

DISCLOSURE BROCHURE



Part 2A of Form ADV

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[ITEM 1: COVER PAGE](#)

October 31, 2019

VOLORIDGE INVESTMENT MANAGEMENT, LLC

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This brochure provides information about the qualifications and business practices of Voloridge Investment Management, LLC. If you have any questions about the contents of this brochure, please contact us at (561) 231-5770. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Furthermore, the term “registered investment advisor” is not intended to imply that Voloridge Investment Management, LLC has attained a certain level of skill or training.

Additional information about Voloridge Investment Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: MATERIAL CHANGES

This other than annual amendment to our brochure is dated October 31, 2019. The information contained on this material change page has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. The material changes since our previous annual amendment dated March 27, 2019, include the following:

Item 5: Fees and Compensation: There are additional research expenses that will be borne by Voloridge Trading Fund, LP and Voloridge Trading Fund, Ltd.

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ITEM 4: ADVISORY BUSINESS

Voloridge Investment Management, LLC, a Florida limited liability company, (the “Company”, the “firm”, “we”, “us” or “our”) is a quantitative investment manager founded by David Vogel in 2009. The firm is registered as an investment adviser with the United States Securities and Exchange Commission (“SEC”).

The Company is controlled by the following persons:

Name	Title	CRD#
David S. Vogel	Manager, CEO and Chief Scientist	5750880
Barry S. Miller	Manager and President	2729056
Sean M. Hayes	Manager and VP of Business Development	5866555

Our mission is to deliver superior risk-adjusted returns driven by an entrepreneurial environment that inspires unyielding passion, imagination and commitment to excellence. Our proprietary investment strategies are designed to calculate risk and probability with the overall objective of preserving assets while delivering appreciation regardless of the performance of broad financial markets.

In August 2018, the firm launched a multi strategy program that allocates capital to strategies developed and managed by the firm. This master-feeder fund complex has two feeder funds: Voloridge Fund, LP (“VF, LP”), a Delaware limited partnership, and Voloridge Fund, Ltd. (“VF, Ltd.”), a Cayman Islands exempted company, which will invest directly into the Voloridge Fund Master, LP (“VF Master”), a Cayman Islands exempted limited partnership. Initially, the firm will allocate capital to two strategies including an intermediate term US equity market neutral strategy and a global futures strategy. Both strategies are utilized by VF Master and VTF Master which is the master fund of the VTAF complex. The return profile of the strategies is designed with the goal of delivering an attractive risk/return relationship when compared to other investment alternatives. Investors will be able to invest in VF, LP or VF, Ltd.

The firm has an existing master-feeder fund complex whereby the two feeder funds: Voloridge Trading Aggressive Fund, LP, (“VTAF, LP”) a Delaware limited partnership, and Voloridge Trading Aggressive Fund, Ltd., (“VTAF, Ltd.”) a Cayman Islands exempted company, will trade through Voloridge Trading Fund Master, LP, (“VTF Master”) a Cayman Islands exempted limited partnership. The VTAF, LP fund complex is a US equity long/short and global futures program that provides investors with an enhanced risk/return profile due to the combined alpha and lack of correlation between the strategies. Investors may invest in VTAF, LP or VTAF, Ltd., which will invest directly into the VTF Master Fund. The firm also has a proprietary fund, Voloridge Global Fund, LP, (“VGF, LP”) a Delaware limited partnership.

VTAF, LP, VTAF, Ltd., VF, LP and VF, Ltd., may be referred to individually as a Fund and collectively as the Funds. VTF Master and VF Master may be referred to individually as the Master Fund and collectively as the Master Funds.

The Funds each contribute all their investable assets to their respective Master Fund. VTAF, LP, and VF, LP are primarily suitable for US taxable investors, while VTAF, Ltd., and VF, Ltd. are primarily suitable for US tax exempt investors and non-US investors. We also provide advisory services to one separately managed account.

The Company is the general partner of VTAF, LP, VF, LP and VGF, LP. Voloridge GP OS, LLC, a Delaware limited liability company (the “Master Fund GP”), which is wholly owned by the Company, serves as the general partner for the Master Funds. The Company acts as the investment manager to the Master funds.

