

**Item 1
Cover Page**

Part 2A of Form ADV: Firm Brochure

Arvin Capital Management LP

March 27, 2024

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This brochure (this “*Brochure*”) provides information about the qualifications and business practices of Arvin Capital Management LP (“*Arvin Capital*”, the “*Firm*”, “*we*”, “*us*” and similar terms). If you have any questions about the contents of this Brochure, please contact us at (212) 548-3950 or by email at Investor.Relations@arvincap.com.

This Brochure also relates to Arvin Capital LP (the “*Fund General Partner*”); however to the extent the qualifications and business practices of the Fund General Partner are substantially similar to those of the Firm, no specific mention of the Fund General Partner is made herein.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“*SEC*”) or by any state securities authority. Additional information about Arvin Capital and its affiliates is also available on the SEC’s website at www.adviserinfo.sec.gov.

Any reference to Arvin Capital as a “registered investment adviser” or as being “registered” does not imply a certain level of skill or training.

Item 2

Material Changes

Arvin Capital is required to identify and discuss any material changes made to this Brochure since its initial brochure filing (which was made on March 10, 2023, and subsequently amended on May 1, 2023 and July 3, 2023). While this update to this Brochure contains changes and updates to certain information, Arvin Capital believes that the following are the only material changes since the initial brochure filing:

- Arvin Capital was approved as a registered investment adviser on April 10, 2023 (as reflected in the July 3, 2023 Other-Than-Annual Amendment).
- Ben Salamian was appointed to serve as Arvin Capital's Chief Compliance Officer in April 2023 (as reflected in the May 1, 2023 Other-Than-Annual Amendment).
- Arvin Capital's new principal place of business is 515 Congress Avenue, Suite 1075, Austin, Texas 78701 (as reflected in the July 3, 2023 Other-Than-Annual Amendment).

Arvin Capital recommends that you read this Brochure in its entirety. If Arvin Capital makes any material changes to this Brochure, this item will be revised to include a summary of such changes.

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Item 4

Advisory Business

A. General Description of Advisory Firm

Arvin Capital Management LP (“*Arvin Capital*”, the “*Firm*”, “*we*”, “*us*”, and similar terms) is a Delaware limited partnership headquartered in Austin, Texas. Arvin Capital began operations as an investment adviser to private fund clients in July 2021 and has been registered with the SEC since April 2023. Rohan Varavadekar (the “*Chief Investment Officer*”) is the founder and principal owner of Arvin Capital and the managing member of Arvin Capital’s general partner, Arvin Capital Management GP LLC, a Delaware limited liability company. The Chief Investment Officer has ultimate responsibility for Arvin Capital’s management and investment decisions.

Arvin Capital’s registration on Form ADV also covers Arvin Capital LP (the “*Fund General Partner*”), a Delaware limited liability company. The Fund General Partner is an affiliate of Arvin Capital and serves as the general partner of private fund clients that are U.S. and offshore partnerships. The Fund General Partner’s facilities and personnel are provided by Arvin Capital. The Chief Investment Officer controls the Fund General Partner as its principal owner and managing member.

B. Description of Advisory Services

This Brochure generally includes information about us and our relationships with our clients. While much of this Brochure applies to all such clients, certain information included herein applies to specific clients only.

We serve as the investment adviser with discretionary trading authority to private fund clients, the securities of which are offered to investors on a private placement basis.

We currently advise the following private fund clients:

- Arvin Capital Partners LP, a Delaware limited partnership (the “*Domestic Fund*”);
- Arvin Capital Partners Offshore Fund LP, a Cayman Islands exempted limited partnership (the “*Offshore Fund*”); and
- Arvin Master Fund LP, a Cayman Islands exempted limited partnership (the “*Master Fund*”), which serves as the master fund into which the Domestic Fund and the Offshore Fund invest all of their investable assets through a “master feeder” structure.

The Domestic Fund, the Offshore Fund, and the Master Fund are collectively referred to as the “*Arvin Capital Fund*.” The Fund General Partner serves as the general partner of the Arvin Capital Fund.

Arvin Capital also provides investment advisory services on a discretionary basis to separate accounts of private funds, each established and operated by third-party investment managers (each a “*Separate Account*” and collectively the “*Separate Accounts*”). The Separate Accounts pursue a substantially similar strategy to the Arvin Capital Fund.

Arvin Capital may, in the future, advise other clients and private investment funds, including separately managed accounts, special purpose vehicles, co-investment funds, and similar investment vehicles.

As used herein, the term “*Client*” generally refers to each Arvin Capital Fund, the Separate Accounts and to any other client that Arvin Capital may advise in the future.

In providing advisory services to its Clients, Arvin Capital pursues a long/short equity strategy focused on global equities. Arvin Capital intends to also invest opportunistically in fundamental credit securities. As part of its investment program, the Arvin Capital Fund may, from time to time, make investments in securities for which there is no ready market (generally, illiquid or restricted investments in public and private equity, private debt, illiquid public debt and equity investments) and which Arvin Capital, in its sole discretion, determines should be treated as “*Special Investments*.” Please see “*Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss*” for a description of the Arvin Capital’s investment strategies and certain related risks. Notwithstanding the foregoing, subject to any limitations in the governing documents of the Arvin Capital Fund, Arvin Capital is not limited with respect to the types of investment strategies it may employ or the markets or instruments in which it may invest.

The securities of the Arvin Capital Fund are offered and sold on a private placement basis under exemptions promulgated under the Securities Act of 1933, as amended, and other exemptions of similar import under U.S. state laws and the laws of other jurisdictions where any offering may be made. Investors in the Arvin Capital Fund must meet the qualifications set forth in the applicable offering documents. Persons reviewing this Brochure should not construe this as, and should understand that this Brochure is not, an offer to sell or solicitation of an offer to buy the securities of any of the Arvin Capital Fund described herein. Any such offer or solicitation will be made only by means of a confidential private placement memorandum.

C. Tailored Advisory Services for Client Accounts

Arvin Capital manages assets in accordance with the stated investment objectives of each Client, as described in any relevant investment management agreement or similar agreement (an “*IMA*”) or in an offering memorandum or a Client’s organizational documents (together with the IMA and the offering memorandum, the “*Offering Documents*”). Investment advice is provided directly to Clients and not individually to the limited partners, shareholders, and investors in Clients (the “*Investors*”).

D. Wrap Fee Programs

Arvin Capital does not currently participate in wrap fee programs.

E. Assets Under Management

Arvin Capital manages, on a discretionary basis, approximately \$472,003,000 of Client regulatory assets under management. This figure for regulatory assets under management was determined as of December 31, 2023. Arvin Capital does not manage any assets on a non-discretionary basis.

Item 5 Fees and Compensation

A. Advisory Services and Fees

1. *Arvin Capital Fund*

Arvin Capital, either directly or indirectly through the Fund General Partner, receives management and performance-based incentive allocations in connection with the investment advisory services Arvin Capital provides to the Arvin Capital Fund. The fees and/or allocations applicable to the Arvin Capital Fund are set forth in detail in the Offering Documents.

A brief summary of such fees and allocations is provided below.

Management Fee

Investors in the Arvin Capital Fund (“*Fund Investors*”) pay Arvin Capital a management fee that ranges between 1% and 1.5% per annum (the “*Management Fee*”), based on each Fund Investor’s class of interest in the Arvin Capital Fund and the assets under management of the Arvin Capital Fund. The Management Fee is paid quarterly in advance based on each Fund Investor’s capital account balance (including Special Investments, valued at the lesser of cost and fair value as determined by the Arvin Capital, and any related hedges or positions).

Arvin Capital, in its sole discretion, may waive or modify the Management Fee for Fund Investors that are members, principals, employees or affiliates of Arvin Capital or the Fund General Partner, relatives of such persons (collectively, “*Arvin-Related Investors*”) and for certain large or strategic investors. Typically, no Management Fee will be paid by any Arvin-Related Investor.

Incentive Allocation

At the end of each fiscal year, the Fund General Partner will be entitled to receive an incentive allocation based on the investment performance of the Arvin Capital Fund (the “*Incentive Allocation*”) generally in an amount between 15% and 20% of realized and unrealized gains (excluding unrealized gains on Special Investments) for the year subject to a traditional “high watermark” and subject to certain reductions as fully set forth in the Offering Documents. The Incentive Allocation for Special Investments is calculated upon the realization of such investments.

