

*Item 1 – Cover Page*

**Part 2A of Form ADV - Brochure for:**

**OCEAN ENDOWMENT PARTNERS, LLC**

Principal Office

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Chicago, IL 60611  
Phone: 650-234-7803  
[www.oceanendowment.com](http://www.oceanendowment.com)

**March 29, 2019**

**This brochure provides information about the qualifications and business practices of Ocean Endowment Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 650-234-7803. 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.**

**Ocean Endowment Partners, LLC is a registered investment adviser with the SEC. Registration of an investment adviser does not imply any certain level of skill or training.**

**Additional information about Ocean Endowment Partners, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Ocean Endowment Partners, LLC's CRD number is: 154518.**

***Item 2 – Material Changes***

This firm brochure (“Brochure”) was prepared for Ocean Endowment Partners, LLC’s (the “Advisor”) annual updating amendment for its fiscal year ending December 31, 2018. Ocean Endowment Partners, LLC will ensure that clients receive a summary of any material changes to this and subsequent Brochure within a reasonable period after the close of our business’ fiscal year. Ocean Endowment Partners, LLC may further provide other ongoing disclosure information about material changes as necessary.

The following is a summary of material changes made to this Brochure since the March 28, 2018 filing:

- The Advisor’s Principal Office has changed.
- Item 4 is revised to reflect the updated assets under management of the Advisor.

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***Item 4 – Advisory Business***

**A. Description of the Advisory Firm**

The Advisor is a Delaware limited liability company and it was formed on August 20, 2008. The principal owner of the Advisor is Sunica Tyler Edelstein, Founder and Managing Partner. This Brochure provides information about the Advisor's business practices, clients, and conflicts of interest.

**B. Types of Advisory Services**

The Advisor provides discretionary and non-discretionary investment advisory services via individually managed discretionary accounts and certain pooled investment vehicles, as well as via non-discretionary advisory and consulting arrangements, to clients ("Clients" or each, a "Client") pursuant to an Investment Management Agreement ("Agreement") with each Client. The Advisor also selects other advisors for certain Clients, including private fund managers. The Agreement sets forth the Advisor's investment program.

With respect to its discretionary Clients, the Advisor holds a limited power of attorney to act on a discretionary basis with respect to Client funds which are maintained with a qualified custodian. In such cases, the Advisor has discretionary authority to make the following determinations without obtaining the consent of the Client before the transactions are effected: (1) which securities are to be bought or sold and (2) the total amount of the securities to be bought or sold. There are no limitations on any authority to make such determinations. Authorization pursuant to the Agreement shall remain in full force and effect until revoked by the Client in writing.

The Advisor also provides investment advisory services to pooled investment vehicles (the "Funds") that aim to maximize long-term, risk adjusted returns and capital appreciation by investing in securities, investment funds, discretionary accounts, and investment partnerships across a broad range of marketable and alternative asset classes. The Advisor has broad discretion to allocate the Fund's capital on an opportunistic basis. When investing through third-party investment managers, the Advisor typically selects experienced managers with strong support from other sophisticated limited partners.

The Advisor provides investment advisory services to each Fund in accordance with each Fund's governing and organizational documents and pursuant to a separate investment management agreement, which sets forth the terms of the services to be provided by the Advisor. Each Fund is managed by an entity that is a related person of the Advisor (each, a "Fund Manager"). All governing and organizational documents of the relevant Fund should be carefully reviewed prior to making an investment.

**C. Client Tailored Services and Client Imposed Restrictions**

The Advisor provides individualized investment management to certain Clients, and in such cases the Advisor follows any Client-imposed restrictions. Clients that do not receive individualized advice should consider whether the Advisor's objectives and strategies meet their objectives and risk tolerance prior to investing. Although Client portfolios may be managed with the same or similar objective and strategy, the performance of each Client's portfolio may be different due to timing of account opening, cash in-flows and out-flows, and investment transactions.

The Advisor will provide certain Clients with discretionary investment advisory services according to the investment program described in the Agreement. The Advisor is authorized, without further approval by or notice to the Client, to make all investment decisions concerning the account and to make purchases, sales, and otherwise effect securities transactions in the account on behalf of the

Client in accordance with all terms, conditions, objectives, guidelines and restrictions of the Agreement.

D. Wrap Fee Programs

The Advisor does not participate in any wrap fee programs.

