

## **PART 2A OF FORM ADV: FIRM BROCHURE**

**22V Asset Management, LLC  
10 East 53rd Street, 6<sup>th</sup> Floor  
New York, NY 10022  
Tel: (917) 224-2277  
[www.22VAM.com](http://www.22VAM.com)**

March 27, 2024

**This Brochure provides information about the qualifications and business practices of 22V Asset Management, LLC (“22VAM” or the “Adviser”). If you have any questions about the contents of this Brochure, please contact Michael Barr at (646) 273-4595 or by email at [mbarr@22VAM.com](mailto:mbarr@22VAM.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority, and references in this Brochure to 22VAM as a “registered investment adviser” are not intended to imply a certain level of skill or training.**

**Additional information about 22VAM is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **ITEM 2 – MATERIAL CHANGES**

Item 2 requires 22VAM to provide a summary of any material changes to the information provided in this Brochure between annual updates of the document. The following are material changes to the contents of the Brochure since the initial submission of the Brochure. They are as follows:

- Item 4 has been updated to reflect updated regulatory assets under management as of 12/31/2023.
- Item 8 has been updated to reflect up-to-date global market risk associated with firm business dealings.

## ITEM 3 - TABLE OF CONTENTS

	<u>Page</u>
ITEM 2 – MATERIAL CHANGES .....	I
ITEM 3 - TABLE OF CONTENTS.....	II
ITEM 4 – ADVISORY BUSINESS .....	1
ITEM 5 – FEES AND COMPENSATION .....	3
ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT ..	7
ITEM 7 – TYPES OF CLIENTS .....	8
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	9
ITEM 9 – DISCIPLINARY INFORMATION .....	32
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.	34
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	36
ITEM 12 – BROKERAGE PRACTICES.....	39
ITEM 13 – REVIEW OF ACCOUNTS.....	45
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION.....	46
ITEM 15 – CUSTODY .....	47
ITEM 16 – INVESTMENT DISCRETION .....	48
ITEM 17 – VOTING CLIENT SECURITIES.....	49
ITEM 18 – FINANCIAL INFORMATION .....	50

## ITEM 4 – ADVISORY BUSINESS

<p><b>Item 4.A</b></p>	<p>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</p> <p>22VAM is a Delaware limited liability company formed in February 2022 and maintains its principal place of business in New York, New York. Any references to the “Firm,” “us,” “we,” and “our” in this Brochure refer to the Adviser.</p> <p>22VAM provides discretionary investment advisory services to pooled investment vehicles operating as private funds (collectively referred to herein as “Clients” or “Advisory Clients”).</p> <p>22VAM’s private fund Clients include a family of private investment funds operating through a master-feeder structure (collectively, the “Funds”):</p> <ul style="list-style-type: none"> <li>○ 22V Macro Credit Fund, LP, a Delaware limited partnership (the “Domestic Feeder”);</li> <li>○ 22V Macro Credit Offshore Fund, Ltd., a Cayman Islands exempted company (the “Offshore Feeder”); and</li> <li>○ 22V Macro Credit Master Fund, Ltd., a Cayman Islands exempted company (the “Master Fund”) that serves as the master fund to the Domestic Feeder and the Offshore Feeder (together, the “Feeder Funds”);</li> </ul> <p>An affiliate of 22VAM, 22V Macro Credit GP, LLC (the “General Partner”), serves as the general partner of the Domestic Feeder. Bryan Dunn is a principal owner of 22VAM and the General Partner and also serves as Chief Investment Officer of 22VAM. Dennis Debusschere is also a principal owner of 22VAM and the General Partner but is not involved in the provision of advisory services by 22VAM to its Clients.</p>
<p><b>Item 4.B</b></p>	<p>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</p> <p>22VAM generally has broad and flexible investment authority with respect to the Advisory Clients. Each Client Fund’s investment objectives and strategies are set forth in a confidential private offering memorandum (and any applicable supplements) and/or other offering documents (collectively, “offering materials”) provided to each underlying investor in the relevant Client Fund.</p> <p>The Funds’ investment objective is to achieve positive absolute returns through market cycles from a diverse portfolio of long and short liquid investment instruments. To achieve this, the Adviser intends to deploy capital into the liquid, performing segment of the corporate credit market, both investment grade and high yield, as well as opportunistically deploying capital into liquid, macro-based indices referencing primarily the corporate credit interest rate and equity markets. From time to time the Fund may also seek to invest in or hedge with other assets</p>

	<p>such as corporate loans, non-corporate debt-related securities or equity instruments and invest in other financial instruments including but not limited to commodities, commodity interests, currency hedges, among others. The Adviser will employ both top-down and bottom-up analyses in its investment process. In particular, in each position taken, whether long or short, the Adviser will utilize fundamental capital structure analysis principles as well as relative value analyses. The Adviser intends to employ an active management approach to tactically rebalance individual investments or the aggregate portfolio exposure in an effort to achieve optimal capital allocation for then prevailing market conditions. At times, the Adviser will employ tactical use of leverage to both facilitate optimal portfolio hedging and to opportunistically enhance returns.</p> <p>Refer to <b>Item 8.A</b> for further details regarding the Funds' investment strategy.</p>
<b>Item 4.C</b>	<p>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</p> <p>22VAM neither tailors its advisory services to the individual needs of underlying investors in the Client Funds, nor accepts investor-imposed investment restrictions in these vehicles.</p> <p>The Funds has entered into side letters and other agreements and arrangements with certain investors in the Funds ("Investors"), which may provide terms and conditions that are more advantageous than those set forth in the applicable Fund's offering materials. Such terms and conditions may include special rights to make future investments in the Funds or other investment vehicles or accounts managed by 22VAM, different transparency rights, reporting rights, different withdrawal/redemption rights and/or different fee terms.</p>
<b>Item 4.D</b>	<p>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</p> <p>22VAM does not participate in wrap fee programs.</p>
<b>Item 4.E</b>	<p>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a non-<i>discretionary basis</i>. Disclose the date "as of" which you calculated the amounts.</p> <p>As of December 31, 2023, 22VAM manages approximately \$260,125,000 of regulatory assets on a discretionary basis. 22VAM does not currently manage any client assets on a non-discretionary basis.</p>

## ITEM 5 – FEES AND COMPENSATION

<b>Item 5.A</b>	<p>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</p> <p>22VAM or the General Partner, as applicable, typically charges fees that are based upon a set percentage of assets under management and performance. Set forth below are summaries of the fees payable by Investors and other Clients.</p> <p>It should be noted that detailed disclosure about the fees and other expenses applicable to an investment in the Funds is provided in the operative documents for the applicable Fund. Those operative documents should be carefully reviewed prior to making an investment in the Funds.</p> <p>Investors are typically charged a management fee, payable quarterly in advance, based on the net value of the relevant assets as of the first business day of each calendar quarter. The management fees range from 1.0% per annum to 1.5% per annum, depending on the series of interests/sub-class of shares in which an Investor subscribes.</p> <p>The Master Fund may invest in illiquid securities or securities that may require being held until the resolution or occurrence of a special event or circumstance. The General Partner and/or the Adviser may designate such securities as special investments (each, a “Special Investment”). Special Investments will be held in a Special Investment Account on the books of the Master Fund. For purposes of determining the management fee, Special Investments (if any) generally will be valued at cost if the investment is designated as a Special Investment at the time of acquisition or at the fair value of an investment at the time it is designated as a Special Investment.</p> <p>At the end of each fiscal year, Investors are also typically charged an incentive allocation based on the net profits (including unrealized gains and losses), if any, allocable to the amount invested in a particular Fund. The incentive allocations range from 10% per annum to 17.5% per annum, depending on the series of interests/sub-class of shares in which an Investor subscribes.</p> <p>With respect to certain series of interests/sub-classes of shares, a loss carry-forward provision and/or other factors apply to the calculation of the incentive allocation.</p> <p>The management fee and incentive allocation are paid to 22VAM and the General Partner (as the holder of certain allocation class shares in the Master Fund), respectively, at the Master Fund level; no management fee/incentive allocation will be made at the Feeder Fund level.</p> <p>The management fee and incentive allocation are negotiable in that 22VAM or the General Partner reserves the right to waive, reduce or calculate differently such fees for Investors that are members, partners, affiliates or employees of 22VAM, members of the immediate families of such persons and trusts or other entities for their benefit, or for certain large or strategic Investors. In such circumstances, the Funds may, for administrative convenience, issue a separate series/class or sub-class of Interests/Shares to any such person.</p>
-----------------	---

