

**Camelot Capital Partners, LLC**

**Part 2A of Form ADV  
Firm Brochure**

Camelot Capital Partners, LLC  
312 Broadway Street, Suite 207  
Laguna Beach, California 92651

March 20, 2019

This brochure provides information about the qualifications and business practices of Camelot Capital Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 949-426-5033 or by email at [william@camelotpartners.co.uk](mailto:william@camelotpartners.co.uk). The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission or by any state securities authority.

Registration as an investment adviser does not imply a certain level of skill or training.

Additional information about Camelot Capital Partners is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 - Material Changes**

Below, please find a Summary of Material Changes which outlines material changes to our firm's disclosure brochure, Form ADV Part 2A, since our annual brochure update on February 11, 2019.

- Item 4 Advisory Business: As of the date of this amendment, March 20, 2019, Camelot managed approximately \$533,784,332 vs. \$308,787,034 which was the December 31, 2018 AUM as reported on the February 11, 2019 Annual ADV update.
- Item 12 Brokerage Practices: Effective March 20, 2019 the Advisor has changed the executing broker from Weeden Prime Services, LLC to BTIG, LLC. Pershing, LLC remains the custodian/clearing broker.

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at 949-426-5033 or by email at [william@camelotpartners.co.uk](mailto:william@camelotpartners.co.uk).

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## **Item 4 - Advisory Business**

### **Firm Description**

Camelot Capital Partners LLC (“**Camelot**”, or the “**Firm**”) was founded in 2015 and is an SEC registered investment adviser. Camelot’s principal place of business is:

312 Broadway Street, Suite 207 Laguna Beach, CA 92651

The Managing Partner of the Firm is William Barker, Chief Investment Officer. Mr. Barker has formed both the Firm, its General Partners and the private investment funds, which are described below. Mr. Barker owns 100% of Camelot Capital Partners LLC and is the Portfolio Manager of the private investment funds that Camelot manages.

### **Advisory Services**

Camelot provides investment advisory services to two pooled investment vehicles (each a “**Fund**” and, collectively, the “**Funds**”). The Barker Partnership Fund is a company incorporated under the Companies Law (Revised) of the Cayman Islands as an exempted company limited by shares. The Barker Partnership L.P. is an exempted limited partnership established in the Cayman Islands. These Funds are currently the only clients of Camelot.

Assets of the Funds are managed in accordance with the terms of the Funds’ confidential offering memorandum, and the Investment Advisory Agreement between Camelot Capital Partners (Cayman) Ltd. and the Adviser. Camelot is responsible for and has complete discretion in respect of investing and reinvesting the assets of the Funds in accordance with the investment objectives and investment policies of the Funds.

As an Investment Adviser, Camelot will make investment decisions for the Funds, review the investment processes, evaluate proposed investments and monitor the performance of the Funds. Camelot has full discretion over the manner, the method, and timing of investments and transactions. Camelot tailors its investment strategies and activities to the Funds and not the investors of the Funds.

Prospective investors in the Funds should carefully review Item 8 of this document (Methods of Analysis, Investment Strategies, and Risk of Loss). Further information is available in the confidential offering memorandum of the Funds, and should also be carefully reviewed.

### **Termination of Agreements**

The Firm’s advisory services are provided to its clients, the Funds, pursuant to the terms of each Fund’s offering documents and based on the specific investment objectives and strategies as disclosed in the offering documents. The Clients (the Funds) may terminate the services of Camelot with 90 day’s written notice. The investment management agreements executed between the Funds and Camelot provide for certain circumstances where the investment management agreement may be terminated with shorter written notice.

With respect to the Performance Allocation (see Item 6 below), if the Management Agreement is terminated (other than in circumstances where the Firm is being replaced by an affiliated entity of the Firm) and upon the dissolution of the Partnership, the Performance Allocation in respect of each Interest shall be determined as though the date of termination or dissolution was the last day of the financial period and allocated to the Contingent Performance Reserve. Regardless of any performance, the General Partner shall be entitled to the full amount standing to the credit of the Contingent Performance Reserve and such amount shall be paid to it within 30 days after such termination or dissolution. If there is any remaining notional deficit in the Contingent Performance Reserve then the remaining notional deficit will be extinguished.

Camelot does not participate in, nor does it sponsor, wrap fee programs.

#### **Assets Under Management**

As of the date of this amendment, March 20, 2019, Camelot managed approximately \$533,784,332 in assets on a discretionary basis for the two Funds.

## **Item 5 - Fees and Compensation**

Camelot has entered into an investment management agreement with the Funds that provide for its operating expenses, subject to a cap, to be paid by the Funds (see details below) in lieu of a traditional management fee. The cap on expense reimbursement is set at 2% of the net assets of the Funds.

In addition to expenses, Camelot is entitled to receive a performance fee, called the performance allocation, which is one third of the Contingent Performance Reserve. The Contingent Performance Reserve consists of 20 percent of the difference between the closing net asset value and the benchmark asset value of the Funds. See details under Performance Fees, Item 6.