As of September 30, 2019, our regulatory assets under management totaled: \$9.06 billion. We do not offer non-discretionary investment management services.

ITEM 5: FEES & COMPENSATION

MANAGEMENT FEE AND INCENTIVE ALLOCATION/FEE

The Company in its capacity as general partner of VF, LP shall receive a management fee of 2% per annum of the month-end net asset value of the Fund investor’s capital account, prior to the deduction of any accrued management fee or incentive allocation and after any distributions or withdrawals made for such month. The management fee is paid monthly in arrears by the Fund. The Master Fund GP will receive an incentive allocation equal to 20% of the net new profit in respect of each capital account as of the end of each calendar year and as of any date on which an investor makes a withdrawal or receives a distribution from VF, LP. The Company in its capacity as Investment manager of VF Master on behalf of VF, Ltd. shall receive a management fee of 2% per annum of the month-end net asset value of the Fund investor’s capital account, prior to the deduction of any accrued management fee or incentive allocation and after any distributions or redemptions made for such month. The management fee is paid monthly in arrears by the Fund. The Master Fund GP will receive an incentive allocation equal to 20% of the net new profit in respect of each capital account as of the end of each calendar year and as of any date on which an investor redeems shares or receives a distribution from VF, Ltd. subject to limitations as set forth in the Administrative Services Agreement.

The Company in its capacity as general partner of VTAF, LP shall receive the greater of a 1.75% management fee or an incentive allocation equal to 35% of the net new appreciation in the capital accounts of the Fund investor upon withdrawal and on the last day of the calendar year subject to limitations as set forth in the LPA. The Company in its capacity as Investment manager of VTF Master on behalf of VTAF, Ltd. shall receive the greater of a 1.75% management fee or an incentive fee equal to 35% of the net new profits of each share for each calendar year and as of any date on which a Fund investor redeems shares or receives a distribution from VTAF, Ltd. subject to limitations as set forth in the Administrative Services Agreement. The management fee component of this structure will be paid monthly in arrears and credited against accrued and crystalized incentive allocation/fees within each annual period.

The management fee and performance fee will be billed to the separately managed account at the end of the calendar year as described in the investment management agreement (the “Investment Management Agreement”).

The above fees for all our investment management services are exclusive of any charges imposed by the custodial firm, such as: (i) any Exchange/SEC fees; (ii) certain transfer taxes; (iii) service or account charges, including, postage/handling fees, electronic fund and wire transfer fees, debit balances, margin interest; (iv) and brokerage and execution costs associated with securities and futures held in your account.

FUND EXPENSES

The Funds will bear all costs and expenses associated with: (i) the Fund's ongoing offering fees and expenses including, without limitation, the legal fees and expenses incurred in connection with the preparation and updating of the confidential private placement memoranda ("PPM") and securities law and blue sky filing fees and expenses, and other regulatory filing fees and expenses incurred by the Funds, the general partner and the investment manager, fees and expenses related to Form CPO-PQR, Form PF, Form ADV and other regulatory filings that seek information about the Fund; accounting expenses; printing and mailing costs; travel; and out-of-pocket expenses; (ii) direct operating costs and expenses, including, without limitation, administrative, legal, accounting, auditing, tax form preparation, record-keeping, compliance and consulting costs, fees and expenses; fees, costs and expenses of third-party service providers that provide such services; insurance costs and expenses; bank service fees; travel; printing and mailing costs; and expenses related to entering into and compliance with side letters; (iii) costs, fees and expenses of any appraisers, accountants, tax advisors, outsourced financial officers or other experts engaged by the general partner or the investment manager; (iv) fees and taxes imposed by any Federal, state, local or foreign government, governmental agency or regulatory body or self-regulatory organization, including licensing, filing, registration and exemption fees and withholding, transfer and franchise taxes; (v) costs, fees and expenses associated with reporting and providing information and reports to existing and prospective investors; (vi) meeting expenses for any meeting of investors; (vii) the Fund's indemnification obligations and any costs, fees and expenses of any litigation, government inquiry, investigation or proceeding involving the Fund's activities, including the amount of any judgments, settlements or fines paid in connection therewith, except, however, to the extent such expenses or amounts have been determined to be excluded from the indemnification provided for in the onshore feeder funds limited partnership agreements ("LPA"), the Master Fund's partnership agreement, the investment management agreement or any management or services agreement entered into with the investment manager or its affiliates; (viii) expenses of winding up and liquidating the Funds; and (ix) extraordinary costs and expenses, if any.