	<p><b>It is very important that Investors refer to their respective Fund’s governing documents for a complete understanding of how 22VAM is compensated for its advisory services. The information contained herein is a summary only and is qualified in its entirety by the relevant Fund governing documents.</b></p>
<b>Item 5.B</b>	<p>Describe whether you deduct fees from <i>clients</i>’ assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</p> <p>22VAM or the General Partner deducts fees from the Funds’ assets. Investors do not have the ability to choose to be billed directly for fees incurred.</p> <p>22VAM typically deducts the amount of the management fee applicable to each Investor at the beginning of each quarter. The management fee is payable on the first day of each fiscal quarter based on the net asset value of each capital account balance or series of shares, as applicable, as of the beginning of such fiscal quarter (adjusted for capital contributions and withdrawals/redemptions made during the quarter).</p> <p>Clients are also typically charged an annual performance-based incentive allocation based on the appreciation in each Investor’s account balance or series of shares, as applicable, for such fiscal year, in some instances subject to a modified loss carry-forward provision (described above).</p> <p>As noted above, 22VAM or the General Partner reserves the right to waive, reduce or calculate differently the management fee and/or incentive allocation for certain Investors, including Investors who are affiliated persons of 22VAM.</p> <p><b>It is very important that Investors refer to their respective Fund’s governing documents for a complete understanding of how fees are deducted from their assets. The information contained herein is a summary only and is qualified in its entirety by the relevant Fund governing documents.</b></p>
<b>Item 5.C</b>	<p>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</p> <p>Advisory Clients typically pay their own expenses as set forth in the Client’s offering materials or investment management agreement. The Feeder Funds will indirectly share the administrative and other expenses of the Master Fund <i>pro rata</i> based on their interest in the Master Fund. Fund expenses include the fees payable to 22VAM and the General Partner; Fund legal, compliance, administrator, audit and accounting expenses (including third party accounting services); organizational expenses; investment expenses such as commissions, research fees and expenses (including research-related travel); interest on margin accounts and other indebtedness; borrowing charges on securities sold short; custodial fees; bank service fees; Fund-related insurance costs (including D&amp;O and E&amp;O insurance for 22VAM, General Partner liability); Directors’ fees and expenses (including certain out of pocket expenses); and any other expenses reasonably related to the purchase, sale or transmittal of Fund assets.</p>

	<p>22VAM will render its services to Clients at its own expense and will be responsible for its overhead expenses including office rent; utilities; furniture and fixtures; stationery; secretarial/internal administrative services; salaries and bonuses; entertainment expenses; employee insurance and payroll taxes.</p> <p>Please note that Investors will indirectly incur brokerage and other transaction costs related to their investments. Please see <b>Item 12</b> of this brochure for a more detailed discussion of 22VAM's brokerage practices.</p>
<b>Item 5.D</b>	<p>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</p> <p>The management fees of Clients are paid quarterly in advance and are prorated for periods less than a full quarter. A <i>pro rata</i> portion of the management fee will be paid on any capital contributions made by new or existing Investors in the Funds as of any date other than the first day of a fiscal quarter, based on the actual number of days remaining in such partial fiscal quarter (payable upon such capital contribution).</p> <p>In the case of a withdrawal/redemption by an Investor other than as of the last day of a fiscal quarter, a pro rata portion of the management fee shall be repaid by 22VAM to the applicable Fund and distributed to the withdrawing/redeeming Investor.</p> <p>If an Investor elects to redeem in full their interests in the Funds, the Adviser or General Partners, as applicable, may elect to hold back a portion of the redemption attributable to the management fee expected to be incurred over the life of any applicable Special Investments and the Investor's pro rata portion of any capital reserved to fulfill applicable Special Investments or pay any fund expenses related to such Special Investments.</p> <p><b>It is very important that Investors refer to their respective Fund's governing documents for a complete understanding of their withdrawal/redemption rights. The information contained herein is a summary only and is qualified in its entirety by the relevant Fund governing documents.</b></p>
<b>Item 5.E</b>	<p>If you or any of your <i>supervised persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</p> <p>Not applicable to 22VAM. There are no sales charges payable by or to Clients, 22VAM or an affiliated entity, or any of 22VAM's supervised persons, in connection with the offering of interests or shares.</p>
<b>Item 5.E.1</b>	<p>Explain that this practice presents a conflict of interest and gives you or your <i>supervised persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client's</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend "no-load" funds.</p>



	Not applicable to 22VAM.
<b>Item 5.E.2</b>	<p>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</p> <p>Not applicable to 22VAM.</p>
<b>Item 5.E.3</b>	<p>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</p> <p>Not applicable to 22VAM.</p>
<b>Item 5.E.4</b>	<p>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</p> <p>Not applicable to 22VAM.</p>

## ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

If you or any of your *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *supervised persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *supervised persons* face by managing these accounts at the same time, including that you or your *supervised persons* have an incentive to favor accounts for which you or your *supervised persons* receive a *performance-based fee*, and describe generally how you address these conflicts.

As described in **Items 5.A** and **5.B** above, the General Partner receives performance-based compensation from investors in the Client Funds.

It should be noted that the possibility for the General Partner to receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for 22VAM to make investments that are riskier or more speculative than would be the case in the absence of such a performance-based fee. However, this incentive may be tempered somewhat by the fact that losses will reduce the Client Fund's performance and thus the fees earned. Investors are provided with clear disclosure as to how performance-based compensation is charged with respect to a particular Client Fund and the risks associated with such performance-based compensation prior to making an investment.

Advisory Clients' assets and liabilities are valued in accordance with the Adviser's valuation policy. In making valuation determinations, the Adviser may be deemed subject to a conflict of interest, especially with respect to illiquid securities, as the valuation of such assets and liabilities affects its compensation. There is no guarantee that the value determined with respect to a particular asset or liability by the Adviser will represent the value that will be realized by the Clients on the eventual disposition of the related investment or that would, in fact, be realized upon an immediate disposition of the investment.

The Adviser and its respective officers, directors, members or employees will devote such time to the management of Clients as they deem necessary. However, they are also responsible for advising or providing consulting services to other accounts, which may include their own accounts, may in the future organize, manage and advise investment funds or other entities with objectives similar to or different from those of Clients, and may engage and hold interests in other business ventures. Conflicts of interest may arise in allocating investment opportunities, management time, services or other functions amongst Clients and such other accounts.

22VAM recognizes that it is a fiduciary and, as such, must act in the best interests of Clients. Further, 22VAM recognizes that it must treat all Clients fairly and must refrain from favoring one Client's interests over those of another Client.

## ITEM 7 – TYPES OF CLIENTS

Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

22VAM provides investment advisory services to the Client Funds, which are pooled investment vehicles operating as private investment funds.

Investors in Client Funds must meet certain eligibility provisions: interests/shares in the Funds are generally offered to (A) U.S. investors who are (i) accredited investors within the meaning of Regulation D of the Securities Act of 1933, as amended (“Accredited Investors”) and either (i) “qualified purchaser” within the meaning of Section 2(a)(51)(A) of the Investment Company Act of 1940, and (B) non-U.S. investors (as applicable) or (ii) a “knowledgeable employee,” as such term is defined in Rule 3c-5 under the Company Act;. Additionally, the minimum initial investment is \$1 million and additional capital contributions may be accepted at the discretion of the General Partner, as applicable (but in no event less than the statutory minimum required by Cayman Islands law for the Offshore Feeder).

## ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Item 8.A	<p>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</p> <p>The Funds’ (through its investment in the Master Fund) investment objective is to achieve positive absolute returns through market cycles from a diverse portfolio of long and short liquid investment instruments. To achieve this, the Adviser intends to deploy capital into the liquid, performing segment of the corporate credit market, both investment grade and high yield, as well as opportunistically deploying capital into liquid, macro-based indices referencing primarily the corporate credit interest rate and equity markets. From time to time the Funds may also seek to invest in or hedge with other assets such as corporate loans, non-corporate debt-related securities or equity instruments and also invest in other financial instruments including but not limited to commodities, commodity interests, currency hedges, among others. The Adviser will employ both top-down and bottom-up analyses in its investment process. In particular, in each position taken, whether long or short, the Adviser will utilize fundamental capital structure analysis principles as well as relative value analyses. The Adviser intends to employ an active management approach to tactically rebalance individual investments or the aggregate portfolio exposure in an effort to achieve optimal capital allocation for then prevailing market conditions. At times, the Adviser will employ tactical use of leverage to both facilitate optimal portfolio hedging and to opportunistically enhance returns.</p> <p>In terms of 22VAM’s investment process, the Adviser intends to maintain three primary sub-strategies within the aggregate portfolio to achieve its risk/return goals.</p> <p><b>Income.</b> The Adviser anticipates regularly deploying capital into the higher quality segments of the high yield market with a heavy emphasis on short duration instruments to drive income collection within the investment strategy. The Adviser intends to rely on its experience in exploiting regularly occurring inefficiencies in this market segment. Further, the Adviser expects to employ leverage in this sub-strategy allocation commensurate with the prevailing opportunity set.</p> <p><b>Relative Value.</b> The Adviser will seek to generate gains from price changes with income being a secondary focus. Relative value positioning will commonly employ “paired” trades where the Adviser intends to maintain both long and short positions targeting capital appreciation from a mean reversion of the instruments relative value to each other. Gains may come from either the long position increasing in price to a greater magnitude than the short position or vice versa where the short position declines more in price than the paired long. Additionally, the relative value segment may contain, typically opportunistically, “unpaired” long or short positions where the Adviser deems the assets value to be over or under-valued relative to its peers or the overall comparable index. Regardless of the proportional allocation of capital to “paired” or “unpaired” positions, the Adviser will review and manage the relative value capital allocation with an overall, aggregate portfolio risk exposure maintaining a balanced portfolio risk</p>
----------	--

	<p>profile appropriate for prevailing market conditions and consistent with the Fund's risk and return targets. Instruments employed in the relative value component of the strategy may include individual corporate credit obligations, individual equities or baskets and index-oriented products.</p> <p><b>Macro Hedging.</b> The Adviser will seek to both dynamically adjust aggregate portfolio exposures to underlying risk factors and to generate gains from relative value positioning across asset classes. The Adviser anticipates the majority of macro positioning will be designed to dampen, or hedge, aggregate portfolio exposures and will be primarily executed in the corporate credit, interest rate and equity markets using liquid indices reference those markets. The Adviser expects to employ use of options on such indices as both a risk management tool and to enhance the portfolio's favorable asymmetric risk/reward profile. Additionally, the Adviser may opportunistically employ such macro positioning targeting price appreciation as a further source of strategy profitability.</p> <p>The Adviser will layer investments over time to mitigate market timing risk at both the outset and maturity of the Fund's investments. Furthermore, credit risk will be managed by investing in notes from a variety of global issuers. Active investment will also allow for competitive pricing and the ability to take advantage of temporary market dislocations to achieve higher returns and minimize downside risk. The Adviser will maintain a comprehensive risk management methodology organized to identify, measure and mitigate various risks. The Adviser, in its implementation of this methodology, focuses on risk factors including but not limited to, credit or default risk, spread risk, concentration risk, other market risks (rate, basis currency), financing risk, liquidity, counterparty and regulatory risk.</p> <p>Where appropriate and subject to strategy specifics, specific risk factors listed above are enumerated in policies that express limit guidelines and target exposures that are regularly monitored and reported on. Also, the Adviser will utilize Bloomberg and third-party risk providers to enhance its ability to assess and monitor risks.</p> <p>Overall, capital preservation is emphasized in the construction and management of the investment portfolio. The Adviser expects to target 75 to 125 long positions and 25 to 50 short positions in the portfolio to enhance risk diversification and market risk management (although there is no guarantee that these metrics will be met in all situations). The Adviser will size Fund positions to meet the net exposure guidelines and will typically maintain smaller positions in riskier assets. Additional consideration will be given to industry weightings, liquidity, geographic exposure and capital structure. The portfolio will be actively hedged at a position level as well as at an overall portfolio level. Opportunistic trading may be employed to adjust position sizes as risk/reward dynamics shift. On a daily basis the Adviser will monitor daily profit and loss figures, portfolio exposures and stress tests then adjusts the portfolio to conform to prevailing market conditions where appropriate.</p> <p>22VAM intends to pursue the investment objective described above and will generally follow the outlined investment strategies for so long as such strategies are in accord with Clients' investment approaches and may also formulate new approaches to carry out the overall objective of Clients (i.e., positive absolute</p>
--	--

	<p>returns through market cycles from a diverse portfolio of long and short liquid investment instruments).</p> <p>An investment managed by 22VAM may be deemed speculative and is not intended as a complete investment program. Investments managed by 22VAM involve a high degree of risk and are appropriate for only experienced and sophisticated persons who meet certain eligibility criteria, are able to bear the risk of loss of some or all of an investment, and have a limited need for liquidity.</p> <p><b>It is very important that Investors refer to the respective Fund’s confidential private offering memorandum and other governing documents for a complete understanding of 22VAM’s investment strategies and methods of analysis. The information contained herein is a summary only and is qualified in its entirety by the relevant Fund governing documents.</b></p>
<b>Item 8.B</b>	<p>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.</p> <p><b>Investment and Trading Risks Generally.</b> All investments risk the loss of capital. No guarantee or representation is or will be made that the Fund’s program will be successful. The Fund’s investment program may involve, without limitation, risks associated with limited diversification, short-selling, equity risks, volatility, security borrowing risks in short sales, and other risks inherent in the Fund’s activities. Certain investment techniques of the Fund may, in certain circumstances, substantially increase the impact of adverse market movements to which the Fund may be subject. In addition, the Fund’s investments may be materially affected by conditions in the financial markets and overall economic conditions occurring globally and in particular in the United States where the Fund generally invests its assets.</p> <p>The Adviser’s methods of minimizing such risks may not accurately predict future risk exposures. Risk management techniques are based in part on the observation of historical market behavior, which may not predict market divergences that are larger than historical indicators. Also, information used to manage risks may not be accurate, complete or current, and such information may be misinterpreted.</p> <p><b>Nature of the Fund’s Investments.</b> The Fund has a very broad mandate with respect to the type and nature of investments in which it participates. While some of the debt in which the Fund will invest may be secured, the Fund may also invest in debt or equity securities that are either unsecured and subordinated to substantial amounts of senior indebtedness, or a significant portion of which may be unsecured. In such instances, the ability of the Fund to influence an issuer’s affairs, especially during periods of financial distress or following an insolvency is likely to be substantially less than that of senior creditors. For example, under terms of subordination agreements, senior creditors are typically able to block the acceleration of the debt or other exercises by the Fund of its rights as a creditor. Accordingly, the Fund may not be able to take the steps necessary to protect its investments in a timely manner or at all. In addition, the debt securities in which</p>

	<p>the Fund will invest may not be protected by financial covenants or limitations upon additional indebtedness, may have limited liquidity and may not be rated by a credit rating agency.</p> <p>The borrowers of loans constituting the Fund’s assets may seek the protections afforded by bankruptcy, insolvency and other debtor relief laws. Bankruptcy proceedings are unpredictable. Additionally, the numerous risks inherent in the insolvency process create a potential risk of loss by the Partnership of its entire investment in any particular investment. Insolvency laws may, in certain jurisdictions, result in a restructuring of the debt without the Fund’s consent under the “cramdown” provisions of applicable insolvency laws and may also result in a discharge of all or part of the debt without payment to the Fund.</p> <p>Debt securities are also subject to other risks, including (i) the possible invalidation of an investment transaction as a “fraudulent conveyance,” (ii) the recovery of liens perfected or payments made on account of a debt in the period before an insolvency filing as a “preference,” (iii) equitable subordination claims by other creditors, (iv) so called “lender liability” claims by the issuer of the obligations and (v) environmental liabilities that may arise with respect to collateral securing the obligations. Additionally, adverse credit events with respect to any issuer, such as missed or delayed payment of interest and/or principal, bankruptcy, receivership, or distressed exchange, can significantly diminish the value of the Fund’s investment in any such company. The Fund’s investments may be subject to early redemption features, refinancing options, pre-payment options or similar provisions which, in each case, could result in the issuer repaying the principal on an obligation held by the Fund earlier than expected. Accordingly, there can be no assurance that the Fund’s investment objective will be realized.</p> <p>In addition, during periods of market disruption, borrowers of loans constituting the Fund’s assets may be more likely to seek to draw on unfunded commitments the Partnership has made, and the Fund’s risk of being unable to fund such commitments is heightened during such periods.</p> <p><b>Uncertain Economic, Social and Political Environment.</b> Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, pandemics, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of 22VAM to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by the Firm and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon such on 22VAM.</p>
--	--

