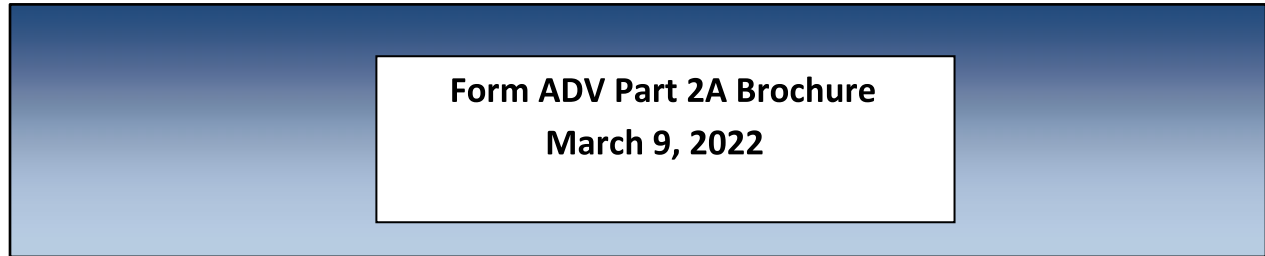


Item 1 – Cover Page



Sycalé Advisors (NY) LLC

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This Brochure provides information about the qualifications and business practices of Sycalé Advisors (NY) LLC (“Sycalé Advisors”, or the “Adviser”). If you have any questions about the contents of this Brochure, please contact us at (212) 421-1941. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Additional information about the Adviser also is available on the SEC’s website at www.adviserinfo.sec.gov.

Sycalé Advisors (NY) LLC is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training.

Item 2 – Material Changes

Since the last Brochure filing on March 11, 2021, the Adviser has made various minor editing and clarification updates to the Brochure. In addition, the following material changes to the Brochure have been made:

1. Item 4 (Advisory Business): This Item has been updated to include a description of the separately managed accounts that the Adviser added during the year, and conforming changes throughout the Brochure have been made. This Item has also been updated to include the regulatory assets under management of the Adviser as of December 31, 2021.
2. Item 5 (Fees and Compensation): This Item has been updated to include an expense allocation policy.
3. Item 6 (Performance-Based Fees and Side-By-Side Management): This Item has been updated to include a description of the Adviser's investment allocation policy.
4. Item 12 (Brokerage Practices): The description of the Adviser's trade aggregation policy and soft dollar usage has been updated in this Item.

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Item 4 – Advisory Business

Sycale Advisors became registered as an Investment Advisor with the Securities and Exchange Commission as of August 1, 2017.

The Adviser is a New York limited liability company that began operations in 2010. The Adviser is wholly-owned and managed by Jared Friedberg. Mr. Friedberg is the sole member of the Adviser and its sole portfolio manager.

Sycale Advisors provides investment management and advisory services to pooled investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). Affiliates of the Adviser act as General Partner to certain of the Funds (collectively, the “General Partners”, and individually, a “General Partner”). References herein to Sycale Advisors may refer both to the Adviser and any affiliate acting as a General Partner, as the context requires.

Currently, the Adviser provides investment advisory services to the following Funds which are structured as master/feeder vehicles: Mercator Fund (Cayman Master) L.P., Mercator Fund (Cayman Intermediate) L.P., Mercator Fund (Cayman) Ltd. and the Mercator Fund (DE) L.P. (collectively, the “Mercator Funds”). The Mercator Funds generally invests in both equity and debt securities of small-, medium- and large-capitalization issuers, as well as a periodically investing in the securities of companies in bankruptcy proceeding or otherwise undergoing reorganization or liquidation.

Additionally, the Adviser provides investment advisory services to certain pooled investment vehicles offered to a very limited number of family offices and high net worth individuals for specific investment opportunities. These are: Sycale Capital III (Cayman) L.P., Sycale Capital III (DE) L.P., Sycale Capital IV (Cayman) L.P., and Sycale Capital IV (DE) L.P. (collectively, the “Sycale Funds”). The Sycale Funds are not currently accepting additional investors. The Sycale Funds are “fund-of-funds” focused on the distressed and undervalued credit space.

The Sycale Funds and the Mercator Funds are collectively herein referred to as the “Funds”.

The Adviser also provides investment advisory services to two separately managed accounts (the “SMA’s”).

The Funds and the SMA’s are herein referred to as “Clients”.

The investors in the Funds generally are family offices and other institutional investors such as endowments, foundations, insurance companies and banks, as well as high net worth individuals. The Funds are offered exclusively to accredited investors and/or qualified purchasers pursuant to Section 3(c)(1) (Mercator Funds) or Section 3(c)(7) (Sycale Funds) of the Investment Company Act, and are therefore not required to register as investment companies under the Investment Company Act in reliance upon certain exemptions available to private investment funds whose

securities are not publicly offered.

Sycalé Advisors provides investment management and advisory services to Clients on a discretionary basis. The Adviser has full discretion to manage each Client's investment portfolio. The Adviser tailors its advisory services to the specific investment objectives and restrictions of each Client pursuant to the investment guidelines and restrictions set forth in each Client's governing documents.

The Funds' investment objectives, strategies and processes are described in each Confidential Private Placement Memorandum. The Funds' Private Placement Memoranda and governing documents (collectively the "Offering Documents"), in addition to describing, among other things, the investment management relationship, the Funds' investment programs and objectives and the specific terms applicable to an investment in a Fund (including as to fees and other compensation, costs and expenses, and liquidity), contain a discussion of various risk factors and considerations, as well as certain conflicts of interest, that generally is more extensive in scope and detail than those described in this Brochure. Accordingly, this Brochure and the information set forth herein is qualified in its entirety by the disclosures and the terms in the Funds' Offering Documents.