### **Expense Reimbursement**

In lieu of paying Camelot any management fee in consideration of its investment management services to the Fund, subject to the expense cap set out below, the Partnership shall pay or reimburse Camelot for all of the general operating and overhead expenses associated with providing investment management services required under the Management Agreement. These expenses include: (i) the normal operating overheads of the Adviser, including, but not limited to, the cost of providing relevant support and management services (e.g., employee compensation and benefits, rent, office equipment, fixtures, supplies, utilities, telephone, secretarial and bookkeeping services, etc.), liability insurance and other coverages for the benefit of the Adviser and its personnel, (ii) travel expenses, including investment related travel, (iii) research and research related expenses (including investment specific research), including, without limitation, news and quotation equipment and services (e.g., market data services and communications systems), risk management software and investment and trading-related computer hardware and software, (iv) legal, consulting and investigative/diligence costs related to investments, (v) valuation expenses, and (vi) expenses associated with the Investment Manager's registration and compliance as a registered investment adviser, if and when applicable (collectively, the "Management Expenses"). Notwithstanding the foregoing, in no event shall the Management Expenses in a given year exceed the amount that would have been payable by the Partnership to the Adviser in the relevant year by way of a monthly management fee, calculated at an annual rate equal to 2% of the Net Asset Value of the Partnership. To the extent that the Adviser manages other accounts or investment vehicles, the Management Expenses shall be allocated among the Partnership and such other accounts and investment vehicles in a fair and equitable manner, generally determined on a pro rata basis by the relative assets under management.

In addition to the Management Expenses, the Partnership, as appropriate, will also be liable for any costs properly incurred by the Adviser in relation to any brokerage charges, commissions, transfer fees, registration fees, exchange fees, settlement fees and stamp duty, tax or other fiscal fees or expenses arising as a result of the transactions made by the Adviser or any third parties in connection with the performance of the services under the Management Agreement on behalf of the Fund.

Approximately 30 days before the end of each fiscal year, the Adviser shall prepare an estimation of the anticipated Management Expenses for the upcoming fiscal year (the "Budget"). The amount of the Budget will be divided by twelve and charged to the Partnership on a monthly basis in advance on the first day of each month. Prior to December 31 of each fiscal year, the Adviser will reconcile the Budget for such year against the actual Management Expenses incurred during such year. An adjustment payment will be made as of December 31, either from the Partnership to the Adviser in the event of a Budget shortfall, or from the Adviser to the Partnership in the event of a Budget surplus. An itemized description of each Budget and the actual Management Expenses incurred for each fiscal year can be provided, on request, to a Limited Partner.

### **Performance Allocation**

In addition to the Management Fee, the Fund General Partner will receive from the assets of the Funds an incentive allocation (the Performance Allocation) in an amount equal to 20% of the amount by which the Closing Net Asset Value (NAV) of each capital account of the Limited Partners (except the Company) exceeds the Benchmark NAV shall be allocated to the Contingent Performance Reserve. There are detailed specifications related to the conditions under which the Adviser earns the payment. Please read the detailed explanation below.

## **Item 6 - Performance Fees**

Under the provisions of the Partnership Agreement, the General Partner is entitled to an allocation of performance (the "**Performance Allocation**"), which is calculated and paid as described below.

No Performance Allocation will be payable in respect of the Class IM Interests. The General Partner shall be entitled to one third of the amount standing to the credit of a new special accounting reserve to be created in the books of the Partnership (the "**Contingent Performance Reserve**") (calculated in respect of each Interest) as at the end of each financial year of the Partnership.

The amount of the Performance Allocation to be credited to or debited from the Contingent Performance Reserve shall be calculated as follows:

(i) At the end of each financial year of the Partnership, an amount equal to 20 percent of the amount by which the Closing NAV (as defined below) of each capital account of the Limited Partners (except the Company) exceeds the Benchmark NAV (as defined below) shall be allocated to the Contingent Performance Reserve.

(ii) For these purposes:

- the "**Closing NAV**" shall mean the Net Asset Value of each capital account as at the last Valuation Date in each financial year (excluding any accrual for any Performance Allocation);

- the "**Benchmark NAV**" shall mean the amount as determined by multiplying the Opening NAV (as defined below) by 6 per cent. per annum; and

- the "**Opening NAV**" shall mean the Net Asset Value of a capital account as at the later of (a) the date on which the capital account was opened and (b) the first Business Day of the relevant financial period.

(iii) Whenever a Limited Partner subscribes for Interests, for these purposes, a new capital account will be opened in respect of the relevant Interests.