	<p>It has become common for politicians in the U.S. Congress to use the statutory debt limit of the United States (“Debt Ceiling”) for political gain. If the Debt Limit is breached, the U.S. Department of the Treasury may take extraordinary measures to prevent the U.S. from defaulting on its obligations. If Congress does not raise the Debt Ceiling, the U.S. could default on its obligations, including Treasury securities that play an integral role in financial markets. A default by the U.S. could result in unprecedented market volatility and illiquidity, heightened operational risks relating to the clearance and settlement of transactions, margin and other disputes with clients and counterparties, an adverse impact to investors, downgrades in the U.S. credit rating, further increases in interest rates and borrowing costs and a recession in the U.S. or other economies. Even if the U.S. does not default, continued uncertainty relating to the Debt Ceiling could result in downgrades of the U.S. credit rating, which could adversely affect market conditions.</p> <p><b>Inflation Risk.</b> In 2022 and 2023, in light of increasing inflation, the U.S. Federal Reserve (the “Fed”) increased interest rates multiple times. Although interest rates have come down slightly in the latter half of 2023, inflation is still a concern and the Fed could raise interest rates again because of the current robust economy, which could create downward pressure on the value of certain investments made by the Firm. Further, the Firm may face difficulty in realizing value from investments due to sustained declines in equity market values as a result of concerns regarding interest rates. Inflation and rapid fluctuations in inflation rates have in the past had, and may in the future have, negative effects on economies and financial markets. In an attempt to stabilize inflation, governments have imposed wage and price controls and will likely continue to intervene in the economy. Governmental efforts to curb inflation often have negative effects on the level of economic activity. If inflation were to decrease at rates slower than those anticipated in underwriting investments, the effective rate of return on such investments may be reduced and as a result, could have a material and adverse impact on 22VAM and its investments.</p> <p><b>Geopolitical Risks and Force Majeure.</b> An unstable geopolitical climate and continued threats of terrorism could have a material adverse effect on general economic conditions, market conditions and market liquidity. For example, the United States and governments globally have seen a rise in populist and nationalist tendencies, with political parties espousing such themes gaining strength in local and national elections. In addition, geopolitical tensions, including the conflict between Russia and Ukraine, the attack on Israel by Hamas, the affects of which have destabilized the region, and rising tensions between the United States and China, and the impact of long term financial and economic sanctions, could lead to uncertainty, disruption, and volatility in global markets and industries that could negatively impact the Firm. Moreover, certain current events and resulting movements (including protests) have caused social unrest in the United States and in other parts of the world. At times, such movements have been accompanied by violence and looting which has seen certain businesses suffer physical damage and economic loss. In addition, such movements have seen certain businesses become subject to adverse publicity and heightened scrutiny as a result of historical action or inaction. To the extent that 22VAM invests in companies that are impacted by</p>
--	---



	<p>such social unrest, physical damage and economic loss or the threat thereof (e.g., in the retail sector), there could be a material adverse impact on 22VAM and its investments.</p> <p>Geopolitical tensions, such as Russia's incursion into Ukraine, has led to disruption, instability and volatility in global markets and industries that could negatively impact 22VAM. The U.S. and other governments have imposed meaningful sanctions and export controls against Russia and Russian interests and threatened additional sanctions and controls. 22VAM will be required to comply with such measures and the full impact of such measures (including supply chain disruptions), as well as potential responses to them by Russia, is currently unknown and may become significant.</p> <p>22VAM could also be materially affected by Hamas' attack on Israel and Israel's counterattack into Gaza. The conflict has created tensions throughout the region which could expand creating a global crisis which has already increased U.S. military involvement. There have been over one hundred attacks on U.S. bases in the region, which has resulted in the death of three U.S. service members. Subsequently, there have been over one hundred air strikes by the U.S. against various terrorist organizations. Since the conflict began, various terrorist organizations have started attacking international shipping in the Red Sea, especially at the Bab el-Mandeb Strait which connects the Red Sea to the Gulf of Aden. Twelve percent of the oil and eight percent of the liquefied natural gas seaborne trade passes through the strait. The attacks on shipping are already causing some major oil and natural gas carriers to forgo the strait and take the longer trip around Africa which adds expense and delays. Such geopolitical tensions could create disruptions in the global supply chain and the global and U.S. economies which could negatively impact the Firm.</p> <p>Additionally, the various the Firm and its investments may be affected by force majeure events such as events beyond the control of the party claiming that the event has occurred including, without limitation, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labor strikes. Some force majeure events may adversely affect the ability of a party, including a Firm, its investments or a counterparty to the Firm, to perform its obligations until it is able to remedy the force majeure event. In certain circumstances, the Firm may be a party to a contract which does not provide a remedy in favor of the Firm if a force majeure event occurs. In this event, 22VAM may be required to continue to comply with its obligations (including, but not limited to, payment or performance of its obligations) under the contract even though it may not receive some or all of the benefits to which it is entitled under such contract. Such a circumstance may cause the Firm to suffer economic loss, and such loss may be exaggerated if a force majeure event subsists for an extended period of time.</p> <p>In addition, the cost to the Firm of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Certain force majeure events such as war or an outbreak of an infectious disease could have broader negative impact on the world economy and international business activity generally or in any of the countries in which the Firm will invest. A resulting negative impact on economic fundamentals and consumer confidence may increase the risk of default of particular investments, negatively impact market value, increase market volatility and cause credit spreads to widen and</p>
--	--

	<p>reduce liquidity, each of which could have a material adverse effect on the performance of the Firm's investments, returns and the ability of the Firm to make and/or dispose of investments. No assurance can be given as to the effect of these events on the value of, or markets for, investments, or the Firm's ability to recover therefrom.</p> <p><b>Financial Institutions Risk.</b> 22VAM relies upon third-party banks or other custodians to hold and safeguard our Client's assets. While 22VAM carefully selects and monitors its custodians, there is no guarantee that such custodians will not experience financial difficulties or otherwise fail, which could prevent the Firm from accessing Client funds, securities, or credit facilities. These events could negatively impact Firm performance or result in substantial delays in the return of capital to investors.</p> <p>Events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions or the financial services industry generally, or concerns or rumors about any events of these kinds, have in the past and may in the future lead to market-wide liquidity problems. For example, on March 10, 2023, Silicon Valley Bank ("SVB") was closed by the California Department of Financial Protection and Innovation, which appointed the FDIC as receiver. Despite subsequent actions taken by the U.S. Department of the Treasury, the U.S. Federal Reserve and the FDIC to ensure that all depositors of SVB had access to all of their cash deposits following the closure of SVB, uncertainty and liquidity concerns in the broader financial services industry remain.</p> <p>22VAM regularly maintain cash balances at banks or other custodians in excess of the FDIC insurance limit. Each of these parties' access to cash in amounts adequate to pay expenses, purchase new investments and otherwise operate its business could be significantly impaired by the financial institutions with which it maintains cash balances to the extent such financial institutions face liquidity constraints or failures. In addition, investor concerns regarding the U.S. or international financial systems may increase the risk of default of particular investments, negatively impact market value, increase market volatility and cause credit spreads to widen and reduce liquidity, all of which could have a material adverse effect on the performance of the Firm's investments, returns and the ability of the Firm to make and/or dispose of investments. No assurance can be given as to the effect of these events on the value of, or markets for, investments, or the Firm's ability to recover therefrom. In addition, while it is not always possible to predict the extent of the impact that the failure of any financial institution or the high market volatility and instability of the banking sector could have on economic activity and 22VAM in particular, the failure of other banks and financial institutions and the measures taken by governments, businesses and other organizations in response to these events could adversely impact the Firm and its investments.</p> <p><b>It is very important that Investors refer to the respective Fund's governing documents for a complete understanding of the material risks involved with the Funds' investment strategies. The information contained herein is a summary only and is qualified in its entirety by the relevant governing documents.</b></p>
--	--