The SMA's are subject to investment objectives, guidelines, restrictions, fee arrangement and other terms that are individually negotiated with each such investor. Accordingly, this Brochure and the information set forth herein is qualified in its entirety by the disclosures and terms in the SMA's governing documents.

As of December 31, 2021, the Adviser had approximately \$602,561,180 of regulatory assets under management, all of which are managed on a discretionary basis.

Item 5 – Fees and Compensation

Management Fees; Performance-Based Compensation

The Adviser receives management fees and incentive fees or carried interest for the provision of its investment management and advisory services.

For all Funds, Sycalé Advisors receives a management fee in the range of 0.75% - 1.25% per annum calculated as a fixed percentage of assets under management. The management fee is generally paid quarterly in advance. There are no refunds of the management fee once paid. In addition, the Adviser or the General Partner is entitled to additional compensation in the form of performance fees, either an incentive allocation or fee, or a carried interest fee, of 10% - 12.5% based on the performance achieved for a client over a specified measurement period. See Item 6 below for information with respect to performance-based fees. (Collectively, management and performance-based fees are herein referred to as "Fees".)

The management fee payable by an investor in a Fund may be adjusted for subscriptions and redemptions made during the quarter.

Fees applicable to a Fund are described in each Funds' Offering Documents. In the sole discretion of Sycale Advisors or the General Partner, Fees may be reduced, waived or calculated differently with respect to, or may not be charged in whole or in part to, or may be rebated to, any person or entity or any class of shares or interests, including without limitation, Sycale Advisors, its affiliates, members of the immediate families of such persons or trusts or other entities for their benefit, including during any wind-down of a Fund's business.

SMA investors pay fees and compensation pursuant to their individually negotiated agreements with the Adviser.

Costs and Expenses

In addition to the Fees discussed above, investors in the Funds bear indirectly the fees and expenses charged to the Funds. Each Fund bears its own operating costs and expenses, including legal, accounting and audit expenses, investment-related expenses such as brokerage commissions, research-related fees and expenses, including without limitation, travel expenses; quotation equipment and services; expenses related to risk management of Funds' portfolios; interest on margin accounts and other indebtedness, borrowing charges on securities sold short, custodial fees, bank service fees, insurance expenses; administrator fees, directors' fees and expenses; shareholder proxy voting services; the Funds' pro rata share of the expenses of any other Fund in the Funds' structure; and any other reasonable expenses related to the purchase, sale or transmittal of Fund assets as will be determined by the Adviser in its sole discretion. The Adviser may, in its sole discretion, choose to absorb any such expenses incurred on behalf of a Fund, which would increase the performance of the Fund on a net basis. Conversely, a determination by the Adviser to stop absorbing these expenses would negatively increase the performance of the Fund on a net basis. The General Partner is entitled to reimbursement from the Fund for any of the above expenses that it pays on the Fund's behalf.

The SMA's bear the fees that have been negotiated with each SMA investor and which are set forth in the SMA's governing documents.

The Funds and SMA's will incur brokerage and other transactions costs. See Item 12 for further information regarding brokerage arrangements.

Since the Sycale Funds are fund-of-funds, they also bear a management fee, performance fee and other fees and expenses charged to the investors of the underlying funds. A portion of the management fee and performance fee charged by the underlying funds that the Sycale Funds invest in are allocated to the Adviser or its affiliate. (See Item 10.)

The Adviser does not generally allocate expenses amongst Clients because each Client is generally billed directly for any expenses related to it. In the event an expense needs to be allocated across multiple Client accounts, the Adviser will do so in a fair and equitable manner, which it shall determine in its sole discretion.

In the event that fees/expenses are shared across multiple Client accounts, the Adviser will generally allocate expenses *pro rata* amongst Client accounts participating (or proposing to participate) in the

related transaction based upon capital committed to the relevant transaction. If necessary or appropriate, or as required by the relevant Client's governing documents, the Adviser will consult the Adviser's Compliance Committee regarding the proposed allocation of expenses.

The Funds' Offering Documents detail the costs and expenses that are the responsibility of the Funds, as well as certain overhead costs and expenses that generally are the responsibility of the Adviser.

Investors may pay higher Fees to the Adviser than fees it might pay to other investment advisers for similar services.

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

As detailed in Item 5 above, the General Partner affiliate is entitled to receive performance-based compensation from the Mercator Funds in the form of an incentive allocation or fee, and from the Sycal Funds in the form of carried interest.

For the Mercator Funds, the Adviser or an affiliate is entitled to an incentive allocation of 10% of the net realized and unrealized appreciation of each investor's account to the extent such account exceeds its prior high account value as of the first business day immediately following the date after the last incentive allocation was paid or the date of investment if no incentive allocation has been paid. If withdrawals to an investor account are made between the time incentive allocations are made, such payment shall be pro-rated accordingly.

For the Sycal Funds, the carried interest fee will be made to the Adviser or an affiliate on all distributions after each Sycal Fund investors has received a cumulative amount equal to 100% of its capital contributions and certain fees and expenses, after which 12.5% of each distribution will be paid to the Adviser or its affiliate and 87.5% to such Sycal Fund investor.

All compensation arrangements where the Adviser or its affiliates receives performance compensation will comply with the requirements of Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Performance-based fee arrangements may create an incentive for the Adviser to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement.

The SMA's pay a performance-based fee as specified in each SMA's governing documents.