(iv) The amount standing to the credit of the Contingent Performance Reserve will, for so long as it does not become an actual liability, form part of the assets of the Partnership and will be invested in accordance with the investment policy. Nevertheless, the said amount will not form part of the Net Asset Value of the Partnership nor be credited to any account of the Limited Partners (including the Company) and instead, a special account will be created to calculate its amount from time to time. For the avoidance of doubt, the value of the Contingent Performance Revenue will fluctuate as a result of the investment performance of the assets it is invested in and it will be allocated its pro rata share of Partnership expenses other than Management Expenses. The assets attributable to the Contingent Performance Reserve will not be legally segregated from the other assets of the Partnership and may, therefore, be applied to meet the liabilities of another account in the Partnership in the event that the relevant assets are exhausted.

(v) If in respect of any financial period the performance criteria set out in paragraph (i) above (or section 4.2.6 below, in the case of the Company as Limited Partner) are not met, the capital accounts of the Limited Partners (including, where relevant, the Company) will be credited and the Contingent Performance Reserve will be debited by an amount equal to X where X is the amount of the underachievement multiplied by 20 percent. By way of illustration, if the Net Asset Value of the capital account (excluding any accrual for any Performance Allocation) has increased at P percent for the year then a sum equivalent to 20 per cent of (6-P) percent of the Net Asset Value (excluding any accrual for any Performance Allocation) will be credited to the Limited Partners and paid out of the Contingent Performance Reserve. If the reserve is less than the amount to be credited, the payment to the Limited Partners (including, where relevant, the Company) will be limited to the sum held in the reserve. In such circumstances, the payment will not be sufficient to repay the required credit to the capital account of the Limited Partners (including, where relevant, the Company). This will generate a notional deficit in the Contingent Performance Reserve and this deficit will need to be recovered before the Contingent Performance Reserve moves back into surplus although there is no obligation on the part of the General Partner to repay any Performance Allocations already paid to it.

(vi) Regardless of any level of performance, the General Partner shall be entitled to one third of the amount standing to the credit of the Contingent Performance Reserve after the adjustments referred to above at the end of each financial period and such amount shall be paid to it within 30 days after the end of such period. The General Partner may, at any time, determine that this fraction is decreased from one third to one fifth.



(vii) Notwithstanding any of the foregoing in the case of any Interest redeemed during a financial period (including without limit upon the redemption of any Participating Share), the Performance Allocation in respect of the relevant Interest shall be determined as though the relevant withdrawal date was the last day of the financial period and allocated to the relevant Contingent Performance Reserve. Regardless of any performance, the General Partner shall be entitled to the full amount standing to the credit of the Contingent Performance Reserve (referable to the relevant Interest) upon the withdrawal or partial withdrawal of any Interest (including without limit upon the redemption of any Participating Share) and such amount shall be paid to it within 30 days after such withdrawal. If there is any remaining notional deficit in the Contingent Performance Reserve that is attributable to the relevant Interest then the remaining notional deficit in the Contingent Performance Reserve (referable to the relevant Interest) will be extinguished.

(viii) If the Management Agreement is terminated (other than in circumstances where the Adviser is being replaced by an affiliated entity of the Adviser) and upon the dissolution of the Partnership, the Performance Allocation in respect of each Interest shall be determined as though the date of termination or dissolution was the last day of the financial period and allocated to the Contingent Performance Reserve. Regardless of any performance, the General Partner shall be entitled to the full amount standing to the credit of the Contingent Performance Reserve and such amount shall be paid to it within 30 days after such termination or dissolution. If there is any remaining notional deficit in the Contingent Performance Reserve then the remaining notional deficit will be extinguished.

Mr. Barker intends to invest at least 50% of his portion of any released Contingent Performance Reserve, on an after-tax basis, into the Fund and shall provide notice to the Limited Partners and Shareholders if he does not make such annual investment. Mr. Barker can hold this investment personally or indirectly (e.g. through a trust established by or on behalf of Mr. Barker, any company, partnership or other person or entity that is ultimately controlled by Mr. Barker or any nominee of any of the foregoing any corporate vehicle, trust etc.). The application of the Performance Allocation and Contingent Performance Reserve methodology described above is modified in respect of Unlisted Asset Accounts, re-allocations into Unlisted Asset Accounts and re-allocations from Unlisted Asset Accounts. Please see Section V (Unlisted Assets) below.

#### *4.2.6 Performance Allocation with respect to the Company*

In the case of the Company, the Performance Allocation to be made at the Partnership level in respect of the Company's capital accounts and the Contingent Performance Reserve shall be calculated as follows:

- At the end of each financial year of the Company (however, solely for these purposes, the current financial year of the Company will end on 31 December 2016), an amount equal to 20 per cent. of the amount by which the Closing NAV per Share (as defined below) exceeds the Benchmark NAV per Share (as defined below) shall be allocated to the Contingent Performance Reserve.