Arvin Capital and/or the Fund General Partner, in its sole discretion, may waive or modify the Incentive Allocation for Arvin-Related Investor and for certain large or strategic investors. Typically, no Incentive Allocation will be paid by any Arvin-Related Investor.

In addition, Arvin Capital and/or the Fund General Partner, without notice to or consent from existing and/or prospective Fund Investors, occasionally enter into side letter arrangements or similar separate agreements with certain Fund Investors which provide for, different or more favorable terms than those described above including, without limitation, the fees charged, minimum subscription amounts, redemption rights, transfers, special rights relating to

participation in Special Investments, “most favored nation” rights, rights to receive reports from the Arvin Capital Fund on a more frequent basis or that include information not provided to other Fund Investors (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated by the Arvin Capital Fund and such Fund Investors.

2. Separate Accounts and Separately Managed Accounts

The Separate Accounts pay a management fee and performance-based incentive compensation in an amount substantially similar to those paid by Fund Investors. Any additional separately managed accounts are expected to pay a management fee and incentive fee based on the value and performance of the assets in such an account, determined in accordance with each account’s IMA.

B. Payment of Fees

With respect to the Arvin Capital Fund and the Separate Accounts, management fees are paid monthly in advance. Incentive allocations or fees are paid annually in arrears (excluding unrealized gains on Designated Investments). With respect to the Arvin Capital Fund, the Management Fee and Incentive Allocation are generally deducted from each Investor’s capital balance account by the Funds’ administrator.

C. Additional Expenses

Each Client generally bears all of their own expenses, including but not limited to expenses related to its operations and the investment of its assets. Each Client shall bear those expenses as set forth in the applicable Offering Document, as amended from time to time, including, but not limited to, some or all of the following: legal, compliance (including consultants’ fees), risk management expenses (including software licensing and consultants’ fees), administrator (including, but not limited to, middle and back office services and software necessary for trade capture and portfolio management), audit and tax preparation (including third-party tax preparation) and accounting expenses (including third party accounting services and accounting software), expenses related to outsourced middle and back office service providers, class action service providers, organizational expenses, execution and order management system fees and expenses, investment expenses such as commissions and other brokerage fees, research fees and expenses (including Bloomberg and other research subscriptions, medical and industry conference registration fees, research data services, consultant fees and compensation and research-related travel), interest on margin accounts and other indebtedness; borrowing charges on securities sold short, custodial fees; bank service fees; Client-related insurance costs (including its pro rata share of premiums for D&O and E&O insurance for the Arvin Capital and the Fund General Partner and members of the advisory committee (“*Advisory Committee*”)), Cayman anti-money laundering officers and related expenses; independent Advisory Committee members’ fees and expenses; expenses of a Client’s regulatory compliance (including compliance with AIFMD and AEOI and expenses related to various filings (or portions thereof) that Arvin Capital is required to make as a result of managing the Client’s portfolio, such as Section 13, Section 16 and Form PF filings), proxy voting services fees, pricing service fees, portfolio valuation expenses (including data feeds and third-party

valuation agents), and any other expenses related to the purchase, sale or transmittal of a Client's assets.

Any expenses attributable to a particular Special Investment, as determined by Arvin Capital and/or the Fund General Partner, will be charged solely to those Fund Investors participating in that Special Investment.

In general, each Investor will bear its proportionate share of the Client expenses on a pro rata basis with respect to the size of its capital account balance. Arvin Capital and/or the Fund General Partner may, however, allocate expenses on another basis, including by allocating certain expenses to certain (but not all) Investors, if Arvin Capital and/or the Fund General Partner determine that such an allocation is more equitable.

When Arvin Capital incurs expenses on behalf of multiple Clients and/or its affiliated entities, it will allocate the expenses among the applicable Clients and/or affiliated entities in a fair and equitable manner, based upon the relative use of a product or service, net asset value, or such other allocation methodology determined by Arvin Capital and/or the Fund General Partner in its discretion subject to applicable law. However, it is possible not all expenses will be allocated ratably across all Client accounts.

D. Prepayment of Fees

With respect to the Arvin Capital Fund, Management Fees are paid quarterly in advance. To the extent that an Investor is permitted to withdraw their investment from a Client prior to the end of a quarter, such withdrawing Investor receives a pro rata refund for any prepaid management fees applicable to such Investor's capital account. With respect to the Separate Accounts, management fees are paid quarterly in arrears or monthly in advance, as determined in accordance with each account's IMA.

E. Additional Compensation and Conflicts of Interest

Neither Arvin Capital nor any of its supervised persons accepts compensation (*e.g.*, brokerage commissions) for the sale of securities or other investment products.

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

Arvin Capital and its affiliates accept performance-based compensation from every Client. As a result, Arvin Capital and its affiliates do not face certain conflicts of interests that may arise when an investment adviser accepts performance-based fees or allocations from some Clients, but not from other Clients.

The performance-based compensation paid to Arvin Capital and its affiliates may create an incentive for Arvin Capital and its affiliates to make investments that are riskier or more speculative than it would otherwise make. In addition, because performance-based compensation is calculated based on unrealized appreciation of a Client's net assets (except as it relates to Special Investments), it may be greater than if such compensation were based solely on realized gains. These conflicts are disclosed in each Client's Offering Documents.

Item 7

Types of Clients

Arvin Capital provides investment advisory services to the Arvin Capital Fund and the Separate Accounts, as described above. Arvin Capital may, in the future, provide investment advisory services to other types of clients. The respective investment programs of the Arvin Capital Fund and the Separate Accounts and such additional clients may or may not overlap.

Investors in the Arvin Capital Fund may, among others, include institutions, pension plans, endowments, foundations, trusts, high net-worth individuals, financially sophisticated individuals, and other sophisticated investors. The Arvin Capital Fund typically requires a minimum initial investment of \$3,000,000, subject to the discretion of Arvin Capital and/or the Fund General Partner to accept a lower amount. Each investor in the Arvin Capital Fund generally must be a non-U.S. person or a U.S. person that is (i) an “accredited investor”, as defined in Regulation D under the U.S. Securities Act of 1933, as amended, and (ii) either a “qualified purchaser”, as defined in the U.S. Investment Company Act of 1940, as amended (the “*Company Act*”), or a “knowledgeable employee”, as defined under Rule 3c-5 of the Company Act, and must meet other suitability requirements.

Item 8
Method of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategies

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

The investment objective of the Arvin Capital Fund is to seek to achieve capital appreciation by taking long and short positions in a portfolio that consists primarily of a broad range of global equities, as well as opportunistic investments in fundamental credit securities. The Firm may also use additional instruments such as index futures, commodities, interest rate products, equity and credit derivatives, and currency products, principally for the purposes of risk management.

To achieve the investment objective of the Arvin Capital Fund, the Firm uses fundamental, bottom-up analysis to identify what it considers to be undervalued or overvalued investment opportunities and to capture fundamental valuation disparities. Ideas for investments are sourced from multiple channels including meetings with management of portfolio companies, sell side research, industry conferences and company screenings. The Firm uses the results of its research methodology to create financial models that it believes will help it to understand the key market drivers, the impact of earnings and the residual equity value of the investment.

The Firm understands that risk management is critical in its effort to achieve the maximum return on each investment. Before making an investment, the Firm will typically analyze key stock-specific risk metrics which may include volatility of the individual position, its correlation to other names in the Arvin Capital Fund's portfolio, its level of indebtedness, the liquidity of the investment and its potential as a short. Ongoing position-level risk management will include a systematic approach to monitoring price targets and a regular appraisal of the Firm's level of conviction in the investment's fundamentals compared to the original research thesis. The Firm considers portfolio-level risk management to be of high importance and will aim to achieve low correlation across the Arvin Capital Fund's portfolio by regularly evaluating the portfolio and seeking diversification.

The Separate Accounts pursue a substantially similar strategy as the Arvin Capital Fund.