As the Adviser manages more than one Client account and performance and/or carried interest rates differ, a potential exists for one Client to be favored over another Client. At the present time, the Mercator Funds are managed in one master-feeder structure, and the Sycal Funds are not making new investments. However, the SMA's may from time-to-time invest in the same securities or other investment assets as the Mercator Funds. The Adviser will use its reasonable best efforts to allocate investment opportunities amongst the Mercator Funds and the SMA's in a manner deemed equitable where there is a limited supply of an investment opportunity, but the Adviser assumes no

responsibility for equality among all Clients. If less than the total of aggregated orders amongst Clients is executed, purchased securities or other investments or proceeds shall generally be allocated pro rata among the participating Client accounts in proportion to their planned participation in the aggregated orders; provided that the Adviser may depart from such pro rata allocation in a manner believed to be equitable to each after taking into consideration investment strategies, existing portfolios and other relevant factors. Other relevant factors may include cash available to be invested, risk profile of the Client account, potential tax consequences, legal or regulatory restrictions, and the overall construction of each Client account at that time. At the Adviser's quarterly Compliance Committee meeting, the committee would review all such matters.

Item 7 – Types of Clients

The Adviser provides discretionary investment advice to Clients.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and are exempt from registration under the Investment Company Act. Investors in the Funds are subject to qualification standards. Investors in the Funds may include, among others, pension plans, foundations, funds of funds, family offices, trusts, other institutional investors and high net worth individuals. Each investor in a Fund shall be an accredited investor, qualified client, or qualified purchaser as required by the relevant subscription documents. The minimum initial investment in a Fund is generally \$1,000,000 which is subject to change or waiver at the discretion of the Adviser. There is no minimum account size to maintain an account.

Investors in the Mercator Funds are permitted, upon thirty (30) days' prior written notice, to make a complete or partial withdrawal of their interests as of the close of business on the last day of each fiscal quarter; provided, however, that the investor has held the portion of their interests to be withdrawn for at least twelve (12) complete, consecutive calendar months prior to such date of withdrawal. Class B shares of the Mercator Funds are available to investors who are restricted from participating in "new issues".

Certain investors in the Mercator Funds have entered into "side letter" agreements with the Fund and the Adviser which contain terms granting them different liquidity rights, fee arrangements and/or access to additional information about the Adviser. These terms are not generally available to other investors in the Mercator Funds and as a result, investors who have entered into such side letters may be able to redeem from the Fund or otherwise act on information earlier than other investors.

Investors in the SMA's are subject to individually negotiated minimum investment and withdrawal rights, as set forth in their governing documents.

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

Methods of Analysis and Investment Strategy

Set forth below is a summary of the methods of analysis and investment strategy for the Mercator Fund, and the Sycale Funds. Additional information can be found in the Offering Documents for

each Fund. SMA's have individually negotiated investment strategies, as set forth in their governing documents.

The Mercator Funds

The Mercator Funds' objective is to generate equity-like returns with less than equity risk in order to compound investors' capital over a long horizon. The Adviser employs a fundamental, deep research focus to invest in compelling risk opportunities principally through the purchase and sale of publicly-traded debt and equity securities. The Adviser will utilize internally developed sourcing practices and frameworks to select primarily "long" investments from the U.S. and other developed markets. The Adviser will invest in both equity and debt securities of small-, medium- and large-capitalization issuers, as well as periodically invest in the securities of companies in bankruptcy proceedings or otherwise undergoing reorganization or liquidation. The Adviser believes that its willingness to invest across the capital structure and geography allows the Mercator Fund the flexibility to invest in what it believes are the most attractive opportunities on a risk-adjusted basis. Additionally, the Adviser will periodically maintain a significant allocation in cash if the Adviser is not finding opportunities that meet its investment criteria or if the risk environment favors smaller sizing of positions.

The Adviser will generally focus on two areas with respect to its equity investments: growing businesses with underappreciated competitive advantages or consolidating market positions and "special situations" where intrinsic value is obscured by complexity (spin-offs, restructurings, liquidations, mergers and acquisitions) with an identifiable way to unlock value. The Adviser leverages the private equity experience of its team to engage in detailed fundamental research to confirm the quality of the business or to clarify the obscured value of a "special situation." In addition, the Adviser will seek to invest in these situations when it believes it can identify a temporary value dislocation or misperception due to the behavioral or structural inefficiencies of other investors. The Adviser believes that investor biases can cause a temporary disconnect between the "fundamental" value and the market value of a security and that the Mercator Fund is particularly well-suited to capitalize on these situations because of the stability of its capital base. The Adviser executes during these periods of inefficient pricing by carrying out a portfolio action plan reviewed and updated weekly by the Adviser's investment team.

The Adviser will seek to allocate capital to credit opportunities where the Adviser believes the market yield reflects overstated risk. As a result, the Adviser often scours areas of industry, geographical, and company-specific stress to identify credits where risk is being exaggerated. The Adviser believes that as this risk is properly understood by the market, the market yield should decrease accordingly. The fixed income opportunities may include publicly traded high yield debt, bank loans, senior debt, subordinated debt, preferred stock, structured credit, and other securities. In all the companies the Adviser reviews, the full capital structure is explored to opportunistically identify situations where an attractive rate of return can be achieved more safely than in a company's equity. The Adviser's credit selection process is rigorous, given that the "upside" in credit investing is lower than that in equity investing.

The Adviser's risk management philosophy requires that all of its portfolio investments possess a substantial margin between the Adviser's estimate of intrinsic value and the market price of the security. This principle applies to both equity and fixed income positions. The Adviser believes that

this margin will allow the Fund to maintain a relatively concentrated portfolio that is only comprised of investments that the Adviser believes are attractive on a risk adjusted basis. In addition, the Adviser seeks to invest a significant portion of the Fund's portfolio in securities of businesses that it believes have strong management teams and sustainable earnings potential that can withstand market vicissitudes over a long-term horizon. The Adviser Fund maintains strict position sizing guidelines that are reviewed weekly as a team and enforced daily. As a rule, position sizes are primarily driven by the Adviser's assessment of a position's potential risk-adjusted return as opposed to absolute return. Therefore, riskier positions are apt to be sized more conservatively than lower risk positions.