For these purposes:

- the "**Closing NAV per Share**" shall mean the Net Asset Value per Share of the relevant series of Participating Shares in the Company as at the last Valuation Date in each financial year;
- the "**Benchmark NAV per Share**" shall mean the amount as determined by multiplying the Opening NAV per Share (as defined below) by 6 per cent. per annum; and
- the "**Opening NAV per Share**" shall mean the Net Asset Value of the relevant series of Participating Shares as at the later of (a) the date on which Participating Shares of the relevant series were originally allotted and issued and (b) the first Business Day of the relevant financial period.

A redemption of a Participating Share will trigger the withdrawal of the corresponding Interest(s). The date of withdrawal of the corresponding Interest(s) (which shall also be the date of redemption of the relevant Participating Shares) shall be deemed to be the end of a financial period in respect of such Interest(s)/Participating Shares.

Performance Allocations referable to each Series of Participating Shares may be different and may be different from the corresponding class or series of Interests in the Partnership due to the differences in taxes and operating expenses between the Company and the Partnership. The Administrator will keep a record to ensure that the appropriate amount of Performance Allocation is borne by each Shareholder and the Company may have several capital accounts in the Partnership and/or hold different classes or sub-classes of Interests to correspond with specific classes or series of Participating Shares.

## **Item 7 - Types of Clients**

The Adviser provides discretionary management and advisory services to the Funds directly and not individually to the investors in the Funds. Investors in the Funds may include, but are not limited to, high net worth individuals, pension plans (corporate, state and foreign), sovereign wealth funds, endowments, foundations, banks, pooled investment vehicles (e.g., funds of-funds), trusts, estates or charitable organizations, and corporate or business entities.

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

### **Method of Analysis**

In managing the Funds, the Adviser seeks to maximize risk-adjusted returns over the long term through the pursuit of a “long” equities-focused investment strategy (the “Equities Strategy”) with a maximum, defined proportion of the Net Asset Value of the Funds for investment as described below (the “Special Opportunities Allocation”).

The Adviser intends to be substantially led by the results of proprietary, fundamental analysis of any give Target Company in its selection of investments for the Fund. The Adviser will primarily consider a Target Company’s business performance as a whole and will not use the stock market as a definitive arbiter of value. When assessing a potential Target Company, the Adviser will focus on business returns rather than short-term price movements or valuations. The trading strategy is not expected to take account of market prices or market movements from a technical analysis perspective.

The Adviser will use proprietary research, both qualitative and quantitative, to identify companies that it considers attractive for the Funds’ investment purposes. The Adviser intends to consider a variety of factors in its investment decision-making including, but not limited to, the following:

- Camelot own analysis of the Target Company’s management board; their integrity alignment with shareholders and ability to manage the Target Company;
- The Target Company’s capital allocation disciplines;
- The long-term business strategy of the Target Company;
- Key risks to which the Target Company may be subject, including but not limited to commercial and regulatory risks;
- Liquidity of the securities issued by the Target Company; and
- General diversification of the Funds’ existing portfolio at the time that an investment is being considered as a whole and any concentration and portfolio risks that may arise by investment into Target Companies in any industrial sector.

### **Investment Strategy**

#### **Equity Strategy**

The Adviser expects to invest initially in the UK and US equities markets, including but not limited to companies listed on the FTSE UK Index Series and the UK’s Alternative Investment Markets (“AIM”). However, Camelot may consider potential investment opportunities in any

country or market. Initially, it is expected that the Funds' investment will focus on smaller companies that have a market capitalization of less than GBP 1,000,000,000. However, Camelot may invest in companies of any size or market capitalization at any time where it considers investments in such companies to be in the interests of the Funds. Camelot expects that the Fund will generally hold a small number of securities, in the range of 10 – 20 positions at any one time.

#### Unlisted Assets

While Camelot expects to primarily invest in listed or companies that are public and trade on a listed market/exchange, it is possible that from time to time, investments may be made in an unlisted company. Alternatively, a company that is in the Fund portfolio may be delisted and becomes an unlisted or private company. In that event, the value of that unlisted security will be, at Camelot discretion, be deducted from the capital accounts of all investors who hold the security in their account. Otherwise, the security will remain credited to the applicable investors.

Camelot will provide notice to the investors if the total value of the unlisted securities exceeds 15% of the net asset value of the Funds. If the total value of all unlisted securities exceeds 30%, no additional investments in unlisted securities may be made. Camelot will not be required to sell or dispose of any unlisted securities if the threshold is crossed due to fluctuation in the value of listed or unlisted securities, redemptions or other listed securities becoming unlisted.

Camelot may take concentrated positions in any specific sector if it considers that it has sufficient knowledge and understanding of that sector. As stated above, Camelot expects that the Funds will generally hold between 10 and 20 positions at any one time. However, that number may be increased or decreased at any time without notice to the investors in the Funds, where Camelot believes such investment to be in the best interest of the Fund.

#### **Special Opportunities Allocation**

The Advisor may utilize a Special Opportunities Allocation in order to participate in an exceptional investment opportunity in order to maximize investment returns. The investments made in the Special Opportunities Allocation are not consistent with the Equities Strategy. Any type of financial instrument in any over the counter or listed/exchange-based market may be used.