E. Amounts Under Management

The Advisor has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-Discretionary Amounts:</b>	<b>Date Calculated:</b>
\$402,224,406	\$4,616,544	December 31, 2018

## ***Item 5 – Fees and Compensation***

### **A. Fee Schedule**

The Advisor utilizes the following fee schedule. Fees are not negotiable but the Advisor may, in its sole discretion, reduce, waive or calculate differently any fees (discussed below) with respect to any Client account.

#### **1. Management Fee**

The Advisor will charge Clients, including the Funds, an asset based management fee. The Advisor will receive a quarterly management fee paid in advance (the “Management Fee”). The standard Management Fee assessed is:

1.5% per annum of the capital amount up to and including the first \$1 million

1.25% per annum of the capital amount from \$1 million to \$25 million;

1.00% per annum of the capital amount from \$25 million to \$100 million; and

0.80% per annum of the capital amount over \$100 million.

The Management Fee will be appropriately prorated to reflect any capital contributions or withdrawals which occur during a quarter. The Management Fee is subject to waiver or reduction with respect to certain Clients at the discretion of the Advisor.

#### **2. Performance-Based Compensation**

The Advisor charges performance-based fees to certain qualified clients and the Funds on a case-by-case basis. For more information please refer to Item 6 below.

### **B. Payment of Fees**

The Advisor will not maintain possession or custody of the funds or securities of any Client. Client funds will typically be deposited in either a brokerage firm or bank custodian account. With respect to certain clients, pursuant to the Agreement, the Custodian (discussed in Items 12 and 15) has the authority to make deductions from a Client account for any fees due to the Advisor under the Agreement.

The Advisor will provide each Client with an invoice, which for certain Clients will be deducted or withdrawn from the Client’s account(s) and for other Clients will be paid separately. The Custodian will charge the Client’s account(s) the Management Fees within a reasonable time after the Custodian receives an invoice from the Advisor for such fees. As discussed above, the Management Fee is deducted on a quarterly basis for those Client accounts from which deductions are made. More information about the payment of fees is provided in the Agreement.

### **C. Third-Party Fees**

The Advisor shall be responsible for its own out-of-pocket expenses, including its own administrative, legal, tax, accounting, and operational expenses. Clients including the Funds shall be responsible for any and all other expenses related to such Clients’ account(s), including investment, custodial, brokerage, administrative, legal, tax, accounting, and operational expenses. Please see Item 12 of this brochure regarding brokerage. In the event that the Advisor incurs a “Master Account” management or custodial fee from the Custodian (discussed in Item 12), the fee will be passed through at cost on a pro rata basis to Client accounts.

D. Prepayment of Fees

The Advisor collects Management Fees quarterly in advance. The Management Fee will be appropriately prorated to reflect any capital withdrawals and contributions which occur during a quarter. In addition, if the Agreement is terminated before the end of the billing period, any prepaid fees will be prorated to the date of termination and unearned fees will be returned to the Client.

E. Outside Compensation for the Sale of Securities

Neither the Advisor nor its supervised person accepts compensation for the sale of securities or other investment products outside of its association with the Advisor.

**The foregoing response to Item 5 represents the Advisor's basic compensation arrangements. Fees are negotiable in certain circumstances and arrangements with any particular Client may vary. Although the Advisor believes its fees are competitive, lower fees for comparable services may be available from other investment advisers.**

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

Certain qualified clients have elected to pay performance-based fees on a case-by-case basis. The Funds generally are required to pay both a management fee and a performance-based fee to their Fund Managers, which are related persons with respect to the Advisor.

Differences in the Advisor's compensation arrangements with its Clients, particularly when certain Clients pay higher performance-based compensation, could create incentives for the Advisor to manage Client portfolios so as to favor those portfolios of Clients paying higher performance-based compensation. Notwithstanding these conflicts, the Advisor will allocate transactions and opportunities among the various Clients it manages in a manner it believes to be as equitable as possible, considering each Client's objectives, programs, limitations and capital available for investment, but even Clients with similar objectives may have different investment portfolios.

Performance-based fees, when assessed, may provide a possible incentive for the Advisor to make riskier or more speculative investments on behalf of a Client than it might make otherwise. Notwithstanding this potential incentive, the Advisor will evaluate investments in a manner that it considers to be in the best interest of its Clients, given those Clients' investment objectives and strategies, the suitability of the investment, and risk profiles.



***Item 7 – Types of Clients***

The Advisor provides discretionary and non-discretionary investment advisory services, including the selection of other advisors for Clients, to individuals and institutions through individually managed accounts, as well as to certain pooled investment vehicles. The Advisor generally requires a minimum of \$25,000,000 of assets under management for an individual account. The Advisor may waive this minimum in its discretion.