Furthermore, the Adviser intends to maintain a substantial portfolio allocation to credit securities. Credit securities are more senior in a company's capital structure than equity securities and therefore, in the aggregate, are typically less risky than equity investments.

Additionally, the Mercator Fund is not required to be fully invested at all times. When the Adviser does not identify sufficiently attractive investments, it may periodically maintain a significant cash allocation, which should allow it to wait for and subsequently capitalize on corrections in the securities markets. As a result, the Adviser considers cash a strategic asset. During periods of volatility, the Adviser believes that its fixed income and cash holdings should reduce the Mercator Fund's correlation to the equity markets.

As a part of its fundamental approach to investment selection, the Adviser will conduct a deep analysis of a company's financial disclosure, paying particular attention to the quality of its business model, the consistency of profitability, the drivers of revenue growth and the trajectory of free cash-flow. In addition, the Adviser will focus its analysis on the competitive dynamics of the industry in which a company operates, which will be used to estimate whether companies' or industries' profitability is sustainable. Finally, the Adviser will generally perform a number of primary research tasks that may include the following: interviews with a company's management team and other company-approved public spokespersons; background checks on key members of the management team; discussions with a company's customers and competitors; and consultation with industry consultants and trade groups related to broad industry trends and the state of competition.

The Adviser will synthesize the totality of such information and analysis in a structured template that will allow the Adviser to compare all identified potential investments in a uniform manner, regardless of the form of such investment.

The Sycal Funds

For the Sycal Funds, the investment objective is to achieve attractive risk-adjusted rates of return while limiting potential value impairment and general credit market valuation risk. In pursuing this investment objective, the Adviser intends to primarily seek opportunities in the distressed and undervalued credit space. The Adviser intends to primarily invest in a fund or funds managed by third-party managers who focus on the distressed and undervalued credit space. In addition, based on its own analysis, the Sycal Funds may co-invest opportunistically alongside its third-party managers. The Adviser also has the flexibility to invest in a full array of instruments across capital structures, industries and geographic areas to optimize the Sycal Funds' global risk and reward profile. The Adviser will seek to enhance returns through detailed due diligence, purchasing

instruments at attractive valuations, and driving or attempting to predict processes to maximize value. The Adviser may also use general market hedges to limit exposure to specific credits, industries, geographic areas, currencies, equities and overall credit market spreads.

General

For all Funds, as detailed in the respective Funds' Offering Documents, the Funds may also invest in new issues of securities ("new issues"), provided that the Funds comply with the rules and regulations pertaining to such investments, including the rules of the Financial Industry Regulatory Authority.

The Adviser may invest the Funds' assets in "restricted securities," such as participations in bank debt, trade claims, debt obligations issued in connection with leveraged buy-outs or other restricted securities. Such securities normally are purchased from institutional investors who originally acquired such securities in "private placements", or pursuant to Rule 144A promulgated under the Securities Act, or pursuant to other applicable exemptions from registration. Restricted securities are securities that have not been registered under the Securities Act and, as a result, are subject to legal restrictions on resale. Restricted securities are not traded on established markets and may be illiquid, difficult to value and subject to wide fluctuations in value. Generally, the Adviser only invests in restricted securities when it has determined that there is an institutional market for such securities, but is not required to do so.

The Adviser is not limited in the methods it may use to evaluate a particular investment. Although the strategy and asset allocation used by the Funds are primarily centered on the strategies mentioned above, the Adviser intends to follow a flexible approach in order to place each Fund in the best position to capitalize on opportunities in the financial markets. Accordingly, the Adviser may employ other strategies and may take advantage of opportunities in diverse asset classes if they meet the Adviser's standards of investment merit.

The Adviser's Principal, Jared Friedberg, is responsible for the general oversight and day-to-day management of the Funds' portfolios.

Investment Risks

Investing in securities involves a substantial degree of risk of loss. Sycale Advisors' investment program is speculative and entail investment and market-related risks. The use of leverage and other investment techniques which Sycale Advisors employees on behalf of the Funds can, in certain circumstances, substantially increase any adverse impact to which the Funds' investment portfolio may be subject. Accordingly, the Funds could experience substantial losses under certain circumstances. Funds and investors in the Funds must be prepared to bear the risk of a complete loss of their investments. There can be no assurance that the Funds will achieve their investment objectives.

This summary of risks is qualified in its entirety by the risk factors set forth in each Funds' Offering Documents.

Personnel Risk

Jared Friedberg will act as sole portfolio manager for the Funds. If Mr. Friedberg were to become unable to participate in the management of the Funds, the consequences to the Funds could be material and may lead to the premature termination of the Funds.

Concentration of Investments; Dependence Upon Other Managers

The Mercator Funds, and the Sycale Funds (through their investment in other funds), may participate in a limited number of investments and may make several investments in one industry or one industry segment. As a result, a Fund's investment portfolio could become highly-concentrated and its aggregate return may be affected substantially by the performance of only a few holdings. For example, a Fund could be subject to significant losses if it holds a relatively large position in a single industry or type of investment that declines in value, and the losses could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances.