In addition, as an investor in the Master Funds, the Funds bears its allocable share of the costs and expenses of the Master Fund. As such certain research and brokerage expenses such as software, research through Bloomberg terminals, software services, tools and functionality to assist with the Company's data mining and predictive modeling and software used in connection with the Company's portfolio composition, and trade processing and similar products or services, which are otherwise eligible to be purchased with soft dollars may be paid for by the Master Funds if the vendor of such services is unwilling or unable to accept soft dollars as payment for such research and brokerage expenses or computer services.

The Funds will bear their pro rata share of certain fees and expenses payable related to research and development of certain investment and/or trading strategies to be utilized by the Investment Manager in trading for the Master Funds including, without limitation, bonuses, research and development fees, licensing fees and performance-based compensation paid or reimbursed to independent third party contractors engaged by the Investment Manager to provide alpha signals and investment and/or trading strategies to which all or a portion of the capital of the Master Funds is directly allocated to (collectively, "Research Expenses"). The Funds will bear Research Expenses up to an amount equal to 2% of the Funds'

NAV (the “Research Expense Cap”). Any Research Expenses incurred by the Fund more than the Research Expense Cap will be borne by the Investment Manager or an affiliate.

ITEM 6: PERFORMANCE-BASED FEES & SIDE-BY-SIDE MANAGEMENT

The firm receives a management fee and a performance allocation/fee from the Funds and the separately managed accounts as discussed in Item 5, “Fees & Compensation.”

TERMINATION OF PERFORMANCE-BASED INVESTMENT MANAGEMENT SERVICES

The Fund investor may withdraw all or any part of the balance of its capital account as of the first day of any calendar month, giving at least a 30-day written notice, to the Company (in its capacity as either general partner or manager of a Fund) and the administrator. The Company may require a Fund investor to withdraw all or any portion of its capital account as of month end, giving at least a 5-day written notice.

The Company or the separately managed account may terminate the investment management agreement at any time, provided such written notification is received at least 30 days prior to the date of termination (i.e.; terminate services on October 1st, a request for termination should be received in our office by September 1st). Such notification must comply with the notice provision in the Investment Management Agreement. In addition, if your separately managed account value exceeds the annual high watermark, we will bill your account for the performance fee.

Once the termination of investment management services has been implemented, neither party has any obligation to the other – we no longer earn an incentive allocation/fee or give investment advice and you become responsible for making your own investment decisions.

ITEM 7: TYPES OF CLIENTS

The Company provides investment advice to four clients, VTF Master, VF Master, VGF, LP, and the separately managed account (“Clients”).

The Company, as the general partner of VTAF, LP and VF, LP and as the manager of VTAF, Ltd. and VF, Ltd. will determine if you fit the criteria to invest in our Funds, and a PPM will be provided to you. The Company reserves the right to be selective on who can invest in our Funds based on criteria including: investor suitability, investor time horizon, prospective capital an investor may commit, and the relationship of the investor to the firm. The PPM discloses possible conflicts of interest and inherent risks.

You may invest in VTAF, LP and/or VF, LP if you are (i) an “accredited investor” as defined in Rule 501(a) of Regulation D under the U.S. Securities Act of 1933 and (ii) a “qualified purchaser” as defined in Section 2(a)(51) of the Investment Company Act and the regulations promulgated thereunder. In addition to being an accredited investor and a qualified purchaser, you must be a non-US or a US tax-exempt investor to purchase shares in VTAF, Ltd. and or VF, Ltd.

If the capacity limit has been reached, the Company has broad discretion to determine whether investors will be forced to withdraw from the Fund(s). This broad discretion includes the ability to force withdrawals of some investors while permitting others to stay invested. Advisors, affiliates and friends and families; as well as strategic investors will take precedence regarding available capacity.

In addition, the Company reserves the right to be selective while choosing separately managed accounts.