The Arvin Capital Fund may invest at any time in securities for which there is no ready market (generally, illiquid or restricted investments in public and private equity, private debt, illiquid public debt and equity investments) and which the Firm, in its sole discretion, determines should

be treated as “*Special Investments*.” Typically, the Firm will designate an investment as a Special Investment at the time of purchase. The cost of a Fund Investor’s participation in Special Investments will generally be limited to 20% of such Fund Investor’s capital account balance (measured at the time the Firm designated such investment as a Special Investment), as more fully described in the applicable Offering Documents.

The Firm intends to pursue the investment strategy described above as long as such strategy is in accordance with the Clients’ investment objective. In addition, the Firm may also formulate and implement new approaches to carry out the investment objective of the Clients.

While it is anticipated that Clients will invest primarily in equities and equity-related securities, as well as fundamental credit securities, Clients have broad and flexible investment authority. Accordingly, the Clients’ investments may at any time include, without limitation, long or short positions in U.S. or non-U.S. publicly-traded or privately issued common stocks (or equivalent), private investments in public equity (“*PIPES*”), preferred stocks, stock warrants and rights, convertible securities, restricted securities, futures, swaps (including credit default swaps and total rate of return swaps), “custom baskets”, options (purchased or written), bonds and other fixed income securities, partnership interests and other securities or financial instruments including those of investment companies. Clients may also purchase put and call options, write uncovered put and call options and invest in bonds or other fixed income securities, when deemed appropriate by the Firm. In addition, Clients may invest in spot foreign exchange, foreign exchange deliverable and non-deliverable forward contracts, commodity investments, derivatives and other “over-the-counter” instruments. While Clients’ portfolios are generally expected to be comprised mostly of relatively liquid securities (other than Special Investments), the Firm expects that certain Clients, at times, will invest in securities which are not readily marketable, including private and over-the-counter securities.

B. Material, Significant or Unusual Risks Relating to Investment Strategies

The investment program that Arvin Capital pursues on behalf of its Clients is speculative and involves substantial risks. There can be no assurance that Clients will achieve their investment objectives. As a result of the inherent riskiness and uncertainty of an investment in the Clients, such investment involves the risk of loss of some or all of an Investor’s investment.

Risk Factors

Prospective Investors should carefully consider the risks involved in an investment in a Client, including, but not limited to, those discussed below. Prospective Investors should review the applicable Offering Documents, which contain all material information and may contain explanations of additional strategies and corresponding risks not discussed below.

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the Clients that Arvin Capital advises. These risk factors include only those risks Arvin Capital believes to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis that it employs.

Nature of Investments. Arvin Capital has broad discretion in making investments for the Clients. Investments will generally consist of equities and equity-related securities, as well as credit instruments, on a global basis and other assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that Arvin Capital will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Clients' activities and the value of its investments. In addition, the value of the Clients' portfolio may fluctuate as the general level of interest rates fluctuates. No guarantee or representation is made that the investment objective of the Clients will be achieved.

Risks Relating to Investment Strategy

Convergence Risk/Relative Value Strategy Risk. Our Clients pursue relative value strategies by taking long positions in securities believed to be undervalued and short positions in securities believed to be overvalued. In the event that the perceived mispricings underlying such Clients' trading positions were to fail to converge toward, or were to diverge further from, Arvin Capital's expectations, the Clients may incur a loss. In implementing "relative value" strategies, the Firm will seek to reduce exposure to the risk of overall market price movements, but our Clients will be fully exposed to the risks of disruptions in historical price relationships, the restricted availability of credit and the obsolescence of its valuation models.

The Firm competes with a large number of firms, many of which have substantially greater financial resources as well as larger research and trading staffs than are available to our Clients. Competitive investment activity by other firms tends to reduce the Clients' opportunity for profit by reducing the magnitude as well as the duration of the market inefficiencies which it seeks to exploit.

Short Sales. Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on a Client's portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase.

Use of Leverage. On behalf of the Clients, Arvin Capital have the authority to utilize leverage. This may result in the Clients controlling substantially more assets than the Clients have equity. Leverage increases the Clients' returns if the Clients earn a greater return on investments purchased with borrowed funds than the Clients' cost of borrowing such funds. However, the use of leverage exposes the Clients to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had the Clients not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Clients' cost of borrowing such funds. In the event of a sudden, precipitous drop in

value of a Client's assets, such Client might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying its losses.

Hedging Transactions. Our Clients utilize a variety of financial instruments such as derivatives, options, swaps, caps and floors, forward contracts for both risk management and general investment and speculation purposes. With respect to the Clients' risk management and hedging transactions, there can be no assurances that a particular hedge is appropriate, or that a certain risk is measured properly. Further, while our Clients may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for the Clients than if it did not engage in any such hedging transactions. In addition, Arvin Capital, on behalf of the Clients, may choose not to enter into hedging transactions with respect to some or all of its positions.

Portfolio Turnover. Arvin Capital's investment strategy may require it to actively trade the Clients' portfolios, and as a result, turnover and brokerage commission expenses of the Clients may significantly exceed those of other investment entities of comparable size.

Currency Risks. Our Clients may have exposure to fluctuations in currency exchange rates. It may, in part, seek to offset the risks associated with this exposure or enter into foreign exchange transactions to increase its returns. These transactions involve a significant degree of risk and foreign exchange markets are volatile, specialized and technical. Significant changes, including changes in liquidity and prices, can occur in these markets within very short periods of time. Changes in exchange rates over time are the result of many factors directly or indirectly affecting the economic and political conditions in the country or economic region associated with a specific currency. Exchange rates fluctuate for a number of reasons, including:

- existing and expected rates of inflation,
- existing and expected interest rate levels,
- the balance of payments between the relevant country and its major trading partners,
- political, civil or military unrest in the relevant country or economic region; and
- monetary, fiscal and trade policies of the relevant country or economic region (including pegging, de-pegging, flooring or capping an exchange rate relative to another currency).

Governments use a variety of techniques, such as intervention by their central banks or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Foreign exchange rates can either be fixed by sovereign governments or floating. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to the value of other currencies. However, governments do not always allow their currencies to float freely in response to economic forces. Governments use a variety of techniques, such as intervention by their central bank or imposition of regulatory controls or taxes, to affect the trading value of their respective currencies. They may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. The

value of the Clients could be affected by the actions of sovereign governments, which could change or interfere with theretofore freely determined currency valuation, fluctuations in response to other market forces and the movement of currencies across borders. Additionally, market perceptions of the relative strength or cohesion of a specific political state or monetary union can dramatically affect the value of a currency. Fluctuations in exchange rates may negatively impact the value of an investment in the Clients to the extent the Clients have currency exposure in the form of a hedge, a non-U.S. dollar denominated instrument or as a standalone position.

Event-Driven Strategy Risk. Arvin Capital's investment strategy, on behalf of the Clients, involves investing in companies that Arvin Capital believes are undervalued. Arvin Capital may seek to purchase securities at prices below their anticipated value following the occurrence of announced or anticipated events. The purchase price of such securities may be at a premium to the market price prior to the announcement. If the proposed transaction is not consummated, the market price of the security may decline and result in losses to the Clients. The number of such opportunities available varies greatly and is based on many factors beyond the control of Arvin Capital.

Reliance on the Chief Investment Officer. Our Clients rely heavily on the services of the Chief Investment Officer. The Chief Investment Officer is solely responsible for the investment decisions made with respect to the Clients. Should the Chief Investment Officer determine to discontinue managing the affairs of, or withdraw from, Arvin Capital or should the Chief Investment Officer die, be incapacitated or, for some other reason, be unable to effectively manage the affairs of Arvin Capital, the business and results of the operations of the Clients may be adversely affected and an Investor's withdrawal terms may be altered.

Risks Relating to Specific Investments

Arvin Capital does not recommend a particular type of investment instrument to Clients, but rather, we recommend and invest in multiple investment instruments. Given the broad discretion we have in managing Client portfolios, any one or more of the risks listed in the previous section may be incurred by our Clients.

However, because it may be useful in understanding our investment program, set forth below is a non-exclusive list of certain risks related to securities and other instruments that may be utilized:

Equity-Related Instruments in General. Arvin Capital uses equity-related instruments in its investment program. Certain options and other equity-related instruments are subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.