For the Sycale Funds, investments in the funds managed by other third-party managers are highly dependent upon the expertise and abilities of such managers who have investment discretion over the Fund's assets invested in the funds managed by them. Therefore, the death, incapacity or retirement of the principals of such managers, may adversely affect investment results of a Fund. Furthermore, it should be noted that Sycale Advisors is limited in the information it receives from such managers. As such, it may not be possible for Sycale Advisors to uncover fraudulent activity perpetrated by such managers or their principals, employees, officers, directors and agents. The Sycale Funds will have no control over the funds managed by other third-party managers.

Investment and Trading Risk

While investments in companies in certain industries offer the opportunity for significant capital gains, such investments involve a high degree of business, financial, technological and regulatory risk which can result in substantial losses. The stock market has experienced volatility which affects the securities of companies. As a result, the performance of Funds' accounts may experience substantial volatility and potential for loss.

Financial Market Fluctuations

General fluctuations in the market prices of securities may affect the value of the investments held by the Funds. Instability in the securities markets may also increase the risks inherent in the Funds' investments. Price movements of the instruments in which the Funds' assets may be invested may be influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, developments or trends in any particular industry, the financial condition of the issuers of such assets, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies.

Equity Risk

The market price of securities owned by the Funds may go up or down, sometimes rapidly or unpredictably. A risk of investing in the Funds is that the equity securities in its portfolio will decline in value due to factors affecting equity securities markets generally or particular industries represented in those markets. In addition, securities which Sycale Advisors believes are

fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame Sycale Advisors anticipates. As a result, the Funds may lose all or substantially all of their investments in any particular instance.

Fixed-Income Securities

Sycale Advisors may seek to acquire bonds or other fixed-income securities on behalf of Funds, including, without limitation, commercial paper and “higher yielding” (and, therefore, higher risk) debt securities. Such securities may be below “investment grade” and may face ongoing uncertainties and exposure to adverse business, financial or economic conditions that could lead to the issuer’s inability to meet timely interest and principal payments.

Illiquid Portfolio Securities

Sycale Advisors may invest in unregistered securities of publicly held companies and in privately held companies. Such investments will be illiquid and difficult to value and there will generally be no collateral to secure an investment once made. Such investments may require a significant amount of time from the date of initial investment before disposition. Sales of such securities may not be possible and, if possible, may be made at substantial discounts from cost.

Investment in Small Companies/Limited Operating History

There is no limitation on the size or operating experience of the companies in which the Funds may invest. The securities of small capitalization and recently organized companies pose greater investment risks.

Short-Term Trading Risks

Sycale Advisors may execute transactions on behalf of Funds designed to take advantage of very short-term market trends and the market’s volatility. Because market trends in general and changes in market trends during a trading day cannot be predicted with any degree of certainty or consistency, the performance of Funds’ accounts may fluctuate substantially from period to period, and it is possible that the Funds may sustain substantial and continuing losses. In addition, Sycale Advisors may make very short-term transactions on behalf of Funds, with the possibility of making several transactions in one security in a single trading day. As a result, the commissions payable by the Funds may be substantially in excess of those normally paid by another investment vehicle or account of comparable size to the Funds.

Competitive Market for Investments; Unidentified Investments

The business of identifying and structuring certain transactions of the nature contemplated by Sycale Advisors on behalf of the Funds is competitive (and may become more competitive in the future), and involves a high degree of uncertainty.

Non-U.S. Investments

Sycale Advisors may invest in securities of non-U.S. corporations or countries other than the U.S. Investing in the equity securities of non-U.S. companies involves certain considerations not usually associated with investing in securities of U.S. companies, including political and economic considerations, such as greater risks of expropriation and nationalization, the potential difficulty of repatriating funds and general social, political and economic instability; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of

liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; imposition of taxes on dividends, interest payments, or capital gains; possible difficulty in obtaining and enforcing judgments against non-U.S. entities; and certain government policies that may restrict the Funds' investment opportunities.

Investment in Emerging Markets

Sycalé Advisors may make investments in the securities markets of emerging market countries. The risks of investments in non-U.S. securities described above apply to an even greater extent to investments in emerging markets. The securities markets of emerging market countries are generally smaller, less developed, less liquid, and more volatile than the securities markets of the U.S. and developed non-U.S. markets.

Carried Interest/Performance Fee with Respect to Net Profits

The Adviser's ability to collect carried interest or a performance fee may create an incentive for it to make investments that are riskier or more speculative than would be the case absent such arrangement.

Valuation

Investments which Sycalé Advisors believes are fundamentally undervalued or overvalued may not ultimately be valued in the capital markets at prices and/or within the time frame the Adviser anticipates. In particular, purchasing securities at prices which the Adviser believe to be distressed or below fair value is no guarantee that the price of such securities will not decline even further. The valuations of securities are made in good faith, but may or may not reflect the realizable value of any given position which may be materially lower than the Adviser's calculations.

Distressed Security Risk

Sycalé Advisors may from time to time invest in equity securities and other financial instruments and obligations of financially stressed issuers. Such investments involve a substantial degree of risk. A Fund may lose its entire investment in a financially stressed issuer, may be required to accept cash or securities with a value less than a Fund's investment, and may be prohibited from exercising certain rights with respect to such investment.

Counterparty Risk

Some of the markets in which Sycalé Advisors trades are "over-the-counter" or "inter-dealer" markets. The participants in such markets may not be subject to the same levels of credit evaluation and regulatory oversight as members of "exchange based" markets. This exposes a Fund to the risk that a counterparty will not settle a transaction due to a credit or liquidity problem, thus causing the Fund to suffer a loss.

