(3) based on our trading a *de minimis* level of commodity interests. We also expect to be exempt from registration as a commodity trading advisor ("**CTA**").

We do not recommend or select other investment advisers for our Clients.

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

Code of Ethics

CaaS Capital has adopted a "**Code of Ethics**" that establishes the high standard of conduct that we expect of our employees and procedures regarding our employees' personal trading of securities. Our employees are required to certify their adherence to the terms set forth in the Code of Ethics upon commencement of employment and annually thereafter. Employees also are required to provide quarterly certifications of compliance with certain Code of Ethics provisions.

The foundation of our Code of Ethics is based upon the following underlying fiduciary principles:

- Employees must at all times place the interests of the Funds and Investors first;
- Employees must ensure that all personal securities transactions are conducted consistent with the Code of Ethics' Employee Personal Investment Policy (described below); and
- Employees should not take inappropriate advantage of their position at the Firm.

Employees are permitted to maintain personal brokerage accounts for the purpose of trading "**Reportable Securities**" (as defined in the Code of Ethics, and which includes a wide variety of investments such as stocks, bonds, fixed income, options, warrants, futures, and derivatives). Although Employees and Covered Accounts are permitted to transact, all transactions are subject to pre-clearance by the CCO, including any transactions in initial public offerings ("**IPOs**") and limited offerings. Once pre-clearance is granted by the CCO, the Employee or Covered Account has 24 hours to transact. If the Employee or Covered Account does not transact within 24 hours, the Employee or Covered Account will need to request pre-

clearance again. From the point in which Employees or Covered Accounts transact in securities, each security will be subject to a 30 day holding period. Employees and Covered Accounts may not transact in the opposite direction until this 30 day holding period is over.

Employees are also prohibited from personally, or on behalf of a Client, purchasing or selling securities that appear on the Firm's Restricted List.

Employees must obtain pre-approval from the CCO before: (i) engaging in any outside business activities; or (ii) making any private investments.

We will provide a copy of our Code of Ethics to our Investors, or any prospective investor, upon request.

Participation or Interest in Client Transactions

Cross Trades and Principal Transactions

While CaaS Capital does not anticipate transferring securities from one Client account to another Client account (each such transfer, a "**Cross Trade**"), the Firm would only do so if CaaS Capital determined the Cross Trade was in the best interests of both Clients. Further, CaaS Capital would seek to ensure that any such Cross Trade is consistent with the investment objectives and policies of each Client account involved in the trade and applicable law, as well as with the Firm's obligation to seek to obtain best execution for each Client.

Principal Transactions

To the extent that Cross Trades may be viewed as principal transactions due to the ownership interest in a Client by the Firm or its personnel, the Firm will comply with the requirements of Section 206(3) of the Advisers Act, including that any such transactions will be considered on behalf of investors in such a Client and approved or disapproved by (i) an advisory board comprised of representatives of such investors; (ii) independent members of a board of directors; or (iii) a committee consisting of one or more persons selected by the Firm (or its affiliate), and any valuation approved by such a committee may, in the discretion of the committee, be determined by an independent third party that has appropriate experience in providing such valuations.

Item 12: Brokerage Practices

In selecting broker-dealers to execute transactions, we do not need to solicit competitive bids and do not have an obligation to seek the lowest available commission cost. The Funds' securities and other assets are held in securities accounts at our prime brokers that are "Qualified Custodians" as defined in the Advisers Act.

Best Execution

In selecting brokers and negotiating commission rates, we will take into account the full range and quality of the executing broker-dealer's services.

In selecting an appropriate broker-dealer to effect a client trade, we seek to obtain "**Best Execution**". In seeking Best Execution, we will take into consideration:

- best price (best price is considered to be the highest price that a client can sell a security and the lowest price that a client can purchase a security);
- timeliness of execution;
- ability to accommodate special transaction needs;
- value of research and related services provided (meetings with corporate executives, equipment, software and models that provide portfolio analysis, market data, trade analytics);
- general responsiveness;
- financial resources;
- liquidity;
- efficiency/quality of execution;
- reliability, absence of trade errors;
- nature and extent of client service;
- record of preserving confidentiality;
- quality of back office operations and overall settlement process;
- conflicts of interest;
- counterparty risk;
- regulatory limitations;
- client directed guidelines or restrictions; and/or
- other elements, when relevant.