<p><b>Item 8.C</b></p>	<p>If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</p> <p><b>High Yield Securities.</b> The Fund intends to invest in high-yield securities. Such securities are generally not exchange-traded and, as a result, these instruments trade in the over-the-counter marketplace, which is less transparent than the exchange-traded marketplace. In addition, the Fund will likely invest in bonds of issuers that do not have publicly traded equity securities, making it more difficult to hedge the risks associated with such investments. High-yield securities face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payments. The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities which react primarily to fluctuations in the general level of interest rates and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities are often highly leveraged and may not have available to them more traditional methods of financing. It is possible that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is possible that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default of such securities.</p> <p><b>Bank Debt.</b> The Fund 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 and may include loans which 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. The Fund may also invest in collateral on financial instruments, including interests on whole commercial, consumer and 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 Fund's investment 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 Fund 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 Fund about the underlying loan, the borrowers, the documentation of the loans or any collateral securing the loans.</p> <p>The Fund has 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 Fund generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan, nor any rights of set-off against the borrower, and the Fund may not benefit directly from any collateral supporting the loan in which it has purchased the Participation. Thus, the Fund assumes the credit risk of both the borrower and the</p>
------------------------	---

	<p>Lender that is selling the Participation. In addition, in connection with purchasing Participations, the Fund 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 Fund may be treated as a general creditor of the Lender and may not benefit from any set-off between the Lender and the borrower.</p> <p><b>Investment Grade Corporate Obligations.</b> The Fund may invest in corporate debt obligations, including bonds, loans, commercial paper and other instruments. Corporate debt obligations are subject to the risk of the issuer's inability to meet principal and interest obligations. Instruments that are rated Baa3/BBB- or higher may have superior risk characteristics than those rated below Baa3/BBB-, but such instruments still bear risk of significant adverse price movements, lack of liquidity and default. Each of these risks may be exacerbated by adverse publicity, investor perceptions, accounting issues, corporate malfeasance, credit downgrade and extreme market conditions.</p> <p><b>Distressed Debt.</b> The Fund will invest in distressed securities (e.g. defaulted, out-of-favor or distressed securities) which are inherently speculative and are subject to a high degree of risk. These investments include, but are not limited to, loans, bonds, trade claims, trust preferred stock, credit default swaps, total return swaps and other instruments of U.S. and non-U.S. companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization and liquidation proceedings. These companies are often those operating at a loss or with substantial variations in operating results from period to period. Companies experiencing financial distress may be involved in insolvency proceedings and have the need for substantial additional capital to support continued operations or to improve their financial condition and may have very high amounts of leverage.</p> <p>Distressed companies typically are in default under, or have a significant risk of an inability to service, their debt obligations, especially during an economic downturn or periods of rising interest rates, may not have access to more traditional methods of financing and may be unable to repay debt by refinancing. Investments in distressed companies may be premised on a turnaround strategy. If turnarounds are not achieved, these companies could experience failures or substantial declines in value, and the Fund may not be able to divest itself of such unprofitable investments in a timely fashion or at all. Additionally, turnarounds may not be achieved within the contemplated investment horizons.</p> <p>Although such investments may result in significant returns to the Fund, they involve a substantial degree of risk. Any one or all of such companies may be unsuccessful in their reorganization and their ability to improve their operating performance. In the case of liquidations, the proceeds realized through the liquidation process may be significantly less than originally projected at the time of investment. Further, the level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that the Adviser will correctly evaluate the intrinsic value of any or all of the companies, the securities of which the Fund may acquire. There is also no assurance that the Adviser will correctly evaluate how such value will be distributed among the different classes of creditors, or that the Adviser will have properly assessed the steps and timing thereof in the bankruptcy or liquidation</p>
--	--

	<p>process. In any reorganization or liquidation proceeding relating to a company in which the Fund invests, the Fund may lose its entire investment, and may be required to accept cash or securities with a value less than the Fund's original investment and/or may be required to accept payment over an extended period of time. Under such circumstances, the returns generated from a Fund's investments may not compensate the Fund adequately for the risks assumed.</p> <p>It may be difficult to obtain information as to the true financial condition of entities experiencing significant financial or business difficulties. Investments related to distressed entities also may be adversely affected by state and federal laws relating to fraudulent conveyances; voidable preferences, lender liability and the bankruptcy courts' discretionary power to disallow certain claims including those held by the Fund. The market prices of instruments related to distressed entities may be subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and ask prices of such instruments may be greater than normally expected. It may take a number of years for the market prices of such securities to reflect their intrinsic values. Some of such securities in the Partnership's portfolio may not be widely traded, and the Fund's positions in such securities may be substantial in relation to the market for such securities. Funding a plan of reorganization involves additional risks, including risks associated with equity ownership in the reorganized entity. Investments in distressed securities made in connection with an attempt to influence a restructuring proposal or plan of reorganization in a bankruptcy case may involve substantial litigation.</p> <p>Troubled company and other asset-based investments require active monitoring and will, at times, require participation in business strategy or reorganization proceedings by the Adviser. To the extent that the Adviser becomes involved in such proceedings, the Fund will have a more active participation in the affairs of the issuer. In addition, involvement by the Adviser in a company's reorganization proceedings could result in the imposition of restrictions limiting the Fund's ability to liquidate its position in the securities of the company.</p> <p>In liquidation (both in and out of bankruptcy) and other forms of corporate reorganization, there exists the risk that the reorganization either will be unsuccessful (due to, for example, failure to obtain requisite approvals), will be delayed (for example, until various liabilities, actual or contingent, have been satisfied) or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Fund of the security in respect to which such distribution was made.</p> <p><b>Interest Rate Risk.</b> 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 Fund 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 such hedges will be implemented and, if implemented, will be successful in mitigating the impact of interest rate changes on the portfolios.</p>
--	--

**Mezzanine Debt.** Mezzanine debt is typically junior to the obligations of a company to senior creditors, trade creditors and employees. The ability of the Fund to influence a company's affairs, especially during periods of financial distress or following an insolvency, will be substantially less than that of senior creditors. Mezzanine debt instruments are often issued in connection with leveraged acquisitions or recapitalizations in which the issuers incur a substantially higher amount of indebtedness than the level at which they had previously operated. Default rates for mezzanine debt instruments have historically been higher than for investment-grade instruments. In the event of the insolvency of a portfolio company of the Fund or similar event, the Fund's debt investment therein may be subject to fraudulent conveyance, subordination and preference laws.

**Capital Structure Arbitrage.** The Adviser may invest in the securities of companies that involve trading the spreads in the debt of companies with multiple classes of debt and/or trading the spreads in the equity of companies with multiple classes of equity, in each case to take advantage of relative mis-pricings. The Adviser may be incorrect in its assumptions and as such the Fund may not realize profits from such investments. Moreover, the Adviser may be correct in its assumption but may not be able to maintain such investments long enough for them to be profitable.

**Non-Performing Nature of Debt.** Certain of the debt purchased by the Fund will be, or in the future may become, non-performing and possibly in default. Furthermore, the obligor(s) and/or relevant guarantor(s) may also be, or come to be, in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments, if any, with respect to the debt.