The Advisor also provides investment advisory services to the Funds. Investors in the Funds must be sophisticated in financial matters and be qualified purchasers under the Investment Company Act of 1940. Investors in the Funds may include family offices, high net worth individuals, endowments and foundations, and other qualified clients.

The Advisor also provides non-discretionary consulting services for certain Clients, including advice regarding investment accounts over which the Advisor has no investment authority.

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

### **A. Methods of Analysis**

The Advisor's methods of analysis include fundamental analysis and technical analysis using financial newspapers and magazines; inspection of corporate activities; research materials prepared by others; and annual reports, prospectuses, and filings with the Securities and Exchange Commission. The Advisor will invest in mutual fund shares, ETFs and other publicly-traded securities, private company securities, and on behalf of certain qualified clients including the Funds, in private funds managed by third party advisors. In addition to publicly available prospectuses for such investments, the Advisor will also rely on other research to make its investment decisions. Such research could include: (i) its own financial analysis on the investments of such vehicles, (ii) discussions with the managers of such vehicles, and (iii) discussions with other industry professionals, among other research methods.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

**Investing in securities involves risk of loss that Clients should be prepared to bear.**

### **B. Investment Strategies**

The Advisor manages diversified, long-term portfolios by allocating Client assets to carefully screened ETFs, mutual funds, and separately managed accounts or private funds managed by third party advisors. The Advisor carefully weighs each Client's liquidity needs and time horizon for investment to determine suitable asset allocation and investment manager selection for each Client account. Private funds managed by third party advisors may include private equity and venture capital funds; hedge funds; absolute return strategies including but not limited to distressed debt and fixed income arbitrage; domestic, international and emerging markets fixed income and equity securities; real estate funds; and natural resource funds. In addition to investing as a limited partner in certain private funds, certain Clients may wish to pursue direct investments in private companies and co-investments with fund advisors.

The Advisor may employ cash positions as a possible hedge against market movement. The Advisor may sell positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the positions in a Client account, change in risk tolerance of a Client, or any risk deemed unacceptable for the Client's risk tolerance.

For Client portfolios that are invested with third party private funds, the Advisor's investment strategies may involve risk in the form of illiquidity, private company securities, concentrated portfolios and other investment strategies involving risk beyond that of the general domestic and/or international equity markets.

**Investing in securities involves risk of loss that Clients should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

In addition to allocations to separate accounts and private funds managed by third party advisors, the Advisor will invest in mutual fund shares and ETFs and other publicly-traded securities, as well as private company securities. The securities and other instruments in which the Advisor may invest include, but are not limited to, over-the-counter securities, foreign securities, structured notes, warrants, corporate debt securities, certificates of deposit, municipal securities, United States

government securities, options on securities, and interests in funds investing in real estate, oil and gas interests, private equities and hedge funds.

- *Exchange Traded Funds ("ETF")*. ETFs are a recently developed type of investment security, representing an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETF's performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.
- *Mutual Fund Shares*. Some of the risks of investing in mutual fund shares include: (i) the price to invest in mutual fund shares is the fund's per share net asset value (NAV) plus any shareholder fees that the fund imposes at the time of purchase (such as sales loads), (ii) investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs, and (iii) investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.
- *Equity Securities*. The value of the equity securities are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and more risky than some other forms of investment.
- *Debt Securities*. The Advisor may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Advisor may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. Clients will therefore be subject to credit and liquidity risks. Investment in a debt instrument will normally involve the assumption of interest rate risk.
- *Options*. Buying and selling either call or put options entails significant risks. Although an option buyer's risk is limited to the amount of the option's purchase price, an option may be subject to greater fluctuation than an investment in the underlying investment. The use of leverage available in trading options may yield greater profits or greater losses than trading in the underlying securities would.

Selling uncovered ("naked") options (i.e., where the seller does not own the underlying investment) is significantly more risky than buying the underlying investment. The potential loss from writing an uncovered call is unlimited since the value of the underlying investment may increase infinitely. The potential loss that may result from writing an uncovered put is limited to the extent that the value of the underlying investment cannot fall below zero; however, the losses may still be substantial or total.

- *Investments in Private Funds.* Investments in private funds are subject to the risks of the underlying funds' investments and subject to the underlying funds' expenses. There can be no assurance that the underlying funds will achieve their objectives or avoid substantial losses.
- *Illiquid Investments.* Securities and other assets, especially private company securities, may be subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such investments tend to be volatile and may not be readily ascertainable, and the Advisor may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale.