Options. The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security, commodity or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium. Additionally, the premium paid for an option is based, in part, on the time to expiration, and with the passage of

time, the premium associated with an option, declines, assuming all other factors being equal. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received (which could result in a potentially unlimited loss). Over-the-counter options also involve counterparty solvency risk.

In an unsettled credit environment, Arvin Capital may find it difficult or impossible to obtain leverage for the Clients. In such event, the Clients could find it difficult to implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in Arvin Capital being forced to unwind the Clients' positions quickly and at prices below what Arvin Capital deems to be fair value for such positions.

Non-U.S. Securities. Our Clients invest outside of the United States. Investing in securities of non-U.S. governments and companies which are generally denominated in non-U.S. currencies and utilization of options and swaps on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States government or United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Emerging Markets. Investing in emerging market debt or equity involves certain risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (a) the risk of nationalization or expropriation of assets or confiscatory taxation; (b) social, economic and political uncertainty including war; (c) dependence on exports and the corresponding importance of international trade; (d) price fluctuations, less liquidity and smaller capitalization of securities markets; (e) currency exchange rate fluctuations; (f) rates of inflation; (g) controls on foreign investment and limitations on repatriation of invested capital and on a Client's ability to exchange local currencies for U.S. dollars; (h) governmental involvement in and control over the economies; (i) that governments may decide not to continue to support economic reform programs generally and could impose centrally planned economies; (j) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (k) less extensive regulation of the securities markets; (l) longer settlement period for securities transactions; (m) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; and (n) certain considerations regarding the maintenance a Client's portfolio securities and cash with non-U.S. sub-custodians and securities depositories.

Bank Debt. Our Clients may invest in bank debt, which includes interests in loans to companies or their affiliates undertaken to finance a capital restructuring or in connection with recapitalizations, acquisitions, leveraged buyouts, refinancings or other financially leveraged transactions. The Clients' investments in bank debt may include loans that are designed to provide temporary or bridge financing to a borrower pending the sale of identified assets, the arrangement

of longer-term loans or the issuance and sale of debt obligations. Our Clients may also invest in collateral on financial instruments, including interests on whole commercial, consumer and/or other loans and lease contracts. These loans, which may bear fixed or floating rates, have generally been arranged through private negotiations between a corporate borrower and one or more financial institutions (“*Lenders*”), including banks. The Clients’ investments in bank debt may be in the form of participations in loans (“*Participations*”) or of assignments of all or a portion of loans from third parties (“*Assignments*”).

In certain cases, the rights and obligations acquired by the Clients through the purchase of an Assignment may differ from, and be more limited than, those held by the assigning selling institution. Assignments are sold strictly without recourse to the selling institutions, and the selling institutions will generally make no representations or warranties to the Clients about the underlying loan, the borrowers, the documentation of the loans or any collateral securing the loans.

The Clients will only have the right to receive payments of principal, interest and any fees to which it is entitled only from the Lender selling the Participation, and only upon receipt by the Lender of the payments from the borrower. In connection with purchasing Participations, the Clients generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan, or any rights of set-off against the borrower, and the Clients may not benefit directly from any collateral supporting the loan in which it has purchased the Participation. Thus, the Clients will assume the credit risk of both the borrower and the Lender that is selling the Participation. In addition, in connection with purchasing Participations, the Clients generally will have no role in terms of negotiating or effecting amendments, waivers and consents with respect to the loans underlying the Participations. In the event of the insolvency of the Lender, the Clients may be treated as a general creditor of the Lender and may not benefit from any set-off between the Lender and the borrower.

Investments in Participations and Assignments involve additional risks, including the risk of nonpayment of principal and interest by the borrower, the risk that any loan collateral may become impaired and that the Clients may obtain less than the full value for the loan interests sold because they may be illiquid. Purchasers of loans depend primarily upon the creditworthiness of the borrower for payment of interest and repayment of principal. If scheduled interest or principal payments are not made, the value of the instrument may be adversely affected.

Investments in loans through direct assignment of a financial institution’s interests with respect to a loan may involve additional risks. For example, if a loan is foreclosed, the Clients could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral. In addition, it is conceivable that under emerging legal theories of lender liability, the Clients could be held liable as a co-lender.

A loan is often administered by a bank or other financial institution that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. Unless under the terms of the loan or other indebtedness the Clients have direct recourse against the borrower, the Clients may have to rely on the agent to apply appropriate credit remedies against the borrower. If assets held by the agent for the benefit of the Clients were determined to be subject to the claims of the agent’s general creditors, the Clients may incur certain costs and delays in realizing payment on the loan or loan participation and could suffer a loss of principal or interest.

Interests in loans are also subject to additional liquidity risks. Loans are generally subject to legal or contractual restrictions on resale. Loans are not currently listed on any securities exchange or automatic quotation system but are traded by banks and other institutional investors engaged in loan syndication. As a result, no active market may exist for some loans, and to the extent a secondary market exists for other loans, such market may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods. Consequently, the Clients may have difficulty disposing of Assignments or Participations in response to a specific economic event, such as deterioration in the creditworthiness of the borrower, which can result in a loss. In such market situations, it may be more difficult for the Clients to assign a value to Assignments or Participations when valuing the Clients' assets.

Commodity and Futures Contracts. Our Clients may also invest in commodity or futures contracts. Trading in commodity and futures contracts and options thereon are highly specialized activities which while they may increase the total return in the Clients' investments, may entail greater than ordinary investment risks.

Commodity futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events and changes in interest rates. In addition, because of the low margin deposits normally required in commodity futures trading, a high degree of leverage may be typical of a commodity futures trading account. As a result, a relatively small price movement in a commodity futures contract may result in substantial losses to the trader. Commodity futures trading may also be illiquid. Certain commodity exchanges do not permit trading in particular futures contracts at prices that represent a fluctuation in price during a single day's trading beyond certain set limits. If prices fluctuate during a single day's trading beyond those limits, Arvin Capital could be prevented from promptly liquidating unfavorable positions and thus be subject to substantial losses.

Commodity options, like commodity futures contracts, are speculative, and their use involves risk. Specific market movements of the cash commodity or futures contract underlying an option cannot be predicted, and no assurance can be given that a liquid offset market will exist for any particular futures option at any particular time.

Derivatives. To the extent that our Clients invest in swaps, derivative or synthetic instruments, or enters into repurchase agreements or other over-the-counter transactions, the Clients may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organization guarantees, more frequent mark-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets (directly or indirectly) of the Clients, and hence the Clients should not be exposed to a credit risk with regard to such parties. However, it may not always be possible to achieve this segregation, and there may be practical or time problems associated with enforcing rights to its assets in the case of an insolvency of any such party.

Warrants and Rights. Our Clients may purchase warrants and rights. Warrants are derivative instruments that permit, but do not obligate, the holder to subscribe for other securities or commodities. Rights are similar to warrants, but normally have a shorter duration and are offered or distributed to shareholders of a company. Warrants and rights do not carry with them the right to dividends or voting rights with respect to the securities that they entitle the holder to purchase, and they do not represent any rights in the assets of the issuer. As a result, warrants and rights may be considered more speculative than certain other types of equity-like securities. In addition, the values of warrants and rights do not necessarily change with the values of the underlying securities or commodities and these instruments cease to have value if they are not exercised prior to their expiration dates.

Private Investments in Public Equity (“PIPEs”). PIPEs are private (unregistered) offerings of common stock or other securities, usually at a discount to current market price, issued by public companies. The typical PIPE is subject to a “lockup” agreement that prohibits the owner from reselling the PIPE security until it is registered or until a designated holding period has elapsed. On occasion, the SEC has refused to allow PIPE securities to be registered due to the immediate impact such registration could have on the public market for such securities (for example, if certain owners of such PIPEs have sold the securities short in anticipation of their registration). Typically, PIPE securities are offered by small public companies, companies in need of regular cash infusions, companies in financial distress or companies where a public offering has failed. PIPE securities may be susceptible to special risks that may not be present in the relevant issuer’s publicly traded securities. Substantial illiquidity could remain even after a PIPE security becomes registered for public sale. Moreover, a Client’s entire investment in PIPE securities may be lost if such securities never become registered.