**Convertible Securities.** Convertible securities are bonds, debentures, notes, preferred stocks or other securities that may be converted into or exchanged for a specified amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles its holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Convertible securities have unique investment characteristics in that they generally (i) have higher yields than common stocks, but lower yields than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases. The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the convertible security's investment value. The conversion value of a convertible security is determined by the market price of the underlying common stock. If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible

	<p>security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity.</p> <p>A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by the Fund is called for redemption, the Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third-party. Any of these actions could have an adverse effect on the Fund's ability to achieve its investment objective.</p> <p><b>Credit Default Swaps.</b> The buyer of a credit default contract is obligated to pay the seller 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 Fund may be either the buyer or seller in a transaction. If the Fund is a buyer and no credit event occurs, the Fund will have made fixed payments and received nothing. However, if a credit event occurs, the Fund, as a buyer, typically will receive full notional value for a reference obligation that may have little or no value. As a seller, the Fund 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.</p> <p>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, investors in such contracts do not benefit from regulatory protections. The selling of credit default swaps involves greater risks than if the Fund 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.</p> <p><b>Reliance on Fundamental Analysis.</b> The Adviser may base its trading decisions, in whole or in part, on fundamental analysis. Fundamental trading systems consider factors, such as inflation, trade balances, inventories and interest rates, which do not have an impact on traditional technical trading systems, in an attempt to identify investment opportunities. To the extent that such factors provide mixed or conflicting signals, the fundamental trading systems may not be able to detect and/or accurately predict price trends. There can be no guarantee that the Adviser's fundamental trading systems will enable the Adviser to accurately value the securities in which the Fund invests or that any anticipated price trends will materialize with respect to such investments.</p>
--	---



**Highly Volatile Markets.** The prices of financial instruments in which the Fund may invest can be volatile. Price movements of the financial instruments in which the Fund's assets may be invested will be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments and national and international political and economic events and policies. The Fund will be subject to the risk of failure of any of the Exchanges on which their positions trade or of their clearinghouses. In addition, governments from time to time intervene in certain markets, directly, by regulation and otherwise, particularly in currencies, futures and options. Such intervention is often intended to directly influence prices and may, together with other factors, cause some or all of these markets to move rapidly in the same direction. The effect of such intervention is often heightened by a group of governments acting in concert.

**Unsecured Loans.** Unsecured loans are typically not backstopped by collateral. The only assurance a lender has that a borrower will repay the debt is the borrower's creditworthiness and intention to repay. The risks are higher that a borrower will default on an unsecured loan as there is nothing to secure the obligation to repay. Any unsecured loans could result in a complete loss of investment for the Fund.

**Limited Diversification and Risk Management Failures.** As described herein, the Fund's portfolio will likely not be diversified to any material extent and, as a result, the Fund could experience significant losses if general economic conditions, and, in particular, those relevant to the issuers whose securities are owned by the Fund, decline. In addition, the Fund's portfolio could become significantly concentrated in a limited number of issuers, types of financial instruments, industries, strategies, and will be limited to a single country, and any such concentration of risk may increase losses suffered by the Fund. This limited diversity could expose the Fund to losses disproportionate to market movements in general. Although the Adviser generally will attempt to identify, monitor and manage significant risks, these efforts will not take all risks into account and there can be no assurance that these efforts will be effective. Many risk management techniques are based on observed historical market behavior, but future market behavior may be entirely different. Any inadequacy or failure in the Adviser's risk management efforts could result in material losses for the Fund.

**Equity Risks.** The Fund will invest in equity securities. The market price of securities owned by the Fund may go up or down, sometimes rapidly or unpredictably. A risk of investing in the Fund is that the equity securities in its portfolio will decline in value due to factors affecting equity securities markets generally or the sectors in which the Fund will invest. The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in equity securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which the Adviser believes are



fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame the Adviser anticipates. As a result, the Fund may lose all or substantially all of its investment in any particular instance.

**Default and Credit Risks.** The Fund may invest in debt obligations of both government and corporate issuers. These financial instruments involve the risk that the obligor either cannot or will not fulfill its obligations under the terms of the financial instrument. The Fund also will assume the credit risk associated with any of its Futures Commission Merchants, brokers, custodians and other counterparties in connection with brokerage arrangements, derivatives and other contractual relationships. In evaluating credit risk, the Fund may be dependent upon information provided by the obligor, which may be materially inaccurate or fraudulent. Any actual default, or any circumstance that increases the possibility of such a default, could have a material adverse effect on the Fund.

**Use of Derivatives.** The Adviser uses derivative instruments, including without limitation, option contracts, swap agreements and forward contracts, and derivative techniques, including without limitation, synthetic short sales, for various hedging and/or speculative purposes. The use of such instruments and techniques may result in leveraging the assets of the Fund, thereby exposing the Fund to significant risks.

Among other things, the prices of derivative instruments can be highly volatile. Price movements of derivative instruments are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies, financial futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

Uncertainties remain as to how the markets for these instruments will perform during periods of unusual price volatility or instability, market illiquidity or credit distress. Market movements are difficult to predict and financing sources and related interest rates are subject to rapid change. One or more markets may move against the derivatives positions held by a trader, thereby causing substantial losses. Many of these instruments are not traded on exchanges but rather through an informal network of banks and dealers who have no obligation to make markets in them and can apply essentially discretionary margin and credit requirements (and thus in effect force a trader to close out its positions).

**Futures.** In the futures markets, margin deposits typically range between 2% and 15% of the value of the futures contract purchased or sold. Because of these low margin deposits, futures trading is inherently highly leveraged. As a result, a relatively small price movement in a futures contract may result in immediate and substantial losses to the trader. For example, if at the time of purchase 10% of the price of a futures contract is deposited as margin, a 10% decrease in the price of the contract would, if the contract is then closed out, result in a total loss of the margin deposit before any deduction for brokerage commissions. A decrease of more than 10% would result in a loss of more than the total margin deposit.

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” Under such limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Adviser from promptly liquidating unfavorable positions and thus subject the Fund to substantial losses. In addition, the Adviser may not be able to execute futures contract trades at favorable prices if little trading in the contracts involved is taking place. It also is possible that an exchange or the CFTC may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only.

Certain commodity exchanges have also established limits, referred to as “position limits,” on the maximum net long or net short positions which any person may hold or control in particular commodity futures contracts. The Adviser may have to modify its investment and trading decisions, and might have to liquidate positions, in order to avoid exceeding such limits. If this should occur, it could adversely affect the profitability of the Fund.

**Options.** There are various risks inherent in options trading. For example, the seller (writer) of a covered call option (i.e., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security to a level below the purchase price of the security, less the premium received by the writer for writing the option. The writer of a covered call option also gives up the opportunity for gain on the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing the premium invested in the option. The seller (writer) of a covered put option (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security below the exercise price of the option less the premium received on the put option. The buyer of a put option assumes the risk of losing the premium it paid to purchase the put option. There is an unlimited risk of loss associated with selling options. The options markets have the authority to prohibit the exercise of particular options, which if imposed when trading in the option has also been halted, would lock holders and writers of that option into their positions until one of the two restrictions has been lifted.

The Adviser also may trade options on futures contracts. Such an option is a right, purchased for a certain price, to either buy or sell the underlying futures contract during a certain period of time for a fixed price. Trading options on futures is speculative and highly leveraged. Specific market movements of the futures contracts underlying an option cannot accurately be predicted. If the Adviser purchases an option, it will be subject to the risk of losing the entire purchase price of the option. On the other hand, if the Adviser writes (sells) an option, it will be subject to the risk of loss resulting from the difference between the amount received for the option and the price of the futures contract underlying the option which the Adviser must purchase or deliver upon exercise of the option.

**Combination Transactions.** The Adviser may engage in spreads or other combination options transactions involving the purchase and sale of related options and futures contracts. These transactions are considerably more complex than the purchase or writing of a single option. They involve the risk that executing simultaneously two or more buy or sell orders at the desired prices may be difficult or impossible, the possibility that a loss could be incurred on both sides of a multiple options transaction, and the possibility of significantly increased risk exposure resulting from the hedge against loss inherent in most spread positions being lost as a result of the assignment of an exercise to the short leg of a spread while the long leg remains outstanding. Also, the transaction costs of combination options transactions can be especially significant because separate costs are incurred on each component of the combination.

**Straddles.** In straddle writing, where the investor writes both a put and a call on the same underlying interest at the same exercise price in exchange for a combined premium on the two writing transactions, the potential risk of loss is unlimited. To the extent the price of the underlying interest is either above or below the exercise price by more than the combined premium, the writer of a straddle will incur a loss when one of the options is exercised. If the writer is assigned an exercise on one option position in the straddle and fails to close out the other position, subsequent fluctuations in the price of the underlying interest could cause the other option to be exercised as well, causing a loss on both writing positions.

**Forward Trading.** The Adviser may utilize forward contracts and options thereon which, unlike futures contracts, are not traded on exchanges and are not standardized; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and “cash” trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market in which the Adviser trades due to unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward trading to less than that which the Adviser would otherwise recommend, to the possible detriment of the Fund. Market illiquidity or disruption could result in major losses to the Fund.

In the forward markets, margin deposits may be even lower than in other markets or may not be required at all. Such low or non-existent margin deposits are indicative of the fact that any trading in the forward markets typically is accompanied by a high degree of leverage.