More information about the Advisor's investments and investment program is available in the Agreement. In addition, investors in each Fund should carefully review the Fund's offering documents and all governing and organizational documents prior to making an investment.

**The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved with investing with the Advisor. Prospective Clients should read the entire Brochure as well the Agreement, other materials that may be provided by the Advisor and consult with their own advisers before deciding to enter into an Agreement with the Advisor.**

**Investing in securities involves risk of loss that Clients should be prepared to bear.**

***Item 9 – Disciplinary Information***

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the Advisor or the integrity of the Advisor's management. The Advisor has no information applicable to this Item.

***Item 10 – Other Financial Industry Activities and Affiliations***

A. Registration as a Broker-Dealer or Broker-Dealer Representative

Neither the Advisor nor its management persons are registered as a broker-dealer or broker-dealer representative.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither the Advisor nor its management persons are registered as an FCM, CPO, or CTA.

C. Relationships Material to this Advisory Business and Possible Conflicts of Interest

As described in Item 4 above, each of the Fund Managers is a related person or entity of the Advisor that serves as a general partner, or in a similar managerial capacity, on behalf of one or more of the Funds and, together with the Advisor, provides investment management and administrative services to the Funds. The Advisor takes the management of all potential conflicts seriously. All employees of the Advisor are required to acknowledge and agree to abide by the terms of the Advisor's Compliance Manual and Code of Ethics, which includes various policies designed to identify and resolve potential conflicts of interest.

D. Selection of Other Advisors or Managers

The Advisor utilizes or selects other advisors or third-party managers for certain Clients. However, the Advisor does not receive compensation directly or indirectly from such advisors that would create a material conflict of interest, nor does the Advisor have other business relationships with such advisors that would pose a material conflict of interest.

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

**A. Code of Ethics**

The Advisor has adopted a Code of Ethics (“Code”) to ensure that securities transactions by its employees are consistent with the Advisor’s fiduciary duty to its Clients and to ensure compliance with legal requirements and the Advisor’s standards of business conduct. The Code sets forth the Advisor’s standard business conduct as a fiduciary and specifically requires that its employees comply with federal and state securities laws. The Code is designed to protect the interests of both the Clients and the Advisor by demanding that advisory personnel perform their duties completely properly and do not take advantage of their position. Accordingly, the Advisor must avoid activities, interests, and relationships that might interfere with making decisions in the best interests of the Clients. Failure to abide by this code results in disciplinary action, including termination of employment.

The Code describes the standards of business conduct that it requires of employees and accounts owned predominantly by persons associated with the Advisor, and establishes procedures intended to prevent the Advisor, and its personnel and certain of their relatives, from inappropriately benefiting from the Advisor’s relationships with its Clients.

The Code provides that (i) the Advisor’s Clients’ interests come before the Advisor’s or employees’ interests; (ii) the Advisor must disclose to Clients all material facts about conflicts of which it is aware between the Advisor’s and its employees’ interests on the one hand and Clients’ interests on the other; (iii) employees must operate on the Advisor’s and their own behalf consistently with the Advisor’s disclosures to and arrangements with Clients regarding conflicts and its efforts to manage the impacts of those conflicts; (iv) the Advisor and its employees must not take inappropriate advantage of the Advisor’s Clients or their positions of trust with or responsibility to Clients; and (v) the Advisor and its employees must comply with all applicable securities laws.

The Code generally prohibits employees from trading in any securities (other than mutual funds and ETFs) held by Client accounts and requires employees to report personal securities holdings on an annual basis. In addition, the Advisor monitors all employees’ securities transactions: employees must arrange for duplicate copies of their brokerage statements and trade confirmations to be sent to the Chief Compliance Officer. The Code includes procedures for and restrictions on employee trading intended to prevent employees from benefiting from, or appearing to benefit from, any price movement that may be caused by Client transactions or the Advisor’s recommendations regarding securities. Among other things, these include requirements that employees make a written request for and receive clearance from the Advisor’s Chief Compliance Officer (or his or her designee) before they buy or sell any security (other than certain government securities, shares of mutual funds not managed by the Advisor, and certain other types of securities that the Advisor does not believe create a potential for conflicts of interest). Pre-cleared transactions must be completed within a specified time frame. The Code also contains restrictions on and procedures to prevent inappropriate trading while the Advisor is in possession of material nonpublic information.

The Advisor will provide a copy of its Code of Ethics to any Client or prospective Client upon request. Such a request may be made by submitting a written request to the Advisor at the address on the cover page to this brochure.