PIPEs may be difficult to accurately value. In light of the foregoing, there is a risk that an Investor who withdraws all or part of their investment while a Client holds PIPEs will be paid an amount less than it would otherwise be paid if the actual value of such PIPEs is higher than the value designated by the Clients. Similarly, there is a risk that such Investor might, in effect, be overpaid if the actual value of the PIPEs held by a Client is lower than the value designated by such Client.

Unlike the purchase of freely tradable common stock in the open market, PIPEs generally involve contractual obligations by the issuer of such securities requiring the issuer to take certain actions, such as registering the securities or, in the case of convertible securities, issuing the underlying securities upon exercise of convertible securities and registering the convertible securities and the underlying securities with the appropriate federal and state authorities for resale. In order for the Clients’ investment strategy to be effective, the issuer of such securities must abide by its contractual obligations. If an issuer fails to meet its contractual obligations, in addition to the possibility of being involved in costly litigation, the Clients may be unable to dispose of the securities at appropriate prices, if at all, or may experience substantial delays in doing so, and thus the Clients may not be able to realize the anticipated, or any, profit with respect to such investment for a substantial period of time, if ever. There can be no assurances that any issuer will succeed in registering for public resale the securities held by the Clients or that registration of securities pursuant to any such arrangement will create liquidity.

The Clients are also subject to regulatory requirements relating to Regulation D of the Securities Act, pursuant to which PIPEs purchased by the Clients may be exempt from registration. Section

2(a)(11) of the U.S. Securities Act of 1933, as amended (the “*Securities Act*”) defines an “underwriter” as any person who has purchased securities from an issuer with a view towards distribution. In connection with its sales of securities purchased pursuant to Regulation D or otherwise exempt from registration, the Clients could be deemed to be a “statutory underwriter” based on the method and timing of such sales. If the Clients were deemed to be a “statutory underwriter” it could have an adverse effect on the transaction(s) in respect of which such determination is made and, possibly, on the Clients' ability to continue to effectively pursue its investment strategy. If a Client is deemed to be an “underwriter” in the case of securities offered or sold by such Client after exercise of registration rights with respect to those securities, the Client could be held jointly and severally liable with the issuer to the persons purchasing such securities from it for damages based upon misstatements or omissions of material facts in a prospectus or oral communication delivered or made in connection with such offer or sale. If the securities held by the Clients are not registered, the Clients will be able to resell those securities publicly only pursuant to Rule 144 of the Securities Act and only in a manner in which the Clients will not be deemed to be engaged in a distribution of such securities and therefore not to be an “underwriter” with respect to such securities.

Credit Default Swap Agreements. Our Clients may utilize credit default swaps. The buyer of a credit default contract is obligated to pay the seller either a lump sum payment or a periodic stream of payments over the term of the contract in return for a contingent payment upon the occurrence of a credit event with respect to an underlying reference obligation or entity. Generally, a credit event means bankruptcy, failure to pay, cross default/acceleration, obligation acceleration, repudiation/moratorium, restructuring, or rating decline. The Clients may be either the buyer or seller in a transaction. If a Client is a buyer and no credit event occurs, the Client will have made fixed payments and received nothing. However, if a credit event occurs, the Client, as a buyer, typically will receive full notional value for a reference obligation that may have little or no value. As a seller, a Client receives a fixed rate of income throughout the term of the contract, which typically is between one month and five years, provided that no credit event occurs. If a credit event occurs, the seller may pay the buyer the full notional value of the reference obligation which may have little or no value.

In addition to general market risks, credit default swaps are subject to liquidity risk and credit risk. Swap contracts are not traded on exchanges and are not otherwise regulated, and as a consequence investor in such contracts do not benefit from regulatory protections. The selling of credit default swaps involves greater risks than if the Clients had invested in the reference obligation directly. If a credit event were to occur, the value of the reference obligation received by the seller, coupled with the periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value. The buyer of credit default swaps will incur a loss if the seller fails to perform on its obligation should a credit event occur. In certain circumstances, the buyer can receive the notional value of a credit default swap only by delivering a physical security to the seller and is at risk if deliverable security is unavailable or illiquid.

Investment Grade Loans and Bonds. The Clients may invest in investment grade loans and bonds. Investment grade securities typically do not contain significant covenants or other restrictions on the ability of the issuers to engage in certain activities, which can lead to deterioration in their credit quality. Such activities can include the declaration of dividends, the spin-off of substantial corporate assets, increases in corporate leverage for any purpose, and

engaging in mergers and acquisitions, whether as a buyer or a seller. Such activities can lead to sudden changes in the credit profile of such issuers and consequently to downgrades of their credit ratings. In addition, a deterioration of an issuer's operating performance, competitive position or outlook for any reason can also lead to negative rating agency actions. These factors and others can ultimately lead to reduced prices for an issuer's securities and losses for the Clients.

Convertible Securities. The Clients may invest in convertible securities, securities that may be exchanged or converted into a predetermined number of the issuer's underlying shares or the shares of another company or that are indexed to an unmanaged market index at the option of the holder during a specified time period. Convertible securities may take the form of convertible preferred stock, convertible bonds or debentures, stock purchase warrants, zero-coupon bonds or liquid-yield option notes, stock index notes, mandatories, or a combination of the features of these securities. Prior to conversion, convertible securities have the same general characteristics as non-convertible debt securities. As with all debt securities, the market value of convertible securities tends to decline as interest rates increase and conversely, increase as interest rates decline. Convertible securities, however, also appreciate when the underlying common stock appreciates, and conversely, depreciate when the underlying common stock depreciates.

Total Rate of Return Swaps. Under a total rate of return swap, the Clients may be obligated to make certain periodic payments in exchange for the total rate of return on a referenced asset, such as an eligible loan or bond, and such return will include interest and the gain or loss on such asset over the term of the swap. Swap facilities often require covenants or qualifications related to referenced assets, including, but not limited to, covenants or qualifications regarding ratings and liquidity of a referenced asset or the diversification of a portfolio as a whole. The Clients may be required to maintain collateral with the total rate of return swap counterparty. If the Clients fail to fulfill their payment obligations or fail to post any required collateral under a total rate of return swap or if the Clients have a substantial decline in net asset value, the counterparty may declare an event of default and, as a result, the Clients may be required to pay swap breakage fees, suffer the loss of the amounts paid to the counterparty and forego the receipt from the counterparty of further total return swap payments.

Debt Securities. The Clients may invest in unrated or low grade debt securities which are subject to greater risk of loss of principal and interest than higher-rated debt securities. The Clients may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Clients may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. In addition, evaluating credit risk for foreign debt securities involves greater uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult.

Business and Regulatory Risks of Hedge Funds. The regulatory environment for hedge funds, like the Arvin Capital Fund, is evolving, and changes in the regulation of hedge funds may adversely affect the value of investments held by the Clients and the ability of the Clients to obtain the leverage it might otherwise obtain or to pursue its trading strategies. In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivative transactions and funds

that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The effect of any future regulatory change on the Clients could be substantial and adverse.

Non-Disclosure of Positions. In an effort to protect the confidentiality of its positions, the Arvin Capital Fund generally will not disclose its positions to Fund Investors on an ongoing basis, although Arvin Capital and/or the Fund General Partner, in its sole discretion, may permit such disclosure on a select basis to certain Fund Investors. In connection with due diligence meetings and other communications or pursuant to terms granted in side letters, the Arvin Capital Fund and Arvin Capital may provide additional information to certain Fund Investors and prospective Fund Investors that is not provided to Fund Investors generally, including but not limited to portfolio information. This information may affect a prospective Fund Investor's decision to invest in the Arvin Capital Fund or an existing Fund Investor's decision to remain invested in the Arvin Capital Fund.

Risks Relating to the Operations and Investment Activities of the Clients

Limited Operating History. Each of Arvin Capital, the Fund General Partner and each Arvin Capital Fund is a recently formed entity and has little or no operating history upon which investors can evaluate its likely performance. Accordingly, an investment in a Client entails a significant degree of risk.

Valuation Risk. The Clients' assets and liabilities may not have readily observable market prices and the valuation of such assets may rely on quoted prices in inactive markets or models that have observable inputs. Certain other categories of assets (principally level 3 assets) may lack any readily available market information and, accordingly, the valuation of such assets may rely substantially on models and significant unobservable inputs including assumptions from market participants. As such assets are not actively traded, their value can only be estimated using a combination of complex market prices, mathematical models and subjective assumptions.