Soft Dollars

The Firm may use “**Soft Dollars**”. In such cases, Soft Dollar credits, generated by the Master Fund’s trading activities, would be used to purchase brokerage and research services or products that would otherwise have been a Fund expense. We intend to keep any such arrangements within the parameters of the safe harbor of Section 28(e) of the Exchange Act.

Neither CaaS Capital nor any related person receives client referrals from any broker-dealer or third party. However, subject to best execution, we may consider, among other things, capital introduction and marketing assistance with respect to Investors or prospective investors in the Funds in selecting or recommending broker-dealers for the Funds.

The provision by a broker of research and other services and property to us creates an incentive for us to select such broker since we would not have to pay for such research and other services and property as opposed to solely seeking the most favorable execution for a client. Any research, services or property provided by a broker may benefit any client and such benefits may not be proportionate to commission dollars related to the provision of such research, services or property.

Item 13: Review of Accounts

Our Managing Member, Chief Operating Officer and investment professionals continuously monitor and analyze the transactions, positions, and investment levels of the Master Fund to ensure that they conform with the investment objectives and guidelines that are stated in the Offering Documents. In these reviews, we pay particular attention to any changes in the investment’s fundamentals, overall risk management and changes in the markets that may affect price levels.

We will distribute annual audited financial statements with respect to the previous fiscal year to all Investors within 120 days of the relevant Fund's fiscal year end. We may also distribute other interim reports to Investors.

Item 14: Client Referrals and Other Compensation

We do not receive economic benefits from non-clients for providing investment advice and other advisory services. Neither we nor any of our related persons, directly or indirectly, compensate any person who is not a supervised person for client referrals.

Item 15: Custody

We are deemed to have custody of Client funds and securities because we have the authority to obtain Client funds or securities, for example, by deducting advisory fees from a Client's account or otherwise withdrawing funds from a Client's account. Account statements related to the Clients are sent by qualified custodians to CaaS Capital .

We will comply with Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended (the "**Advisers Act**") (i.e., the "custody rule") by meeting the conditions of the pooled vehicle annual audit approach. Upon completion of the relevant Fund's annual audit by an independent auditor that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board (PCAOB), we will distribute the Fund's audited financials to Investors within 120 days of such Fund's fiscal year end.

Item 16: Investment Discretion

We have full discretionary investment authority with respect to the Funds including authority to make decisions with respect to which securities to be bought and sold, as well as the amount and price of those securities.

Item 17: Voting Client Securities

In compliance with Rule 206(4)-6 of the Advisers Act (i.e., the "proxy voting rule"), we have adopted proxy voting policies and procedures. The general policy is to vote all proxy proposals, amendments, consents or resolutions (collectively, "**Proxies**") in a prudent and diligent manner that will serve the applicable Client's best interests and is in line with the Client's investment objectives.

The Firm determines whether and how to vote corporate actions and proxies on a case-by-case basis, and will:

- Attempt to consider all aspects of the vote that could affect the value of the issuer or that of the Client;
- Vote in a manner that it believes is consistent with the Client's stated objectives; and
- Generally, vote in accordance with the recommendation of the issuing company's management on routine and administrative matters, unless the Firm has a particular reason to vote to the contrary.

We may, from time to time, make a recommendation to a Client regarding whether to participate in any class action suits in which one or more of the Clients are eligible, based upon a reasonable assessment of the costs and benefits relating to such participation. We may recommend not to participate in a class action suit for any number of reasons, including, without limitation, if we determine that the anticipated out-of-pocket costs associated with any potential recovery are likely to exceed the amount of the potential recovery or if the Client account intends to pursue its legal rights outside of the class. Any proceeds from a class action suit will be allocated among the participating Clients and their underlying Investors currently existing at the time of recovery of such proceeds.

Generally, Investors or Clients may not direct our vote in a particular solicitation. Investors may obtain a copy of our Proxy voting policies and procedures by contacting the CCO at (212) 332-8755. Investors may obtain and our Proxy voting record upon request.

Item 18: Financial Information

We are not required to include a balance sheet for our most recent fiscal year, are not aware of any financial condition reasonably likely to impair our ability to meet contractual commitments to Clients, and have not been the subject of a bankruptcy petition at any time during the past ten years.