The total value of all investments in the Special Opportunities Allocation may not exceed 15% of the Net Asset Value of the Funds at the time each new investment is made. Camelot will not be required to liquidate investments in the Special Opportunities Allocation if the 15<sup>th</sup> threshold is crossed due to changes in the value of the Special Opportunities Allocation, the Equities Strategy or due to redemptions.

Additionally, Camelot may not invest in such securities without a reasonable expectation that there will be no valuation or liquidity problems that could affect the normal operation, administration and valuation of the Funds.

### **Use of Leverage, Derivatives – Risk Management**

While the confidential offering memorandum grants Camelot the ability to utilize leverage, hedging or cash management strategies to manage risk in the Funds, Camelot rarely uses these types of instruments

Camelot may utilize leverage on a limited basis where it determines that the short-term use of leverage would be in the interests of the Fund. Such leverage shall be subject to a maximum of 30% of the Net Asset Value of the Partnership. Moreover, Camelot does not intend to use leverage on a regular basis and only expects it to be used in exceptional circumstances for the purposes of maximizing returns to Shareholders and Limited Partners. The Fund may establish one or more credit facilities for the Fund. The maximum amount of each credit facility will depend on the liquidity of the investments of the Fund. The Fund will be able to borrow, repay and re-borrow amounts under any credit facilities. Such credit facilities may be utilized to enable the Fund to establish the desired investment exposure or to cover the margin requirements for currency hedging.

To the extent the Fund's assets are not invested in such positions as described in the Equity Strategy or the Special Opportunities Allocation, and during periods in which Camelot believes that economic, financial and/or political conditions make it advisable, or opportunities for capital appreciation are limited or for defensive purposes, the Fund may invest in short-term debt securities or hold cash. In addition, the Fund may place all or part of its assets in temporary investments for cash management purposes pending investments of initial or subsequent subscription monies in accordance with the Fund investment objective, or in order to meet its operational expenses.

Camelot may seek, from time to time, to hedge all or a portion of the market risks of the investments through the defensive use of derivative transactions, including, but not limited to, futures, options, Contracts for Difference (known as CFDs), swaps and/or foreign exchange positions and/or any combination thereof. The use of such instruments for defensive purposes may create 'short' positions in some holdings (a 'short' position is one that increases in value as the equity price on which the instrument is based falls). The underlying portfolio may be pledged as collateral to secure derivative transactions and foreign exchange contracts.

### **Risk of Loss**

Any investment in the Funds managed by Camelot is subject to a loss of principal. Camelot investment activities involve a significant degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by Camelot. Such factors include a wide range of economic, political, competitive, technological and other conditions (including acts of terrorism and war) that may affect investments in general or specific industries or companies. The securities markets may be volatile, which may adversely affect the ability of Camelot to realize profits.

The following is a summary of some of the material risks associated with our investment strategies. As a summary, it is inherently incomplete and does not attempt to describe all of the risks associated with those strategies.

Reliance on Key Personnel. Our investment advice depends on the judgment and analysis of our William Barker, the Portfolio Manager. Should Camelot terminate their relationship with us, die or become otherwise incapacitated for any period of time, the Funds could experience losses.

Effect of General Economic Conditions. The success of our investment strategies may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, developments in governmental regulation and national and international political circumstances. These factors may affect the success of the businesses in which the Target Companies are engaged, as well as the markets for securities in those Target Companies. Unexpected volatility or illiquidity could result in client losses.

Investments in Non-U.S. Securities. From time to time, Camelot may invest and trade a portion of its assets in non-U.S. securities and other assets (through ADRs and otherwise), which will give rise to risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and foreign issuers and markets are subject. Securities of non-U.S. companies are denominated in currencies other than U.S. dollars. The non-U.S. markets will often transact in smaller capitalization stocks. These include securities issued by companies in and traded in, so-called “emerging markets.” Non-U.S. investing, and investing in emerging markets, in particular, could subject the Funds to certain risks not typically associated with investing in securities in the United States. Many non-U.S. stock markets are not as developed or efficient as those in the United States and may be more volatile than U.S. markets. The costs and expenses of investing in non-U.S. markets are generally higher than in the United States. There is generally less publicly available information about non-U.S. companies than about domestic companies. This makes it more difficult for Camelot to keep informed of corporate actions that may affect the price of a particular security.

Additionally, some non-U.S. economies are less stable than the U.S. economy, due to, among other things, volatile political environments, less stable monetary systems and/or external political risks.