Counterparty Risk. To the extent that the Clients invest in swaps, "synthetic" or derivative instruments, repurchase agreements, forward contracts, certain types of options or other customized financial instruments, or, in certain circumstances, non-U.S. securities, the Clients take the risk of non-performance by the other party to the contract. This risk may include credit risk of the counterparty and the risk of settlement default. This risk may differ materially from those entailed in exchange-traded transactions that generally are supported by guarantees of clearing organizations, daily mark-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

Interest Rate Risk. The Clients are subject to interest rate risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. The Clients may attempt to minimize the exposure of the portfolios to interest rate changes through the use of interest rate swaps, interest rate futures and/or

interest rate options. However, there can be no guarantee that Arvin Capital will be successful in fully mitigating the impact of interest rate changes on the portfolio.

Cyber Security Breaches and Identity Theft. Arvin Capital's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although Arvin Capital has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, Arvin Capital and the Clients may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Arvin Capital's and the Clients' operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm Arvin Capital's and the Clients' reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

Brokerage and Custodial Risk. There are risks involved in dealing with the custodians or prime brokers (the "*Prime Brokers*") who settle the Arvin Capital Fund trades. Although Arvin Capital will monitor the Prime Brokers, there is no guarantee that the Prime Brokers will not become bankrupt or insolvent. While both the U.S. Bankruptcy Code and the Securities Investor Protection Act of 1970 seek to protect customer property in the event of a bankruptcy, insolvency, failure, or liquidation of a broker-dealer, there is no certainty that, in the event of a failure of a broker-dealer that has custody of the Arvin Capital Fund's assets, the Arvin Capital Fund would not incur losses due to its assets being unavailable for a period of time, the ultimate receipt of less than full recovery of its assets, or both.

The Arvin Capital Fund and/or the Prime Brokers may appoint sub-custodians in certain non-U.S. jurisdictions to hold the assets of the Clients. The Prime Brokers may not be responsible for cash or assets which are held by sub-custodians in certain non-U.S. jurisdictions, nor for any losses suffered by the Arvin Capital Fund as a result of the bankruptcy or insolvency of any such sub-custodian. The Arvin Capital Fund may therefore have a potential exposure on the default of any sub-custodian and, as a result, many of the protections that would normally be provided to a fund by a custodian may not be available to the Arvin Capital Fund. Under certain circumstances, including certain transactions where the Arvin Capital Fund's assets are pledged as collateral for leverage from a non-broker-dealer custodian or a non-broker-dealer affiliate of a Prime Broker, or where the Arvin Capital Fund's assets are held at a non-U.S. custodian, the securities and other assets deposited with the custodian or broker may not be clearly identified as being assets of the Arvin Capital Fund and the Arvin Capital Fund could be exposed to a credit risk with regard to such parties. Custody services in certain non-U.S. jurisdictions remain undeveloped and, accordingly, there is a transaction and custody risk of dealing in certain non-U.S. jurisdictions. Given the undeveloped state of regulations on custodial activities and bankruptcy, insolvency, or mismanagement in certain non-U.S. jurisdictions, the ability of the Arvin Capital Fund to recover assets held by a sub-custodian in the event of the sub-custodian's bankruptcy or insolvency could be in doubt, as the Arvin Capital Fund may be subject to significantly less favorable laws than

many of the protections that would be available under U.S. laws. In addition, there may be practical or timing problems associated with enforcing the Arvin Capital Fund 's rights to its assets in the case of a bankruptcy or insolvency of any such party.

Lack of Liquidity of Certain Client Investments. While Arvin Capital expects the majority of the Clients' portfolios to be liquid, Arvin Capital expects to invest a portion of the Clients' assets in private or illiquid investments. Client assets may, at any given time, include securities and other financial instruments or obligations that are thinly-traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws. The sale of any such investments may be possible only at substantial discounts, and it may be extremely difficult to accurately value any such investments. Certain Arvin Capital Fund investments not designated as Special Investments at purchase may later become illiquid or restricted. Therefore, illiquid investments may exceed the limitations described herein from time to time; and, consequently, it is possible that Fund Investor who do not elect to participate in Special Investments may hold illiquid investments.

Effects of Health Crises and Other Force Majeure Events. Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on Clients' investments and Arvin Capital's operations. For example, any preventative or protective actions that governments may take in respect of such diseases or events may result in periods of business disruption, inability to obtain raw materials, supplies and component parts, and reduced or disrupted operations for Client portfolio companies. In addition, under such circumstances the operations, including functions such as trading and valuation, of Arvin Capital and other service providers could be reduced, delayed, suspended or otherwise disrupted. The Chief Investment Officer could fall ill or otherwise be adversely affected by such events, requiring the addition and/or substitution of other investment personnel to act as portfolio managers. Further, the occurrence and pendency of such diseases or events could adversely affect the economies and financial markets either in specific countries or worldwide.

Absence of Regulatory Oversight. While the Arvin Capital Fund may be considered similar to an investment company, it does not intend to register as such under the U.S. Investment Company Act of 1940, as amended (the "*Investment Company Act*") in reliance upon an exemption available to privately offered investment companies, and, accordingly, the provisions of the Investment Company Act (which, among other matters, require investment companies to have disinterested directors, require securities held in custody to at all times be individually segregated from the securities of any other person and marked to clearly identify such securities as the property of such investment company and regulate the relationship between the adviser and the investment company) will not be afforded to the Arvin Capital Fund or the Fund Investors.

Item 9
Disciplinary Information

There have been no legal or disciplinary events that are material to a Client's or prospective Investor's evaluation of the Firm's advisory business or the integrity of the Firm's management.

Item 10
Other Financial Industry Activities and Affiliates

A. Broker-Dealer Registration

Arvin Capital and its management persons are not registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

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

Arvin Capital and its management persons are not registered as, and do not have any application to register as, futures commission merchants, commodity pool operators, commodity trading advisors or associated persons of the foregoing entities.

The Fund General Partner, with respect to each Arvin Capital Fund, has claimed an exemption from registration with the CFTC as a commodity pool operator pursuant to CFTC Rule 4.13(a)(3).

C. Material Relationships and Conflicts of Interests with Industry Participants

The Firm's relationships and arrangements with its Clients and other industry participants are material to its advisory business and may raise actual or potential conflicts of interest. Prospective Investors should carefully consider the risks involved in an investment with the Firm, including, but not limited to, those discussed below. Prospective Investors should consult their own legal, tax and financial advisers as to all of these risks and as to an investment with the Firm generally.

As described in Item 4 above, the Fund General Partner serves as general partner of each Arvin Capital Fund. The Fund General Partner is an "advisory affiliate" of Arvin Capital and persons acting on behalf of the Fund General Partner are subject to the Investment Advisers Act of 1940, as amended (the "*Advisers Act*") and Arvin's compliance program.

Arvin Capital provides investment advisory services to the Arvin Capital Fund and the Separate Accounts. Notwithstanding the foregoing, Arvin Capital, the Fund General Partner and each of their respective directors, members, partners, shareholders, officers, employees, agents and affiliates (collectively, the "*Affiliated Parties*") may conduct any other business, including any business within or outside the securities industry, whether or not such business is in competition with the Clients. Without limiting the generality of the foregoing, the Affiliated Parties may act as general partner, investment adviser or investment manager for others, may manage funds, separate accounts or capital for others, may have, make and maintain investments in their own name or through other entities and may serve as an officer, director, consultant, partner or stockholder of one or more investment funds, partnerships, securities firms or advisory firms. Such other entities or accounts may have investment objectives or may implement investment strategies similar or different to those of the Clients. In addition, the Affiliated Parties may, through other investments, including other investment funds, have interests in the securities in which the Clients invest as well as interests in investments in which the Clients do not invest. The Affiliated Parties may give

advice or take action with respect to such other entities or accounts that differ from the advice given with respect to the Clients. To the extent a particular investment is suitable for both the Clients and other clients of the Affiliated Parties, such investments will be allocated between the Clients and the other clients pro rata based on assets under management or in some other manner that the Affiliated Parties determine is fair and equitable under the circumstances to all clients, including the Arvin Capital Fund and the Separate Accounts.