Bank Loans

Sycalé Advisors may invest in bank loans and participations. These obligations are subject to unique risks, including: (i) the possible invalidation of an investment transaction as a fraudulent conveyance under relevant creditors' rights laws; (ii) so-called lender-liability claims by the issuer of the obligations; (iii) environmental liabilities that may arise with respect to collateral securing the obligations; and (iv) limitations on the ability of a Fund to directly enforce its rights with respect

to participations.

Fraud

Of paramount concern in lending is the possibility of material misrepresentation or omission on the part of the borrower. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying the loans or may adversely affect the ability of a Fund to perfect or effectuate a lien on the collateral securing the loan.

Uncertain Exit Strategies

Due to the illiquid nature of many of the positions which the Funds may acquire, as well as the uncertainties of the reorganization and active management process, Sycal Advisors is unable to predict with confidence what the exit strategy will ultimately be for any given core position, or that one will definitely be available.

Cybersecurity Risk

Sycal Advisors' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, floods, tornadoes, hurricanes and earthquakes. The failure of these systems and/or of a disaster recovery plan for any reason could cause a significant interruption in the operations of Sycal Advisors and the Funds, and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors and their beneficial owners.

Item 9 – Disciplinary Information

The Adviser, its affiliates and its related persons have no reportable material legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

There are no material limitations on the Adviser's ability to conduct any other business, including any business within the financial or securities industry, whether or not that business is in competition with the Funds, or on the ability of personnel to serve as officers, directors, consultants, partners or security holders of one or more other investment funds, partnerships, securities firms or advisory firms. Sycal Advisors has made seed investments in some of the underlying funds in which the Sycal Funds have invested and Mr. Friedberg serves on the advisory board of the adviser to the underlying funds.

Compass Global Advisors LLC, ("CGA"), a Delaware LLC, provides investment management services to members of a specific family (and is a "Family Office"). Compass Global Investments, LLC ("CGI"), a Delaware LLC, provides administrative services and personnel to CGA, Sycal Advisors, the Funds and the SMA's. An individual employed by CGI acts as the Chief Financial Officer and the Chief Compliance Officer of Sycal Advisors.

CGA, CGI and Sycal Advisors share office space with CGI through an arms-length arrangement. CGA and CGI are wholly owned by a relative of Jared Friedberg. Mr. Friedberg has no ownership interest in, and does not exercise any control over, these entities. Some of the entities and individuals to whom CGA provide investment management services also may be investors in the Funds. Prior to founding Sycal Advisors, Mr. Friedberg was co-founder and a partner in CGA.

The General Partner entities act as sponsors of their respective Funds. The Adviser does not believe that this structure creates a conflict of interest to investors.

Conflicts of interests are monitored by the Compliance Committee at its regular quarterly meeting.

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

The Adviser has adopted a Code of Ethics (the “Code of Ethics”) that generally prohibits persons associated with the Adviser from using for their own benefit (or the benefit of anyone other than a client) information about the Adviser’s trading or investment recommendations for a Client or taking advantage of investment opportunities that would otherwise be available for a Client. The Code of Ethics covers each of the Adviser’s employees and any other natural person who is subject to Adviser’s supervision and control who (i) has access to nonpublic information regarding a Client’s purchase or sale of securities, (ii) who is involved in making securities recommendations to a Client, or (iii) who has access to securities recommendations to a Client that are not public (collectively, the “Covered Persons”). The Code of Ethics requires all Covered Persons to comply at all times with applicable U.S. federal and state securities laws, the rules of any exchange, and the rules of any applicable self-regulatory organization.

The Code of Ethics outlines written policies regarding personal trading in any brokerage or trading account in which a Covered Person, or any member of such Covered Person’s immediate family, has any direct or indirect control or beneficial ownership.

An employee is required to disclose his or her personal account holdings to the Adviser upon employment. Covered Persons must provide the Adviser with certain quarterly and annual securities holdings reports and, subject to certain exemptions, Covered Persons must provide the Adviser with duplicate copies of all transaction confirmation statements and account statements.

The Code of Ethics, and any supplement, amendment or restatement, is distributed to each Covered Person. Each Covered Person is required to read the Code and certify that he or she has read the Code and understands the materials contained therein. Adherence to the Code of Ethics, both in letter and in spirit, is fundamental and an absolute condition of affiliation with or employment by the Adviser.

All Covered Persons are required to promptly report all material violations and any apparent material violations of the Code of Ethics to the Adviser’s Chief Compliance Officer. Employees who violate the Code may be subject to disciplinary actions, including disgorgement of profits,

censure, suspension or termination of employment.

A copy of the Adviser's Code of Ethics may be requested by contacting its Chief Compliance Officer.

Other Potential Conflicts of Interest

The Adviser's affiliates, employees, and family members of employees and entities sponsored by such persons have made investments in the Funds. Therefore, the Adviser may be considered to participate, indirectly, in transactions effected for a Fund. The terms of any such transactions by and among the Adviser, the Funds, their employees, family members of employees, and entities sponsored by such persons must be approved by the General Partner or Adviser, as applicable, and may be more favorable than those paid by other investors.

The Adviser, its employees and its affiliates do not engage in principal transactions with Clients. Pursuant to the Code of Ethics, Covered Persons may hold the same securities that Clients hold, but they are limited to transacting in such securities during certain time periods and are subject to other applicable limitations regarding personal trading generally, including pre-clearance approval by the Chief Compliance Officer.