**Swaps.** The Adviser may enter into swap agreements and options on swap agreements (“swaptions”). These agreements can be individually negotiated and structured to include exposure to a variety of different types of investments, asset classes or market factors. The Fund, for instance, may enter into swap agreements

	<p>with respect to interest rates, credit defaults, currencies, financial instruments, indexes of financial instruments and other assets or other measures of risk or return. Depending on their structure, swap agreements may increase or decrease exposure to, for example, equity financial instruments, long-term or short-term interest rates, foreign currency values, credit spreads or other factors. Swap agreements can take many different forms and are known by a variety of names. The Adviser is not limited to any particular form of swap agreement. Whether the Adviser's use of swap agreements or swaptions will be successful will depend on its ability to select appropriate transactions. Swap transactions may be highly illiquid and may increase or decrease the volatility of the Adviser's portfolio. Moreover, the Fund will bear the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency of its counterparty. The Fund will also bear the risk of loss related to swap agreements, for example, for breaches of such agreements or the failure of the Fund to post or maintain required collateral. Many swap markets are relatively new and still developing. It is possible that developments in the swap markets, including potential government regulation, could adversely affect the Adviser's ability to terminate swap transactions or to realize amounts to be received under such transactions.</p> <p><b>Short Selling.</b> The Fund expects to engage in short selling. In a short sale, the seller sells a security that it does not own, typically a security borrowed from a broker or dealer. Because the seller remains liable to return the underlying security that it borrowed from the broker or dealer, the seller must purchase the security prior to the date on which delivery to the broker or dealer is required. As a result, the Fund will engage in short sales only where the Adviser believes the value of the security will decline between the date of the sale and the date the Fund is required to return the borrowed security. The making of short sales will expose the Fund to the risk of liability for the market value of the security that is sold, which will be an unlimited risk due to the lack of an upper limit on the price to which a security may rise. In addition, there can be no assurance that securities necessary to cover a short position will be available for purchase or that securities will be available to be borrowed by the Fund at reasonable costs. If a request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, and the Fund may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short.</p> <p><b>Trading Decisions.</b> Trading decisions made by the Adviser will be based on fundamental and other analysis. Any factor that would lessen the prospect of major trends occurring in the future (such as increased governmental control of, or participation in, the financial markets) may reduce the prospect that a particular trading method or strategy will be profitable in the future. In the past, there have been periods without discernible trends and, presumably, such periods will continue to occur in the future. Moreover, any factor that would make it more difficult to execute trades at desired prices in accordance with the signals of the trading method or strategy (such as a significant lessening of liquidity in a particular market) would also be detrimental to profitability. Further, many advisors' trading methods utilize similar analyses in making trading decisions. Therefore, bunching of buy and sell orders can occur, which makes it more</p>
--	---

difficult for a position to be taken or liquidated. No assurance can be given that the Fund's strategies will be successful under all or any market conditions.

**Less Liquid Instruments.** The Fund will likely invest in securities which may be thinly traded. In addition, the Fund may from time to time hold large positions with respect to a specific type of instrument, which may reduce the Fund's liquidity. The Fund may be unable to timely dispose of certain assets, which would adversely affect the Fund's ability to rebalance its portfolio or to meet withdrawal requests. In addition, such circumstances may force the Fund to dispose of assets at reduced prices, thereby adversely affecting the Fund's performance. If there are other market participants seeking to dispose of similar assets at the same time, the Fund may be unable to sell such assets or prevent losses relating to such assets. Furthermore, if the Fund incurs substantial trading losses, the need for liquidity could rise sharply while its access to liquidity could be impaired. In conjunction with a market downturn, the Fund's counterparties could incur losses of their own, thereby weakening their financial condition and increasing the Fund's credit risk to them.

The Fund may also invest in securities that are subject to legal or other restrictions on transfer. The Fund may be contractually prohibited from disposing of such investments for a specified period of time. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. The market prices, if any, for such investments tend to be volatile and may not be readily ascertainable, and the Fund may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale.

**Hedging Transactions.** The Fund may utilize financial instruments, both for investment purposes and for risk management purposes, in order to: (i) protect against possible changes in the market value of the Fund's investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the Fund's unrealized gains in the value of the Fund's investment portfolio; (iii) facilitate the sale of any such investments; (iv) preserve returns, spreads or gains on any investment in the Fund's portfolio; (v) hedge against a directional trade; (vi) protect against any increase in the price of any securities the Fund anticipates purchasing at a later date; or (vii) for any other reason that the Adviser deems appropriate. The success of the Fund's hedging strategies will depend, in part, upon the Adviser's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Fund's hedging strategy will also be subject to the Adviser's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Fund than if it had not engaged in such hedging transactions. For a variety of reasons, the Adviser may not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Fund from achieving the intended hedge or expose the Fund to risk of loss. The Fund will not be required to hedge any particular risk

in connection with a particular transaction or its portfolios generally. Moreover, it should be noted that the portfolio will always be exposed to certain risks that may not be hedged. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of the Fund's portfolio holdings.

**Relative Value and Directional Investments.** The Fund's investment strategies may depend on the Adviser's ability to accurately predict future price movements or the convergence of market prices toward the theoretical values expected by the Adviser. Any such attempt to predict future price movements is inherently risky and inaccurate. Often, price movements will be determined by unanticipated factors, and the Adviser's analysis of known factors may prove incorrect, in each case potentially leading to substantial losses to the Fund.

**Fixed Income Securities.** The Fund will invest in bonds and other fixed income securities of issuers including, without limitation, debt obligations issued by the US government. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities in which the Fund invest will change in response to fluctuations in interest rates. In addition, the value of certain fixed income securities can fluctuate in response to perceptions of creditworthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk).

**Trading in Non-U.S. Companies and Markets.** The Adviser will be permitted to trade in non-U.S. markets and/or trade in the securities of non-U.S. companies involves certain considerations not usually associated with trading in securities of U.S. companies, including political and economic considerations, such as greater risks of expropriation and nationalization, confiscatory taxation, the potential difficulty of repatriating funds, general social, political and economic instability and adverse diplomatic developments; the possibility of imposition of withholding or other taxes on dividends, interest, capital gains or other income; the small size of some markets in foreign countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict investment opportunities. In addition, accounting and financial reporting standards that prevail in foreign countries generally are not equivalent to United States standards and, consequently, less information may be available to investors in companies located in foreign countries than is available to investors in companies located in the United States. There is also less regulation, generally, of the financial markets in foreign countries than there is in the United States. For example, some foreign exchanges, in contrast to domestic exchanges, are "principals' markets" in which performance is the responsibility only of the individual member with whom the trader has entered into a contract and not of an exchange or clearing corporation. In such a case, an investor is subject to the risk of the inability of, or refusal by, the counterparty to perform with respect to such contracts.

**Currency Risk.** The Fund may be exposed in the interbank market to risks associated with any government or market action that might suspend or restrict trading or otherwise render illiquid, in whole or in part, the Fund's position. The



Adviser may trade currencies and financial instruments in interbank and forward contract markets which the Adviser believes to be well-established and of recognized standing. The Adviser may effect such trades with brokers and other market participants which it believes to be creditworthy.

**Trading in OTC Markets.** The Adviser may engage in over-the-counter (“OTC”) derivative transactions, such as currency forward contracts traded in the interbank market; options on currency forward contracts and certain swap agreements. In general, there is less governmental regulation and supervision of transactions in the OTC markets than of transactions entered into on organized exchanges. Most of the protections afforded to participants on U.S. and certain non-U.S. exchanges, such as daily price fluctuation limits and the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. The Fund will be exposed to greater risk of loss through default than if they confined their trading to organized exchanges.

**Foreign Exchange Trading.** The Adviser is permitted to trade Foreign exchange currencies (“Forex”). There are no restrictions on the currency pairs traded by the Adviser trading Forex. The assets of the Fund allocated to trading Forex are at risk for fluctuations in the exchange rate between the currencies in which they trade and U.S. dollars. There is no restriction on how much of the Adviser’s trading might be on foreign markets. The Adviser may also trade options on currencies. Although the currency market is not believed to be necessarily more volatile than the markets in other commodities, there is less protection against defaults in Forex trading because such contracts are not effected on or through an exchange or clearinghouse. Therefore, with respect to this trading, assets of the Fund allocated to trading Forex are not afforded the protections provided by trading on regulated exchanges, including segregation of funds. In any principal contract, the Adviser must rely on the creditworthiness of their counterparty.