As a result of the foregoing, Arvin Capital and its affiliates may have conflicts of interest in (i) allocating their time and activity between the Clients and other entities (ii) allocating investment opportunities and expense among the Clients and other entities, and (iii) effecting transactions between the Clients and other entities in which Arvin Capital or its personnel may have different financial interests.

D. Material Conflicts of Interest Relating to Other Investment Advisers

Arvin Capital does not recommend or select other investment advisers for its Clients.

Item 11

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

A. Code of Ethics

Arvin Capital has adopted a Code of Ethics (the "*Code*") designed to reinforce and enhance the Firm's ethical way of doing business. The Code is based on the principle that Arvin Capital and its employees have a fiduciary duty to its Clients, and must in this fiduciary capacity, place the interest of the Clients before its own. The Code is designed to address and avoid conflicts of interests and is applicable to all employees. The Code contains detailed rules concerning, among other issues, conflicts of interest, procedures with respect to personal securities transactions, gifts and entertainment, and outside business activities. Furthermore, the Code provides for a range of sanctions, as deemed appropriate, including censure, fine, reversal of transactions and disgorgement of profits, suspension or termination of employment.

A copy of Arvin Capital's Code is available upon request by contacting Arvin Capital at (212) 548-3950 or by email at Investor.Relations@arvincap.com.

B. Securities in which Arvin Capital or a Related Person Has a Material Financial Interest

Certain of the Firm's employees, directly or indirectly, have personal investments in the Arvin Capital Fund. As a result, the Firm and such employees have an interest in the investments that may also be recommended to Clients. Such employees may be in possession of information relating to the Arvin Capital Fund that is not available to other Fund Investors. The size and nature of such employee investments in the Arvin Capital Fund will change over time without notice to the Fund Investors. Investments by Firm employees in the Arvin Capital Fund could incentivize such employees to increase or decrease the risk profile of the Arvin Capital Fund.

The Firm does not expect to transfer securities from one Client to another (each such transfer, a "*Cross Trade*"). However, on occasion and subject to a Client's applicable investment guidelines and restrictions, the Firm may determine that it would be in the best interests of certain Clients to execute a Cross Trade for a variety of reasons, including tax purposes, liquidity purposes, to rebalance the portfolios of the Clients, or to reduce transaction costs that may arise in an open market transaction. The Firm generally intends to execute Cross Trades, if at all, with the assistance of a broker that executes and books the transaction at the close of the market on the day of the transaction. Alternatively, a cross transaction between two Clients may occur as an "internal cross", where the Firm instructs the custodian for the Client to book the transaction at the price determined in accordance with the Firm's valuation procedures. If the Firm effects an internal cross, the Firm will not receive any fee in connection with the completion of the transaction. All Cross Trades must be pre-approved by the Chief Compliance Officer. When effecting cross trades between Clients, the Firm will have potentially conflicting division of loyalties and responsibilities with respect to each participating Client.

To the extent that any such Cross Trade may be viewed as a principal transaction due to the ownership interest in the Client by the Firm or its personnel, the Firm will comply with all applicable requirements of the Advisers Act.

C. Investing in Securities That Arvin Capital or a Related Person Recommends to Clients.

The Firm's Code places restrictions on personal trades by its employees and any of their respective spouses, domestic partners or children living in the same household of such employees (each a "*Covered Persons*"). Except with respect to certain permitted investments, the Firm does not typically permit Covered Persons to trade Reportable Securities (as defined in the Code, and which include single name equity and debt securities, options or other derivatives on securities, indices and currencies, and interests in private investment funds) in their personal accounts. Permitted investments include mutual funds, U.S. government securities, municipal bonds, currencies, ETFs, closed-end funds, unit investment trusts, and other broad index securities. On occasion, and subject to written pre-clearance from the Chief Compliance Officer, Covered Persons may be permitted to sell positions acquired prior to joining the Firm. Covered Persons must also disclose all personal accounts and holdings initially upon commencement of employment, and annually thereafter. In addition, Covered Persons are required to provide quarterly reports regarding transactions in Reportable Securities and newly opened personal accounts thereafter.

Arvin Capital, its affiliates and its employees may give advice or take action for their own accounts that may differ from, conflict with or be averse to advice given or action taken for Clients. These activities may adversely affect the prices and availability of other securities or instruments held by or potentially considered for one or more Clients. Potential conflicts also may arise due to the fact that Arvin Capital and its personnel may have investments in some Clients but not in others or may have different levels of investments in the various Clients.

Arvin Capital has established policies and procedures to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code, as described above, and regular monitoring of employee transactions and trading patterns for actual or perceived conflicts of interest, including those conflicts that may arise as a result of personal trades in the same or similar securities made at or about the same time as Client trades.

D. Conflicts of Interest Created by Contemporaneous Trading

If an investment is appropriate for one or more Clients, the investment generally will be allocated among such Clients in a manner that is fair and equitable, and in a manner that is in the best interest of Clients and consistent with the investment objectives of each of Client. The Firm's Clients pursue a substantially similar investment strategy and are generally managed *pari passu*. As such, allocations of investment opportunities will be made to participating Clients such that each Client will generally hold an equal proportion of the investment opportunities. Such equal target weighting allocations will be based on the respective net asset values of each participating Client. However, Arvin Capital, in its sole and absolute discretion, may make non-pro rata allocations

among the Clients based upon a variety of factors including, among other things, a Client's investment program and investment objectives, availability of brokerage relationships, investment capacity, available leverage, desired leverage or available cash, investment guidelines and restrictions, liquidity requirements, regulatory, tax or legal reasons, overall portfolio composition, tolerance for volatility and risk, desired concentration, exposure and diversification targets, risk profile, to avoid odd-lots or in cases when a pro rata allocation would result in a de minimis allocation to one or more Clients. The foregoing does not comprise an exhaustive list of reasons for deviating from making an allocation on a pro rata basis.

Similarly, although sales of investments held by multiple Clients generally will be sold by the Clients on a pari passu basis, Arvin Capital may, in its sole and absolute discretion, investments from various Clients on a non-pari passu basis, based on a variety of factors, including those described above regarding allocations of investment opportunities. Accordingly, it is possible that one Client may sell an investment, while another Client retains, or invests more capital in, the same investment.

Item 12

Brokerage Practices

Arvin Capital has full discretionary authority to manage investments of its Clients, including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers, dealers and counterparties, including prime brokers (collectively, “*Broker-Dealers*”), to be used for the Clients’ securities transactions, and commissions or markups and markdowns paid. Arvin Capital's authority is limited by its own internal policies and procedures and each Client's investment guidelines.

A. Selection of Broker-Dealers and Reasonableness of Compensation

Consistent with its fiduciary duty to its Clients, Arvin Capital has an obligation to seek best execution of Client securities transactions. Best execution, in Arvin Capital’s opinion, is a combination of trade price, commission rates, prompt and reliable execution and research that a Broker-Dealer provides. When selecting Broker-Dealers to execute transactions, Arvin Capital considers the full range and quality of a Broker-Dealer’s services (both qualitative and quantitative factors) including, but are not limited to:

- Price offered;
- The ability of Broker-Dealers to achieve prompt and reliable executions;
- The ability of Broker-Dealers to obtain access to a security;
- The financial stability and reputation of the particular Broker-Dealer;
- The quality, comprehensiveness, frequency of available research and related services considered to be of value to the Clients; and
- The competitiveness of commission rates in comparison with other Broker-Dealers.

Arvin Capital does not generally solicit competitive bids and does not have an obligation to seek the lowest available commission cost. In addition, Arvin Capital executes a portion of Client securities transactions through an outsourced trading firm. As a result, the Clients’ expenses may be higher, as a result of paying such outsourced trading firm than if Arvin Capital traded directly with other Brokers-Dealers.

Arvin Capital maintains policies and procedures to periodically review the quality of its executions, including periodic reviews by the Chief Investment Officer and the Chief Compliance Officer.