The Adviser may act on behalf of a number of Funds, clients and accounts, including other private investment funds or separately managed accounts pursuing similar or varied investment strategies. The Adviser allocates investment opportunities among its Clients in a manner that it considers fair, reasonable and equitable. However, the Adviser may give advice and take action, with respect to any of those Clients that may differ from or be identical to the advice given, or the timing or nature of action taken, with respect to other Clients. There can be no assurance that an investment opportunity which comes to the attention of the Adviser and its affiliates will be allocated to all Clients, with some Clients being unable to participate in this investment opportunity or participating only on a limited basis, or with other Clients not sharing the risks of the investment. A Client could be disadvantaged because of activities conducted by the Adviser for other Funds as a result of, among other things: legal restrictions on the combined size of positions which may be taken for all accounts managed by the Adviser, thereby limiting the size of any one Fund's position; and the difficulty of liquidating an investment for more than one account where the market cannot absorb the sale of the combined positions. See Item 6 above regarding "Performance-Based Fees and Side-By-Side Management".

CGA and Sycale Advisors share office space with CGI through an arms-length arrangement. CGA and CGI are wholly owned by a relative of Jared Friedberg. Mr. Friedberg has no ownership interest in, and does not exercise any control over, these entities. Some of the entities and individuals to whom CGA provides investment management services also may be investors in entities managed and controlled by Sycale Advisors. See Item 10 above regarding "Other Financial Industry Activities and Affiliations".

Item 12 – Brokerage Practices

The Adviser is authorized to make the following determinations in accordance with Clients' objectives and restrictions without obtaining prior consent from them or any of their investors: (1) which securities or instruments to buy or sell; (2) the total amount of securities or instruments to buy or sell; (3) the executing broker or dealer for any transaction; and (4) the commission rates or commission equivalents charged for transactions.

Selection of Brokers

In making its decisions regarding the allocation of brokerage transactions for Clients, the Adviser seeks to obtain the best execution, taking into account the following factors:

- Quality of execution, clearance and error/dispute resolution;
- Reputation, financial strength, and stability;
- Block trading and block positioning capabilities;
- Willingness to execute difficult transactions;
- Willingness and ability to commit capital;
- Access to underwritten offerings and secondary markets;
- Ongoing reliability;
- Overall costs of a trade (*i.e.*, net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of the Adviser's knowledge of negotiated commission rates currently available and other current transaction costs;
- Nature of the investment opportunities and available market makers;
- Desired timing and volume of trading activity size of trade;
- Confidentiality of trading activity;
- Market intelligence regarding trading activity; and
- The receipt of prime brokerage and related services, including introductions to management and research and industry information.

Although the Adviser generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Transactions may involve, among other things, specialized services on the part of a broker-dealer, which may justify higher commissions and equivalents than would be the case for more routine services.

In selecting brokers to effect portfolio transactions in public securities for Clients, the Adviser seeks best execution and considers the factors listed above. The Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. In addition, if the Adviser determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the research and brokerage services provided by such broker, Clients may

pay commissions to such broker in an amount greater than the amount another broker might charge in return for the receipt of such research and brokerage services (“soft dollars”). When utilizing soft dollars, the Adviser receives a benefit because it does not have to produce or pay for the research, products or services. In fact, the Adviser may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on the Clients’ interest in receiving most favorable execution.

The Compliance Committee reviews the brokerage services provided to it by broker-dealers using the above criteria generally on a quarterly basis.

Research and Other Soft Dollar Benefits

Section 28(e) of the Securities Exchange Act of 1934, as amended, is a “safe harbor” that permits an adviser to use commissions or “soft dollars” to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. The Adviser’s policy is to limit the use of “soft dollars” to obtaining research and brokerage services which constitute research and brokerage within the meaning of Section 28(e). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between the Adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

During the past fiscal year, the Adviser utilized a de minimis amount of “soft dollars” to obtain research reports. Note that research reports may also be acquired from various broker-dealers that the Adviser utilizes as either an executing broker or prime broker for Clients without the use of “soft dollars”. This research is not provided with “soft dollar” credits generated by specific trades, but rather would be provided by the broker-dealer because of the Adviser’s ongoing relationship with the broker-dealer.

In some instances, the Adviser may receive a product or service that may be used only partially for functions within Section 28(e) (e.g., an order management system, trade analytical software or proxy services). In such instances, the Adviser will make a good faith effort to determine the relative proportion of the product or service used to assist the Adviser in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). The proportion of the product or service attributable to assisting the Adviser in carrying out its investment decision-making responsibilities will be paid through

brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by the Adviser from its own resources. In order to mitigate the potential conflicts described above, the Adviser requires all requests for payment with soft dollars, if any, to be reviewed and approved by the Adviser's Chief Financial Officer.

In addition to using brokers as "agents" and paying commissions, the Adviser may cause Clients to buy or sell securities directly from or to dealers acting as principals at prices that include markups or markdowns, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. Actual brokerage business received by any broker may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above.

Research and brokerage services obtained by the use of commissions arising from Client transactions may be used by the Adviser in its other investment activities and thus, a particular Client may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided. Although the Adviser makes a good faith determination that the amount of commissions paid is reasonable in light of the products or services provided by a broker, commission rates are generally negotiable and thus, selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable. The receipt of such products or services and the determination of the appropriate allocation in the case of "mixed use" products or services create a potential conflict of interest between the Adviser and Clients.

Trade Aggregation

If necessary, the Adviser will aggregate trades to be made by Mercator Fund (Cayman Master) L.P. and the SMA's, subject to best execution considerations. (The Sycale Funds do not transact in publicly-traded securities.) Aggregation (or "bunching") describes a procedure whereby an investment adviser combines the orders of two or more Clients into a single order for the purpose of obtaining better prices and lower execution costs. If and when Clients participate in an aggregated trade, the Adviser will allocate the trade, as between the participating Clients, on a basis that it believes is fair and equitable to each Client taking into account the best interests and account-specific mandates of each Client as well as other pertinent factors. Each Client that participates in the allocation of an aggregated order will participate at the average price for all of the participating transactions necessary to fill the trade order, with aggregated transaction costs shared equally based on each Client's participation in the transaction.