Such risks may include:

- Political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels, and limitations on the use or transfer of portfolio assets;
- Enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments;
- Foreign securities and other assets often trade in currencies other than the U.S. dollar, and Camelot may directly hold foreign currencies and purchase and sell foreign currencies through forward exchange contracts. Changes in currency exchange rates will affect Camelot net asset value, the value of dividends and interest earned, and gains and losses realized on the sale of investments. An increase in the strength of the U.S. dollar relative to these other currencies may cause the value of Camelot investments to decline. Some foreign currencies are particularly volatile. Foreign governments may intervene in the currency markets, causing a decline in value or liquidity of Camelot foreign currency holdings. If Camelot enters into forward foreign currency exchange contracts for hedging purposes, it

may lose the benefits of advantageous changes in exchange rates. On the other hand, if Camelot enters forward contracts for the purpose of increasing return, it may sustain losses;

- Non-U.S. securities, commodities and other markets may be less liquid, more volatile and less closely supervised by the government than in the United States. Foreign countries often lack uniform accounting, auditing, and financial reporting standards, and there may be less public information about the operations of issuers in such markets.

Investments in Illiquid Securities. Camelot may invest a portion of their assets in securities for which there is no ready market. They also invest in securities that, while they are publicly traded, are relatively illiquid. That may be because a security is thinly traded, because the Fund's or Separately Managed Account's position in a security is large in relation to the overall market for the security, because we, the Fund or the Separately Managed Account may be deemed an affiliate of the issuer, or because of various other factors affecting the Fund or the Separately Managed Account's ability to trade in the security. Certain Funds and Separately Managed Accounts will also own securities that are relatively liquid when acquired but that become illiquid after the Fund or Separately Managed Account invests. Our Funds and Separately Managed Accounts may not be able to liquidate illiquid securities positions if the need were to arise; rapid sales of such securities could depress the market value of those securities, reducing profits, or increasing its losses, in the positions.

Competition. The securities industry and the varied strategies and techniques to be engaged in by Camelot are extremely competitive and each involves a degree of risk. Camelot will compete with Firms, including many of the larger securities and investment banking Firms, which have substantially greater financial resources and research staffs.

Market Volatility. The profitability of Camelot substantially depends upon it correctly assessing the future price movements of stocks, bonds, options on stocks, and other securities and the movements of interest rates. Camelot cannot guarantee that it will be successful in accurately predicting price and interest rate movements.

Material Non-Public Information. By reason of their responsibilities in connection with other activities of Camelot and/or its affiliates, certain principals or employees of Camelot and/or its affiliates may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. Camelot will not be free to act upon any such information. Due to these restrictions, Camelot may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

Accuracy of Public Information. Camelot selects investments, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to Camelot by the issuers or through sources other than the issuers. Although Camelot evaluates all such information and data and sometimes seeks independent corroboration when it's considered appropriate and reasonably available, Camelot is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available.

Investments in Undervalued Securities. Camelot intends to invest in undervalued securities. The identification of investment opportunities in undervalued securities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While investments in undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from Camelot investments may not adequately compensate for the business and financial risks assumed.

Market or Interest Rate Risk. The price of most fixed income securities move in the opposite direction of the change in interest rates. For example, as interest rates rise, the price of fixed income securities falls. If Camelot holds a fixed income security to maturity, the change in its price before maturity may have little impact on Camelot performance; however, if Camelot has to sell the fixed income security before the maturity date, an increase in interest rates could result in a loss to Camelot.

Use of Leverage. Camelot may utilize leverage on a limited basis where it determines that the short-term use of leverage would be in the interests of the Funds. Such leverage shall be subject to a maximum of 30% of the Net Asset Value of the Partnership. Moreover, Camelot does not intend to use leverage on a regular basis and only expects it to be used in exceptional circumstances for the purposes of maximizing returns to Investors in the Funds. The Funds may establish one or more credit facilities for the Funds. The maximum amount of each credit facility will depend on the liquidity of the investments of the Funds. The Funds will be able to borrow, repay and re-borrow amounts under any credit facilities. Such credit facilities may be utilized to enable the Funds to establish the desired investment exposure or to cover the margin requirements for currency hedging.

Risk of Derivatives. Generally, Certain of our Funds and Separately Managed Accounts trade and invest in a variety of derivative instruments. Derivatives are financial instruments or arrangements in which the risk and return are related to changes in the value of other assets such as stocks, reference rates or indices. They can provide a form of “leverage” in that they permit the Funds and Separately Managed Account to speculate on fluctuations in the prices of securities indices or other assets while investing only a small percentage of the value of the underlying securities, or other assets. Trading and investing in derivatives can be highly speculative and can entail greater risks than the risks of investing in other securities. Prices of equity derivatives are generally more volatile than prices of the securities on which they are based. A change in the market price of the underlying securities, indices or other assets or rates will cause a much greater change in the price of the derivative. The ability to profit or avoid risk through trading or investing in derivatives will depend largely on our ability to anticipate changes in the prices of underlying assets, reference rates or indices.