**B. Recommendations Involving Material Financial Interests**

Neither the Advisor nor its related persons recommends to Clients, or buys or sells for Client accounts, securities in which the Advisor or a related person has a material financial interest.

**C. Investing Personal Money in the Same Securities as Clients**

From time to time, the Advisor and related persons of the Advisor may buy or sell securities for themselves that the Advisor also recommends to Clients. The Advisor will always document any transactions that could be construed as conflicts of interest and will always transact Client business before the business of its related persons when similar securities are being bought or sold.

The Advisor recognizes that the personal investment transactions of members and employees of the Advisor demand the application of a high code of ethics and will require that all such transactions be carried out in a way that does not endanger the interest of any Client (see discussion regarding the Advisor's Code of Ethics above).

At the same time, the Advisor believes that if investment goals are similar for Clients and for members and employees of the Advisor it is logical that there be a common ownership of some securities. Therefore, in order to address conflicts of interest, the Advisor has adopted a set of procedures with respect to transactions effected by its officers and employees for their personal accounts.

**D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, the Advisor and related persons of the Advisor may buy or sell securities for themselves that the Advisor also recommends to Clients. The Advisor will always document any transactions that could be construed as conflicts of interest and will always transact Client business before the business of its related persons when similar securities are being bought or sold. The Advisor has adopted pre-clearance policies and procedures.

**E. Participation in Client Transactions**

As described in Item 4 above, the Advisor (or an affiliate) serves as the Fund Manager of each of the Funds. These Fund Managers commit capital to the Funds, and as a result every investment made by a Fund involves the purchase of securities whereby related persons of the Advisor indirectly acquire an indirect interest in such securities. The principal owners and other employees of the Advisor may also invest directly in certain of the Funds. While the fact that the Advisor's related persons have financial interests in the Funds could cause the Advisor and/or the Fund Managers to make different investment decisions than if financial ownership interest did not exist, the Advisor believes that these financial interests align the Advisor's and the Fund Managers' incentives with the other investors of the Funds.



## ***Item 12 – Brokerage Practices***

### **A. Factors Used to Select or Recommending Broker-Dealers**

The Advisor shall have the authority and discretion to select broker-dealers (and accordingly, the commission rates paid) to execute investment transactions initiated by the Advisor based upon three factors: (1) where the best execution (price) is likely to be obtained; (2) a firm's ability to properly execute any orders (based on the size of the trade and its complexity to execute); and (3) the operational aspects of a brokerage firms' back office (will the Client receive payment of securities on a timely basis) and custodian or other administrative services. Because of these considerations the Advisor may pay a brokerage commission in excess of that which another broker might have charged for having effected the same transaction in recognition of the value of brokerage or research services provided by the broker. The Advisor has chosen a custodian (the "Custodian") based on low transaction costs, good custodial reputation, access to broad array of mutual funds and investment securities, and a reputation for good electronic access for clients. The Advisor will not charge a premium or commission on transactions, beyond the actual cost imposed by the Custodian.

#### **1. Research and Other Soft Dollar Benefits**

The Advisor does not receive research or other products or services other than execution from the broker-dealer or a third party in connection with Client securities transactions ("soft dollar benefits").

#### **2. Brokerage for Client Referrals**

The Advisor does not receive referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### **3. Directed Brokerage**

Securities transactions are executed by brokers selected by the Advisor in its discretion and without the consent of Clients. The Advisor generally will not recommend, request, or require Clients to direct the Advisor to execute transactions through a specified broker-dealer. Not all investment advisers require their clients to direct brokerage.

### **B. Aggregating Trading for Multiple Client Accounts**

The Advisor may perform investment management services for multiple Clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by the Advisor will be traded. Concurrent authorizations will be effected only when the Advisor believes that to do so will be in the best interest of all such accounts. When such concurrent authorizations occur, the objective will be to allocate the executions in a manner which is deemed equitable to the accounts involved. Allocations to accounts will be made in a systematic, non-preferential manner. In general, allocations are expected to be made pursuant to the average pricing method. The Custodian's back office will facilitate this process.

***Item 13 – Review of Accounts***

A. Frequency and Nature of Periodic Review and Who Makes Those Reviews

Each Client account is reviewed at least quarterly. Ms. Edelstein reviews each account in a manner consistent with the investment goals of each account. In addition, the Advisor actively monitors the performance, risk and business operations of investment managers selected by the Advisor.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may take place more frequently if triggered by economic, market, or political conditions.