Trade Errors

The Adviser may make mistakes with respect to investment management decisions, trading, processing or other functions performed by the Adviser or its affiliates. The Adviser seeks to ensure that each trade error is corrected in a prompt and efficient manner to minimize any adverse effect to the Funds. However, not all mistakes are considered trade errors compensable by the Adviser. The cost of any trade error is borne by the Funds unless a trade error is the result of fraud, willful

misconduct, gross negligence or breach of the Adviser's fiduciary duty.

Liability for the cost of any trade error made by the Adviser for an SMA is as set forth in each SMA's governing documents.

Item 13 – Review of Accounts

The Adviser provides continuous advisory services to Clients. Mr. Friedberg, the Adviser's Portfolio Manager, as well as the Adviser's Investment Team actively monitor current and potential future investments. They also conduct daily risk management of the investment portfolios. The risk management process also includes frequent informal dialogue and active daily monitoring of the Funds' investments.

The Adviser provides reports in accordance with the applicable Client's governing documents. For the Mercator Funds, the Adviser currently provides monthly statements, quarterly letters, annual financial statements and tax reporting (when appropriate). For the Sycamore Funds, the Adviser currently provides quarterly statements, annual financial statements and tax reporting (when appropriate). The annual audited financial statements of the applicable Fund are sent to investors in accordance with Rule 206(4)-2 under the Advisers Act (the "Custody Rule").

In addition, the Adviser may agree to provide certain Fund investors with more frequent or more detailed reports of the Funds' portfolio holdings or performance.

SMA investors receive the report set forth in their governing documents.

Item 14 – Client Referrals and Other Compensation

The Adviser does not receive any economic benefit from someone who is not a client for providing investment advice or other advisory services to its clients. The Adviser utilizes one third-party placement agent who makes referrals of investors to the Mercator Funds. Such third-party placement agent is paid based on a negotiated percentage of revenues generated from management fees and incentive fees from assets raised.

Item 15 – Custody

The Adviser and its General Partner affiliates are deemed to have "custody" of the Funds. All Fund assets are held in custody by qualified custodians which are unaffiliated broker-dealers or banks. In accordance with the Custody Rule, the investors in the Funds do not receive statements directly from their custodians. Instead, the Funds' financial statements are audited on an annual basis in accordance with generally accepted accounting principles (GAAP) and the financial statements are distributed to each investor in accordance with the Custody Rule.

The Adviser and its General Partners affiliates are not deemed to have "custody" of SMA assets.

Item 16 – Investment Discretion

Pursuant to each Client’s governing documents, the Adviser has been given full investment discretion, including authorization to make the following determinations in accordance with the Client’s objectives and restrictions without obtaining prior consent from Clients or any of their investors: (1) which securities or instruments to buy or sell; (2) the total amount of securities or instruments to buy or sell; (3) the executing broker or dealer for any transaction; and (4) the commission rates or commission equivalents charged for transactions. The Adviser’s discretionary authority regarding investments may be subject to certain limitations as stated in the Client’s governing documents.

Item 17 – Voting Client Securities

The Adviser exercises proxy voting authority for Clients. The Adviser’s proxy voting policy is to vote proxies in the best interests of the Clients. It is the policy of the Adviser in voting proxies to consider and vote each proposal with the objective of maximizing long-term investment returns for Clients.

The Adviser’s policy is to vote – not abstain from voting – on all issues presented on portfolio securities held for Clients. The Adviser will consider all issues presented for a vote of security holders from an investment point of view and vote in the best investment interests of Clients.

All employees of the Adviser have a duty to report any potential conflict of interest of which they become aware regarding voting on behalf of Clients. The Adviser will consider all potential conflicts of interest brought to its attention, or that otherwise come to its attention, and will determine whether there exists a material conflict of interest with respect to the vote in question. A conflict of interest will be considered material to the extent it is determined that such conflict has the potential to influence the Adviser’s decision-making regarding the vote. Where it is deemed that a material conflict of interest does not exist, the Adviser may cast such vote, subject to the duty to act solely in the best interest of the Clients holding the securities that are being voted. Where it is determined that a material conflict of interest does exist, and if the issue is specifically addressed in the Adviser’s proxy voting policies and procedures, the Adviser will vote in accordance with the stated policies. In a situation where the issue is not specifically addressed in the policies and an apparent or actual conflict exists, the Adviser shall either: (a) delegate the voting decision to an independent third party; (b) inform investors of the conflict of interest and obtain advance requisite consent; or (c) not vote.

The Adviser generally will not vote proxies in situations where its position, across all Clients is an immaterial position (less than or equal to 1% of outstanding voting equity), or when the Adviser receives a proxy for a security which it no longer holds in the portfolio of a Client.

The Adviser’s proxy voting policy and procedures contain voting guidelines on the following topics: (i) oversight over Institutional Shareholder Services (ISS), the Adviser’s “proxy advisory firm”, and in particular guidelines regarding establishing and over-riding preset voting guidelines; (ii) routine vs. non-routine proposals; (iii) corporate governance proposals; (iv) social issues/ESG;

and (v) other types of shareholder proposals. Absent good reason to the contrary, the Adviser will generally give substantial weight to management recommendations regarding voting, and will vote for routine matters in favor of management proposals. Non-routine matters will be voted on a case-by-case basis, given the often complex nature of these issues.

Investors may not direct the Adviser's vote in any proxy solicitation. Investors may obtain a copy of the Adviser's proxy voting policies and procedures upon request.

Item 18 – Financial Information – not applicable