1. Research and Other Soft Dollar Arrangements

Arvin Capital uses “soft dollars” to obtain brokerage and research services within the meaning of Section 28(e) of the Exchange Act (“*Section 28(e)*”). Any soft dollar transactions fall within the safe harbor provided by Section 28(e). The services furnished by a Broker-Dealer pursuant to soft dollar transactions for one Client benefit Arvin Capital and its affiliates in rendering investment management services to other Clients. Research products or services within the scope of Section

28(e) typically include 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 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 Arvin Capital 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.

In some instances, Arvin Capital may receive a product or service that may be used only partially for functions covered by Section 28(e) (e.g., an order management system, trade analytical software or proxy services). In such instances, Arvin Capital will make a good faith effort to determine the relative portion of the product or service used to assist Arvin Capital in carrying out its investment decision-making responsibilities with respect to the Clients and the relative portion used for administrative or other purposes not covered by Section 28(e). The portion of the product or service attributable to assisting Arvin Capital in carrying out its investment decision-making responsibilities with respect to the Clients, as applicable, will be paid through brokerage commissions generated by transactions on behalf of the Clients, and the portion attributable to administrative or other purposes not covered by Section 28(e) is expected to be paid by Arvin Capital from its own resources, to the extent that such expenses are not Client expenses.

To the extent that Arvin Capital uses "full-service brokers" which provide research and other services to Arvin Capital and the brokerage commission associated with such services is greater than would otherwise be obtained using available floor brokers or electronic brokers, such commission could be deemed to comprise soft dollar arrangements.

Arvin Capital has entered into "commission sharing arrangements" with one or more Broker-Dealers. Under these arrangements, a portion of the commission is paid to that broker-dealer for execution services and the remainder of the commission is paid to other approved broker-dealers or third-party research providers for research services provided by such broker-dealers or vendors. Transactions executed under these commission sharing arrangements generate a higher commission rate than transactions executed with other broker-dealers.

When Arvin Capital uses brokerage commissions generated by any Client to obtain research or other products or services, Arvin Capital receives a benefit because it does not have to produce or pay for such products or services. While Arvin Capital is obligated to seek best execution for each Client, the fact that Arvin Capital can obtain or receive such products or services may create an incentive for it to select or recommend a particular broker-dealer more favorable to Arvin Capital's interests, to the exclusion of another broker-dealer that offers business terms which are more favorable to one or more Clients.

On a periodic basis, the Firm's Chief Compliance Officer will evaluate the amount and nature of brokerage and research services provided by Broker-Dealers under these arrangements to ensure that such services received by the Firm are within the safe harbor provided under Section 28(e) and that the allocation of the Firm's brokerage business is appropriate.

2. Brokerage for Client Referrals

Arvin Capital may place transactions with a Broker-Dealer that (i) provides Arvin Capital with the opportunity to participate in capital introduction events sponsored by the Broker-Dealer or (ii) refers Funds Investors or other products advised by Arvin Capital, if otherwise consistent with seeking best execution; provided Arvin Capital is not selecting the Broker-Dealer in recognition of the opportunity to participate in such capital introduction events or the referral of investors.

3. Directed Brokerage

Arvin Capital does not recommend, request, or require that a Client direct Arvin Capital to execute transactions through a specified Broker-Dealer.

B. Aggregating Orders for Client Accounts

Arvin typically manages Clients *pari passu*. Consistent with its duty to seek the best possible execution for Clients, to the extent practicable, Arvin Capital will typically seek to aggregate (or "*bunch*" or "*block*") orders that are placed for more than one Client. Aggregated orders include: (i) one order placed on behalf of more than one Client account; and (ii) multiple orders placed on behalf of one or more Client accounts. When an aggregated order is filled in its entirety, each participating Client will participate at the average share price for the bunched order, and transaction costs shall be shared pro rata among each Client participating in the bunched order. If Arvin Capital places multiple bunched orders in the same security or other investment, and such orders are executed at multiple prices during the day, the Clients will generally participate at the average price paid. Partially filled orders will generally be allocated pro rata in proportion to the original allocation but may be modified on a basis that Arvin Capital deems to be appropriate, including, for example, in order to avoid odd lots or de minimis allocations.

Although Arvin Capital believes that aggregating orders usually facilitates best execution and reduces transactional costs, it is possible that the average price received for an aggregated order may be worse than the price which a Client could have received had it executed a smaller quantity of shares on its own. There may also be corresponding potential disadvantages when more than one Client simultaneously seeks to dispose of commonly held securities or other investment positions.

Item 13

Review of Accounts

A. Periodic Review of Client Accounts

The Chief Investment Officer has ultimate responsibility for all investment decisions made and will conduct reviews on an ongoing basis, including daily, weekly, monthly, and quarterly, that include, but are not limited to, an assessment of profit and loss reports with respect to its Clients' investment positions, the amount of leverage employed in connection with managing its Clients' accounts, and adherence to each Client's trading parameters and investment strategies. The Chief Investment Officer will evaluate the Clients' investments based on performance, company fundamentals, news and press releases, analyst reports, general market conditions and other considerations.

B. Additional Review of Client Accounts

The Director of Research and the Chief Compliance Officer assist the Chief Investment Officer with monitoring for risks arising from Client-imposed investment restrictions, leverage, counterparty risk, and risks related to operations and systems. A review of a Client account may be triggered by any unusual activity or special circumstances.

C. Contents and Frequency of Account Reports to Clients

Arvin Capital provides Arvin Capital Fund Investors with annual audited financial statements for the Arvin Capital Fund (within 120 days after the end of each fiscal year) and Schedule K-1 with respect to each Arvin Capital Fund Investor's interest in the Arvin Capital Fund. In addition, Arvin Capital Fund Investors receive unaudited monthly reports regarding Arvin Capital Fund performance and net asset value.

Arvin Capital provides Separate Accounts with various reporting that is more frequent and more detailed than what is provided to Fund Investors.

Item 14
Client Referrals and Other Compensation

A. Economic Benefits for Providing Services to Clients

Arvin Capital does not receive economic benefits from non-Clients for providing investment advice and other advisory services.

B. Compensation to Non-Supervised Persons for Client Referrals

Neither Arvin Capital nor any of its related persons, directly or indirectly, compensate any person who is not a supervised person for client referrals.

Item 15

Custody

Arvin Capital is subject to Rule 206(4)-2 under the Advisers Act (the “*Custody Rule*”), as Arvin Capital is deemed to have custody of the funds and securities held by the Arvin Capital Fund. However, it is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to each Arvin Capital Fund because it complies with the provisions of the so-called “Pooled Vehicle Annual Audit Exception”, which, among other things, requires that each Arvin Capital Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Arvin Capital Fund distribute its audited financial statements to all Fund Investors within 120 days of the end of its fiscal year.

Item 16

Investment Discretion

Arvin Capital has discretionary investment authority with respect to the Clients, including the authority to determine which securities and investments to buy or sell and the amount of securities and investments to buy or sell, the brokers through which Arvin Capital effects trades and the commission rates at which Arvin Capital effects trades. Despite this broad authority, Arvin Capital is committed to adhering to the investment strategy and program set forth in the applicable Offering Documents.

Item 17

Voting Client Securities

Arvin Capital has the authority to cast all proxy votes for the Clients' securities. As a result, Arvin Capital has adopted a proxy voting policy pursuant to and in compliance with the Advisers Act Rule 206(4)-6. Arvin Capital's general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, "*Proxies*") in a prudent and diligent manner that will serve the Clients' best interests and is consistent with their investment objectives.

Arvin Capital generally votes Proxies in accordance with the recommendations of company management. However, there are many complexities to Proxies, and Arvin Capital will vote against a proposal or recommendation of management if it determines that such a vote is in the best interests of each Client.

Arvin Capital will process every Proxy it receives. Certain types of matters that are the subject of a proxy vote may require a more detailed analysis than the analysis required for some routine or uncontested matters. Arvin Capital will abstain from voting or affirmatively decide not to vote if it determines, after considering a variety of factors, that abstaining or not voting is in the best interests of the Clients.

Conflicts of interest may arise between the interests of the Clients and Arvin Capital or its affiliates. If Arvin Capital determines that it may have, or may be perceived to have, a conflict of interest when voting Proxies, Arvin Capital will vote in accordance with our Proxy voting policies and procedures.

Clients, Investors and prospective Clients and Investors may obtain a copy of our Proxy voting policies and Proxy voting record upon request.

Item 18
Financial Information

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