The VTAF complex is currently closed to new Fund investors. In addition, the firm is not accepting new separately managed accounts.

This brochure is not an offer to invest in our Funds.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

In analyzing equities and futures contracts, we will use a combination of proprietary quantitative analysis techniques to gather information and to guide us in our investment decisions. We conduct technical analysis using current and historical pricing information to help us identify trends in the broader U.S. equity and global futures markets, and in the underlying assets themselves. This may involve the use of various technical indicators, such as moving averages and trend-lines, among many others. In addition, we conduct quantitative analysis to understand the behavior of a security using mathematical and statistical modeling to identify consistent patterns. Mathematical and statistical modeling helps us to ascertain potential security price movement and risk, to ultimately help identify profitable opportunities.

INVESTMENT STRATEGY

The Company's investment strategies are generally based on quantitative research, quantitative analysis, and capital market opportunities. The strategies may be internally developed or licensed or acquired from third-party researchers and developers. Through careful analysis, the Company has created and/or may acquire strategies from third parties that seek to identify price movements in securities and other asset classes.

Using a range of quantitative tools and analysis, the Company seeks to identify profit opportunities, to construct portfolios in a cost-efficient manner and to manage the overall risk of the Master Funds' portfolio consistent with the aim of producing superior risk-adjusted returns. The Company will implement systematic based trading strategies utilizing a variety of securities, futures contracts, other asset classes and financial instruments.

Continued instability in the financial markets requires a proactive approach to investment management. Our investment management philosophy is comprised of three basic premises:

- Preserve Capital – Employ tactics to decrease potential for losses;
- Liquidity – Invest in securities that are actively traded in the financial markets; and
- Diversification – Establish positions across a wide range of industries and futures markets.

The Master Funds may engage in block transactions. VF, LP and VF, Ltd may invest in new issues as defined under the rules of the Financial Industry Regulatory Authority, see the PPM for further information and risk disclosures.

MANAGING RISK

Regardless of the quantitative analysis we use to guide us in the management of our Client's accounts or the risk protections we employ with our investment strategies, the most important thing for you to understand is that investing in a financial instrument involves a significant risk of loss that you should be willing and prepared to bear; and furthermore, past performance is no guarantee that you will see equal or better future returns on your investment. Risk factors are discussed in detail in the PPM.

Here are some of the risk factors related to our investment strategies that investors should take into consideration:

General Investment Risk – You are aware that no approach to investing can guarantee profits or avoid losses, and past performance is no guarantee of future results. Therefore, we cannot, and do not, guarantee or otherwise represent that your investment objectives will be realized. You understand that investment decisions made by us are subject to various business, market, economic, political and legal risks, that those investment decisions will not always be profitable, and that your assets may experience a loss of all, a substantial portion of, or in some cases more than, their value.

Strategy Risk – the risk that the Fund's investment strategies and/or investment techniques may not work as intended.

Institutional Risk – the risk that the Funds could incur losses due to: (i) the failure of counterparties to perform their contractual commitments to the Funds (if any) or the Master Funds or (ii) the financial difficulty of brokerage firms, banks or other financial institutions that hold the assets of the Funds or the Master Funds.

Fund Structure Risk – the special considerations and risks arising from the operation of certain provisions of the Fund's governing documents.

Operational Risk – the special considerations and risks arising from the day-to-day management of a pooled investment vehicle like the Funds.

Tax Risk – the special considerations and risks arising from the operations of an investment vehicle treated as a partnership for Federal tax purposes.

Currency Risk – Your funds will be held in US dollars and are subject to currency fluctuations as compared to a global basket of currencies, which may adversely impact value.

Hardware and Software Risk – Our trading model relies on significant hardware and software capacity, which we may not be able to manage. No system is foolproof. Our access to execute trades is through the internet and we may not be able to execute trades in a timely manner or at all for a significant period.

Cybersecurity Risk – With the increased use of technologies such as the internet to conduct business, a portfolio (such as the Funds and the Master Funds) is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and are not limited to gaining unauthorized access to digital systems, and misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including the denial-of-service attacks on websites. Cyber security failures or breaches by a third party service provider and the issuers of securities in which the portfolio invests, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent cyber incidents in the future.