C. Content and Frequency of Regular Reports

Clients will receive written statements detailing the Client's account performance and balance no less than quarterly from the Custodian and from the Advisor. In addition, Clients will receive other supporting reports from Mutual Funds, Asset Managers, Trust Companies or Custodians, Insurance Companies, Broker/Dealers and others who are involved with their account(s). Clients are advised to carefully review and compare such reports and statements with those provided by the Advisor.

***Item 14 – Client Referrals and Other Compensation***

A. Economic Benefits Provided by Third Parties

The Advisor does not receive any economic benefit, directly or indirectly, from any third-party for advice rendered to the Advisor's Clients.

B. Compensation to Non-Advisory Personnel for Client Referrals

Neither the Advisor nor its related persons directly or indirectly compensate any person who is not a supervised person for Client referrals.

***Item 15 – Custody***

For Clients other than the Funds, the Advisor will not maintain possession or custody of the funds or securities of any Client. Custody of Client funds or securities will be maintained with the Custodian as described in Item 12. Clients will open an account with the Custodian and will expressly authorize the Custodian to accept trading instructions from the Advisor. All transactions will be made in the Client's name. The Advisor will not have custody over the assets in Client accounts and will at all times comply with SEC custody rules and regulation with respect to the assets in the accounts.

Clients will receive written statements no less than quarterly from the Custodian and from the Advisor. In addition, Clients will receive other supporting reports from Mutual Funds, Asset Managers, Trust Companies or Custodians, Insurance Companies, Broker/Dealers and others who are involved with their account(s). Clients are advised to carefully review and compare reports and statements provided by the Custodian and the Advisor.

With respect to the Funds, as the Advisor or an affiliate is a general partner or managing member of the Funds managed by the Advisor, the Advisor may be deemed to have custody of these Funds pursuant to Advisers Act Rule 206(4)-2 (the "Custody Rule"). Accordingly, the Advisor and its affiliates comply with the custody requirements applicable to registered investment advisers. All of the Funds' assets except for certain uncertificated securities purchased in private transactions are held with a "qualified custodian," as defined in the applicable custody rules, which generally includes a bank or broker-dealer. The Advisor is exempt from the quarterly account statement delivery obligations and surprise audit requirements of the Custody Rule because each of the Funds are audited each year by an independent public accountant, and financial statements are distributed to investors in each Fund annually.

***Item 16 – Investment Discretion***

The Advisor exercises discretionary authority to manage securities accounts on behalf of certain Clients. Before assuming this authority, the Client and the Advisor must enter into an Investment Management Agreement (discussed in Item 4). Pursuant to the Agreement, Clients appoint the Advisor to provide discretionary investment advisory services to the Client's account(s) according to the investment program described in the Agreement. The Advisor will hold a limited power of attorney to act on a discretionary basis with Client funds. The Advisor is authorized, without further approval by or notice to the Client, to make all investment decisions concerning the account and to make purchases, sales, and otherwise effect securities transactions in the account on behalf of the Client in accordance with all terms, conditions, objectives, guidelines and restrictions of the Agreement. This authorization shall remain in full force and effect until revoked by the Client in writing. The Client shall provide all information and assistance reasonably requested by the Advisor pertaining to the account or the financial affairs of the Client as may be necessary to enable the Advisor to perform under the terms of the Agreement. With respect to the Funds, the applicable Investment Management Agreement grants the Advisor or the applicable Fund Manager full discretionary authority to manage the day-to-day investment operations of such Fund in accordance with the terms and conditions of the applicable Fund operating agreement.

***Item 17 – Voting Client Securities***

The Advisor will not have authority to vote proxies on behalf of its Clients, unless specifically requested by Client in writing. In such event, the Advisor will adopt proxy voting policies and procedures with respect to such Client in accordance with Rule 206(4)-6 of the Investment Advisers Act of 1940, as amended. The Advisor will vote any such proxies received in a manner consistent with the best interests of the Client.

***Item 18 – Financial Information***

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the Advisor's financial condition. The Advisor has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy proceeding.

A. Balance Sheet

The Advisor does not require nor solicit prepayment of more than \$500 in fees per Client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

B. Financial Condition

The Advisor has discretionary authority over certain Clients' funds or securities. At this time, neither the Advisor nor its management persons have any financial conditions that are likely to reasonably impair its ability to meet contractual commitments to Clients.

C. Bankruptcy Petitions in Previous Years

The Advisor has not been the subject of a bankruptcy petition in the last ten years.