Options. Among the derivatives in which certain of our Funds and Separately Managed Accounts invest or trade are options on specific securities and options on securities indices. Our Funds have, and may in the future, buy or sell (write) both call options and put options, and when they write options, they may do so on a “covered” or an “uncovered” basis. Our Funds’ options transactions may be part of a hedging tactic (i.e., offsetting the risk involved in another



securities position), a form of leverage in which the Funds have the right to benefit from price movements in a large number of securities or other assets with a small commitment of capital, or an attempt to obtain profits through premiums received on options the Funds writes. These activities involve substantial risks.

Concentration of Investments. Camelot will at times have a relatively large portion of their capital exposed to a particular industry or market sector. Losses in one or more large positions, or a downturn in an industry or market sector in which the Funds are concentrated, could materially adversely affect the Funds' performance in a particular period and could have a materially adverse effect on the Funds' overall financial condition.

## **Item 9 – Disciplinary Information**

There are no material legal or disciplinary events related to the Firm.

## **Item 10 - Other Financial Industry Activities and Affiliations**

### **Brokerage Affiliations**

Camelot and its management persons are not registered and do not have any application pending to register as a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading advisor, or an associate of the foregoing entities.

### **Affiliations**

William Barker is a Director of the Funds, a director of the General Partner of the Funds, the owner of Camelot and the Portfolio Manager/Trader responsible for the execution of Camelot investment strategy relating to the Funds. His role as Director of the Funds and a director of the Funds' General Partner is not independent of Camelot. Although Camelot believes that these dual appointments assist with operational efficiency there is potentially a conflict of interest in the execution of the duties and responsibility related to the different entities.

On December 29, 2018, William Barker became a director of Tapi Carpets & Floors Limited, a UK based portfolio company which is an investment in the Partnership.

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

### **Code of Ethics**

Camelot has adopted a Code of Ethics which establishes standards of conduct for its supervised persons. The Code of Ethics includes general requirements that such supervised persons comply

with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons to report their personal securities transactions and holdings quarterly to Camelot Compliance Officer and requires the Compliance Officer to review those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to Camelot Compliance Officer. Each supervised person of Camelot receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received the materials. Annually, each supervised person must certify that he or she complied with the Code of Ethics during that year. Clients and prospective clients may obtain a copy of Camelot Code of Ethics by contacting the Compliance Officer of Camelot.

### **Participation or Interest in Client Transactions**

Under Camelot Code of Ethics, Firm and its managers, members, officers, and employees may invest personally in securities of the same classes as are purchased for clients and may own securities of the issuers whose securities are subsequently purchased for clients. If an issue is purchased or sold for clients and any of Camelots, managers, members, officers, and employees on the same day purchase or sell the same security, either the clients and Camelot, managers, members, officers or employees shall receive or pay the same price or the clients shall receive a more favorable price. Camelot and its managers, members, officers, and employee may also buy or sell specific securities for their own accounts based on personal investment considerations, which Camelot does not deem appropriate to buy or sell for clients.

### **Personal Trading**

The Chief Compliance Officer of Camelot is William J. Barker. Mr. Barker reviews all employee trades each quarter (except for his own trading activity which is reviewed by an outside third party, or officer of the Firm). The personal trading reviews ensure that the personal trading of employees does not affect the markets and that clients of the Firm receive preferential treatment.

## **Item 12 - Brokerage Practices**

### **Brokerage Selection and Soft Dollars**

Camelot has full discretion on selecting executing broker(s) for Fund transactions and selection of the custodian/clearing broker to the Funds. Camelot has authority over the commission rates to be paid without obtaining specific client consent.

The Advisor has recommended and the Funds have appointed BTIG, LLC as executing broker and Pershing LLC as custodian/clearing broker. *Camelot does not receive fees or commissions from any of these arrangements.*

In recommending brokers or dealers to execute transactions, the Advisor will seek to achieve the best execution possible but this does not require it to solicit competitive bids and does not have an obligation to seek the lowest available commission cost. Camelot is not required to negotiate "execution only" commission rates, thus the Fund may be deemed to be paying for research and

related services (i.e., "soft dollars") provided by the broker which are included in the commission rate.

While Camelot does not, in general, utilize soft dollars in the management of the Funds, it may choose to do so in the future. Presently, it has access to the electronic customer accounting systems of the Custodian and the Administrator. Camelot also has the ability to receive research from the Custodian and Broker, but it does not utilize such research. Should Camelot utilize soft dollars in the future, this Brochure will be revised to reflect that change.

Research and related services furnished by brokers may include, but are not limited to, written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; financial publications; statistical and pricing services, as well as discussions with research personnel, along with hardware, software, data bases and other technical and telecommunication services and equipment utilized in the investment management process. It is the policy and practice of Camelot to strive for the best price and execution for costs and discounts which are competitive in relation to the value of the transaction and which comply with Section 28(e) of the Securities Exchange Act of 1934, as amended. Nevertheless, it is understood that Camelot may pay compensation on a transaction in excess of the amount of compensation that another broker or dealer may charge so long as it is in compliance with Section 28(e), and Camelot makes no warranty or representation regarding compensation paid on transactions. In negotiating mark-ups or mark-downs, Camelot will take into account the financial stability and reputation of brokerage Firms and the brokerage and research services provided by such brokers, although the client may not, in any particular instance, be the sole direct or indirect beneficiary of the research services provided. Camelot has no obligation to deal with any broker or group of brokers in executing transactions in portfolio securities.