Governmental Regulation – We are subject to a significant amount of government regulation, particularly with respect to securities regulation. Furthermore, compliance with certain government-imposed regulations may prove to be very costly and time consuming and may have a material adverse effect on performance.

Intense Competition – The market for financial services is highly competitive and subject to intense competition. We will be competing against managers with more experience and greater resources.

Dependence on Key Personnel – We believe our success will depend to a significant extent on the efforts and abilities of our principals, particularly our founder, David Vogel. If he or any of those persons is unable to perform for any reason, the likelihood of success would be reduced unless a person or persons with similar experience and management experience could be hired.

Our strategies are highly dependent on pricing theories and valuation models that generally have not been independently tested or otherwise reviewed (“Models”), which we use to evaluate trading opportunities. Models employ assumptions that abstract a limited number of variables from complex financial markets or instruments which they attempt to replicate. Any one or all of these assumptions, whether or not supported by past experience, could prove over time to be incorrect. For example, Models may postulate, or their efficacy may depend on assumptions regarding the existence of relationships that appear to hold true or in fact held true in the past but that may not exist or hold true in the future. Inputs into various Models may be composed of or derived from facts or data, the accuracy of which may not have been independently verified by us or any third party. In particular, if material factors are not incorporated into Models, or are incorporated inaccurately, substantial losses could result, including on the basis of theoretical Models (that later prove incorrect) that identify positions that appear to have minimal risk. The outputs of Models may differ substantially from the reality of the markets, resulting in major losses. Additionally, there is no assurance that we have appropriately incorporated the Models into our strategies.

Trading Cost – You will be subject to substantial fees and transaction costs due to frequent trading of our strategy. Accordingly, you must earn substantial trading profits to avoid depletion of account due to such costs.

Model Degradation Over Time – Predictive models degrade over time and must be continually monitored and upgraded.

Inability to Execute at Favorable Prices – We employ sophisticated trading techniques to execute at favorable prices, but there can be no assurance that these techniques are able to purchase and sell securities at ideal prices.

Extreme Market Movements – Financial markets are very difficult to predict and may move rapidly in a very short period. There is no assurance that we will be able to protect against adverse market changes.

ITEM 9: DISCIPLINARY INFORMATION

There are no legal or disciplinary events to report at this time.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

The Company is registered with the National Futures Association (“NFA”) as a commodity pool operator (“CPO”). The Company operates the Funds and Master Funds pursuant to an exemption under Section 4.13(a)(3) of the Commodity Exchange Act.

The following management persons of our firm are registered with the National Futures Association

Name	Title	Registration	Registration Number
David Vogel	Chief Executive Officer and Chief Scientist	Principal and Associated Person	0452838
Barry Miller	President	Principal and Associated Person	0452840
Sean Hayes	Vice President of Business Development	Principal and Associated Person	0470590
Todd King	Vice President of Systems and Research	Principal and Associated Person	0494903
Mark M. Kamp	General Counsel and Chief Compliance Officer	Principal	0499969
Jock T. Jones	Chief Operating Officer	Principal and Associated Person	0499940

PRIVATE INVESTMENT PARTNERSHIP AFFILIATION

The Master Fund GP serves as the general partner for the Master Funds. The Company is the sole member of the Master Fund GP. The Company is also the manager of VTAF, Ltd. and VF, Ltd. pursuant to an Administrative Services Agreement. The Master Fund GP has delegated the firm as the CPO. All investing, trading and operating decisions are made by the Company as the investment manager of the Master Funds.

We are responsible for the day-to-day business operations of the master-feeder structures, as well as management of the Master Funds’ investment portfolio and trading strategies that we deem possess the optimal combination of return potential. The investment trading strategies of the Master Funds are intended to achieve consistent capital growth, which is uncorrelated to the market, the S&P 500 Index, or with other major hedge fund indices.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS & PERSONAL TRADING

CODE OF ETHICS

As a fiduciary, we have an affirmative duty to render continuous, unbiased investment advice, and always act in your best interest. To maintain this ethical responsibility, our Code of Ethics (the “Code”) establishes the fundamental principles of conduct and professionalism expected by all personnel in discharging their duties. This Code is a value-laden guide committing such persons to uphold the highest ethical standards, rooted in the most elementary maxim. Our Code is designed to deter inappropriate behavior and heighten awareness as to what is right, fair, just, and good by promoting:

- Honest and ethical conduct,
- Full, fair and accurate disclosure,
- Compliance with applicable rules and regulations,
- Reporting of any violation of the Code; and
- Accountability.

To help you understand our ethical culture and standards, how we control sensitive information and what steps have been taken to prevent personnel from abusing their inside position, a copy of the Code is available for review upon request.

We have a fiduciary duty to ensure that your welfare is not subordinated to any interests of ours or any of our personnel. The following disclosures are internal guidelines we have adopted to assist us in protecting our clients.

CLASS ACTION POLICY

As a general policy, we do not elect to participate in class action lawsuits related to the securities we purchase.

PERSONAL TRADING

Our employees are permitted to personally invest their own monies in securities and futures, which may also be, from time to time, purchased or sold in the Funds or separately managed account. To ensure our fiduciary integrity we implemented the following guidelines:

- No employee shall buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, because of his or her employment, unless the information is also available to the investing public on reasonable inquiry.
- No employee shall prefer his or her own interest over yours.
- We maintain a list of all securities holdings for all our employees. Our Compliance Department reviews these holdings on a quarterly basis.
- We require that all employees act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- Bunched orders (See “Aggregating Trade Orders” below) will not include employee accounts.

- Any individual not in observance of the above is subject to termination.

Personal trading activities are monitored by our Compliance Department to ensure that such activities do not negatively impact your account or create conflicts of interest.

ITEM 12: BROKERAGE PRACTICES

CUSTODIAL SERVICES

The Company has sole discretion over the purchase and sale of investments and the broker dealer used to effect transactions for the Master Funds. The Company will seek the best price and execution available except to the extent it may be permitted to pay higher brokerage commissions in exchange for brokerage and research services. The Company's selection of a broker-dealer is based, in part, on the circumstances of the transaction and the quality and reliability of the executing broker-dealer. We have selected Morgan Stanley & Co., LLC ("Morgan Stanley") and JP Morgan Securities, Inc. ("JP Morgan"), licensed broker-dealers (members of FINRA/SIPC), to provide brokerage services. These brokers were selected based on the following:

- Competitive transaction charges, the speed of execution, trading platform, and on-line services for account administration and operational support; and
- General reputation, trading capabilities, investment inventory, their financial strength, and our personal experience working with these brokers.

We are not a subsidiary of, or affiliated with Morgan Stanley or JP Morgan, in any manner. We have sole responsibility for investment advice rendered, and advisory services are provided separately and independently from these brokers.

We receive economic benefits through our relationship with these brokers, that are typically not available to their retail clients. These benefits include the following products and services (provided without cost or at a discount): consulting services; access to a dedicated trading desk; and access to an electronic communications network for order entry and account information.

SOFT DOLLARS

The receipt of brokerage and research products from broker-dealers through client commission payments is commonly referred to as "soft dollars." Broker-dealers may provide products and services paid for through soft dollars either directly or through credits deposited into an account that may be used for research developed by the broker-dealer, third-party research or data and brokerage services. We have soft dollar arrangements with Morgan Stanley and JP Morgan that is used to obtain research, data and other services. Section 28(e) of the United States Securities Exchange Act of 1934, as amended, (the "Exchange Act"), provides "safe harbor" to investment advisors who use soft dollars generated by their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to us in the performance of investment decision-making responsibilities.

The use of “soft dollars” generated by brokerage commissions to obtain products such as investment research services for us may create a conflict of interest between you and us as well as between us and the Funds or Master Funds. To the extent that we can acquire these products and services without expending our own resources, the use of “soft-dollars” would tend to increase our profitability. The availability of these resources may influence us to select a broker-dealer, in this case Morgan Stanley and/or JP Morgan, to provide services to you and the Fund.

Access to, and use of, such products and services, however, will be for the benefit of both our separately managed account and the Funds and not just limited to only those accounts that may have generated commissions/transaction fees to Morgan Stanley and/or JP Morgan.