### **Order Aggregation**

Camelot recognizes its duty to seek to treat all clients (the Funds) fairly and equitably. Under this structure, all orders are executed at the feeder account level and are allocated proportionally to the respective Funds. Incomplete orders will be allocated on an impartial basis, using a rotation. If more than one price is paid for securities in an aggregated transaction, each Fund in the aggregated transaction will receive the average price paid for the block of securities in the same aggregated transaction for the day. If Camelot is unable to fill an aggregated transaction completely but receives a partial fill of the aggregated transaction, Camelot will allocate the filled portion of the transaction to clients based on an equitable rotational system as follows:

### **Directed Brokerage**

Due to the nature of the type of clients that Camelot advises, the Advisor allows the Funds to direct brokerage but Camelot does not require clients to direct brokerage. Camelot establishes the brokerage and/or custodial relationships, and the Portfolio Manager determines the order execution and management arrangements with the broker and/or custodian.

## **Item 13 - Review of Accounts**

### **Periodic Reviews**

The Portfolio Manager regularly reviews the investments in the Fund as part of his on-going investment management process. Investments within the Funds' portfolio are reviewed to consider a number of factors including but not limited to profitability, monitor risk profile and execution results.

### **Reports**

On a monthly basis, the Administrator generates performance reports confirming the value of investor's holdings in the Funds. The written reports may include account valuation, performance stated in dollars or other currency and as a percent, net worth statement, portfolio statement, and a summary of objectives and progress towards meeting those objectives.

## **Item 14 - Client Referrals and Other Compensation**

### **Incoming Client Referrals**

Camelot does not receive referrals for new advisory clients. It may receive referrals for potential investors in the Fund, which would be from existing institutional investors in the Fund or intermediaries such as attorneys or accountants. The Firm does not compensate referring parties for these referrals.

### **Referrals to Third Parties**

Camelot does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

## **Item 15 - Custody**

As Camelot is affiliated with the GP, which, in turn, has authority to dispose of funds and securities held by the Partnership, Camelot may be deemed to have custody of client assets (i.e., the assets of the Partnership) under Rule 206(4)-2 under the Advisers Act. Camelot has procedures in place to maintain all assets of the Partnership that are not exempt under Rule 206(4)-2 under the Advisers Act at a qualified custodian who provides account statements to Limited Partners on a regular basis. Additionally, the Partnership is audited annually by an independent public accountant and distributes its audited financial statements prepared in accordance with generally accepted accounting principles to the Limited Partners within 120 days after the end of the Partnership's fiscal year.

The Fund Administrator has electronic access to the records of holdings and transactions in the Funds, as does Camelot. The Custodian provides the Administrator and Camelot with monthly statements of the Fund accounts.

Investors in the Funds may receive performance reports from Camelot, and statements from the Administrator on at least a quarterly basis. All investors in the Funds should carefully compare the statements they receive from the Administrator and review the performance reports from the Advisor. Investors in the Funds are urged to contact either Camelot or the Administrator with any questions.

## **Item 16 - Investment Discretion**

Camelot contracts for limited discretionary authority to transact portfolio securities accounts on behalf of clients. Discretionary authority is granted either by Camelot investment management agreement and/or by a separate limited power of attorney where such document is required. Camelot has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. The Firm's discretionary authority regarding investments may, however, be subject to certain limitations. These limitations are recognized as the restrictions and prohibitions placed by the Client on transactions in certain types of business or industries. All such restrictions are to be agreed upon in writing at the account's inception.

Camelot does not and will not enter into any future relationships with Funds that require consent prior to any trade order being placed.

The Funds authorizes the discretion to select the custodian to be used and the commission rates paid to broker-dealers. Camelot does not receive any portion of the transaction fees or commissions paid by the Funds to the broker-dealers on certain trades.

## **Item 17 - Voting Client Securities**

Camelot votes proxies for securities held in Fund accounts. Camelot has the authority and responsibility for the voting of these proxies. Camelot retains records of proxy voting required under SEC Rule 204-2(c)(2).

## **Item 18 - Financial Information**

Camelot does not have any financial impairment that will preclude the Firm from meeting contractual commitments to clients. Camelot meets all net capital requirements that it is subject to and Camelot has not been the subject of a bankruptcy petition in the last ten (10) years. Camelot is not required to provide a balance sheet as it does not serve as a custodian for client funds or securities and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

## **Item 19: Requirements for State-Registered Advisers**

Not applicable.