AGGREGATING TRADE ORDERS

Our objective in order execution is to act fairly, impartially, and to take all reasonable steps to obtain the best possible results (known as “best execution”) for the Master Funds and separately managed account. Therefore, we generally bunch eligible orders with the guideline that: (i) the bunching of orders is done for achieving best execution; and, (ii) the Master Funds or separately managed account is not systematically advantaged or disadvantaged by bunching the orders. That said, we may still execute orders for fewer than all accounts for a given order due to changes in asset levels in accounts and the pari passu nature of tying accounts.

ITEM 13: REVIEW OF ACCOUNTS

The Funds, Master Funds and separately managed account are reviewed by our back office and operations team daily. All accounts are reviewed in the context of our investment strategy.

The Funds’ investors will receive monthly statements regarding the investments in the Fund(s) they’re invested in and annual audited financial statements. Separately managed accounts will receive, at least quarterly, statements from the custodians.

You are encouraged to compare the financial data contained in any report we may prepare for you with the financial information disclosed in your account statement to verify the accuracy and correctness of our reporting. In addition, you are encouraged to review each statement that summarizes the specific investments held, the value of your portfolio and account transactions. You are also encouraged to review with us investment strategies and account performance on an annual basis. Material changes in your personal circumstances, the general economy, or tax law changes can trigger more frequent reviews. However, it is your responsibility to communicate these changes to us so that the appropriate adjustments can be made.

ITEM 14: CLIENT REFERRALS & OTHER COMPENSATION

CLIENT REFERRALS

We do not pay third parties to solicit clients.

OTHER COMPENSATION

We receive an indirect economic benefit from Morgan Stanley and JP Morgan (See “Custodial Services” above under Item 12, “Brokerage Practices” for more detailed information on these services and products.)

Our fiduciary duty binds us to an ethical standard of complete care and loyalty and to avoid circumstances that might affect, or appear to affect, this standard unless we act transparently and provide you full and fair disclosure on any potential conflict.

As part of this full disclosure, we will receive economic benefits from your investment in the Fund(s). These benefits could be, but are not limited to, an increase in: advisory/consulting fees, salaries, and incentive allocation/fees should you choose to invest in the Fund(s). Therefore, before investing in any of our Funds, you should consider other investment opportunities to compare expenses and returns to other private investment vehicles.

ITEM 15: CUSTODY

We do not take possession of or maintain custody of your funds or securities. Physical possession and custody of your funds and/or securities shall be maintained with qualified custodians.

We are, however, defined as having custody of the assets of the Master Funds, since we have the authority to deduct our incentive allocation directly from your account. Therefore, in accordance with SEC Rule 206(4)-2), we have implemented the following regulatory safeguards:

- Your funds and securities will be maintained with a qualified custodian in a separate account in the name of the Fund(s) in which you invested or separately managed account; and
- Authorization to withdraw our fees directly from your account will be approved by you prior to engaging in any account management services.

The custodian is required to send the separately managed account, at least quarterly, brokerage statements summarizing the specific investments currently held in your account, the value of your portfolio, and account transactions.

Fund investors will not receive statements from the custodian. Instead the Funds are subject to an annual audit and the audited financial statements are distributed to you. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of the Funds' fiscal year end.

ITEM 16: INVESTMENT DISCRETION

The Fund's governing documents sets forth our authority to buy and sell securities or futures contracts in amounts that are determined to be appropriate. By completing the subscription documents to acquire interests or shares in one of the Funds, you give us the authority to manage your investments in accordance with the Fund's governing documents. Interests or shares may be issued in classes and sub-classes as the General Partner or Investment Manager may determine, as set forth in the PPM.

ITEM 17: VOTING CLIENT SECURITIES

We will exercise voting authority with respect to the securities held in your account. Due to the short-term nature of the holding period (generally 1-30 days) for securities held by our clients, it is our policy not to vote proxies.

ITEM 18: FINANCIAL INFORMATION

We are not required to include financial information in our Disclosure Brochure since we will not take physical custody of client funds or securities or bill client accounts six (6) months or more in advance for more than \$1,200. We are not aware of any current financial conditions that are likely to impair our ability to meet our contractual commitments to you.

END OF DISCLOSURE BROCHURE