The trading of Forex subjects the assets of the Fund to a variety of risks including: 1) counterparty risk; 2) basis risk; 3) interest rate risk; 4) settlement risk; 5) legal risk; and 6) operational risk. Counterparty risk is the risk that the counterparties of the Fund trading Forex might default on their obligation to pay or perform generally on their obligations. The over-the-counter markets and some foreign markets are “principals’ markets.” That means that performance of the contract is the responsibility only of the individual firm or member on the other side of the trade and not any exchange or clearing corporation. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement or where the Adviser has concentrated its transactions with a single or small group of counterparties. Basis risk is the risk attributable to the movements in the spread between the derivative contract price and the future price of the underlying instrument. Interest rate risk is the general risk associated with movements in interest rates. Settlement risk is the risk that a settlement in a transfer system does not take place as expected. Legal risk is the risk that a transaction proves unenforceable in law or because it has been inadequately documented. Operational risk is the risk of unexpected losses arising from deficiencies in a firm’s management information, support and control systems and procedures. Transactions in over-the-counter derivatives may involve other risks as well, as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Additionally, Forex trading is highly leveraged and a small movement in the relative value of the currencies traded

may result in a large gain or loss for the Adviser. The use of leverage magnifies the degree of risk as well as the opportunity for gain.

**Cash and Cash Equivalent Investments.** The Fund may invest a portion of their assets in cash or cash equivalent items for investment purposes, pending other investments, as collateral or as provision of margin for derivative instruments. These cash items generally are of high quality at the time of investment and may include a number of money market instruments such as negotiable or non-negotiable securities issued by or short-term deposits with the U.S. and non-U.S. governments and agencies or instrumentalities thereof, bankers' acceptances, high quality commercial paper, repurchase agreements, bank certificates of deposit, and short-term debt securities of U.S. or non-U.S. issuers deemed to be creditworthy by the Adviser. While these investments generally involve relatively low risk levels, they may produce lower than expected returns, and could result in losses.

**Broad Investment and Trading Mandate.** Neither the Partnership Agreement nor the Master Fund Agreement imposes significant restrictions on the Adviser's investing and trading for the Fund and permits the Fund to invest and trade in a broad range of financial instruments. The Adviser may engage in any strategies from time to time (either in lieu of or in addition to the strategies described herein) to take advantage of changing market conditions and investment opportunities, without notice to the Investors. This could involve changes in the types of financial instruments in which the Fund trades and invests, as well as changes in the markets in which such instruments trade. There can be no assurance that pursuing additional strategies, either in lieu of or in addition to the three principal strategies described herein, would be successful or not result in losses. The General Partner will, however, notify the Investors of any material changes to the Fund or its business.

**Leverage and Liquidity Risks.** The Fund generally will have the power to borrow funds (or otherwise incur leverage) and may do so when deemed appropriate by the Adviser. The Fund may borrow funds from brokers, banks and other lenders to finance its investing and trading operations, which borrowings may be secured by assets of the Fund. The use of such leverage can, in certain circumstances, maximize the losses to which the Fund's investment portfolio may be subject. Any event that adversely affects the value of an investment would be magnified to the extent that a particular asset or the Fund as a whole is leveraged. The cumulative effect of the use of leverage by the Fund in a market that moves adversely to the Fund's investments could result in a substantial loss to the Fund, which would be greater than if the Fund was not leveraged. Leverage may be achieved through, among other methods, direct borrowing and purchases of securities on margin and the use of options and other derivatives.

The use of margin, derivatives and short-term borrowings may result in substantial interest and financing costs to the Fund and may create other or additional risks. Specifically, the Fund may use a significant portion of its capital for margin and collateral deposits. If the value of the Fund's securities or derivatives positions falls below the margin or collateral levels required by a prime broker, custodian or other counterparty, additional margin or collateral deposits would be required. If the Fund is unable to satisfy any margin or collateral call by a prime broker, custodian or other counterparty, then such custodian or other counterparty could terminate transactions, liquidate the Fund's



	<p>position in some or all of the financial instruments that are in the Fund’s margin or collateral accounts at the custodian or other counterparty and otherwise cause the Fund to incur significant losses. The failure to satisfy a margin or collateral call, or the occurrence of other material defaults under margin or other financing agreements, may trigger cross-defaults under the Fund’s agreements with other brokers, custodians, lenders or counterparties, multiplying the adverse impact to the Fund. In addition, because the use of leverage will allow the Fund to control positions worth significantly more than its investments in those positions, the amount that the Fund may lose in the event of adverse price movements may be high in relation to the amount of its investments.</p> <p>In the event of a sudden drop in the value of the Fund’s assets, the Fund might not be able to liquidate assets quickly enough to satisfy its margin or collateral requirements or other contractual obligations. In that event, the Fund may become subject to claims of financial intermediaries that extended margin loans or other types of credit. Such claims could exceed the value of the assets of the Fund. The banks, dealers and other custodians and counterparties that provide financing to the Fund can apply essentially discretionary margin, haircut, financing and collateral valuation policies. Changes by banks, dealers and other custodians or counterparties in any of the foregoing may result in large margin or collateral calls, loss of financing and forced liquidations of positions at disadvantageous prices. There can be no assurance that the Fund will be able to secure or maintain adequate financing, without which the Fund may not continue to be viable.</p> <p>The purchase of options, futures, forward contracts, repurchase agreements, reverse repurchase agreements and equity swaps generally involves little or no margin deposit and, therefore, will provide substantial leverage. Accordingly, relatively small price movements in these financial instruments may result in immediate and substantial losses to the Fund. In addition, the Fund will have unlimited discretion to use derivative instruments, which generally provide the economic equivalent of leverage by magnifying the potential gain or loss from an investment.</p> <p><b>Counterparty Risks.</b> The Fund expects to establish relationships to obtain financing, obtain prime brokerage and other services and enter into various transactions with third parties, all of which will permit the Fund to trade in any variety of markets or asset classes over time; however, there can be no assurance that the Fund will be able to maintain such relationships or establish such relationships in the future or that one or more of the Fund’s counterparties won’t cancel or otherwise terminate its prime brokerage and/or financing arrangements with the Fund. An inability to establish or maintain such relationships would limit the Fund’s trading activities and could create losses, preclude the Fund from engaging in certain transactions, derivative intermediation financing and prime brokerage services and prevent the Fund from trading at optimal rates and terms. Moreover, a disruption in the financing, derivative and prime brokerage services provided by any such relationships or a significant change in terms relating to financing rates or leverage by such counterparties could have a significant and/or negative impact on the Fund’s business, including requiring the liquidation of positions on unfavorable terms, due to the Fund’s reliance on such counterparties. Some of the markets in which the Fund may effect its transactions are “over-the-counter” or “inter-dealer” markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange-based” markets. This exposes the Fund to the risk that a counterparty</p>
--	---

	<p>will not settle a transaction due to a credit or liquidity problem, thus causing the Fund to suffer a loss. In addition, in the case of a default, the Fund could become subject to adverse market movements while replacement transactions are executed. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement or where the Fund has concentrated its transactions with a single counterparty or small group of counterparties.</p> <p>Furthermore, there is a risk that any of the Fund’s counterparties could become insolvent and/or the subject of insolvency proceedings. If one or more of the Fund’s counterparties were to become insolvent or the subject of insolvency proceedings, there exists the risk that the recovery of the Fund’s securities and other assets from the Fund’s prime brokers or broker-dealers will be delayed or be of a value less than the value of the securities or assets originally entrusted to such prime broker or broker-dealer.</p> <p>The Fund may use counterparties located in jurisdictions outside the United States. Such counterparties are subject to the laws and regulations in non-U.S. jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Fund’s assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize about the effect of their insolvency on the Fund and its assets.</p> <p>The Fund is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, the Adviser’s internal process for evaluating the creditworthiness of its counterparties may prove insufficient. The ability of the Fund to transact business with any one or more counterparties, the lack of complete and “foolproof” evaluation of the financial capabilities of the Fund’s counterparties and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Fund.</p> <p><b>It is very important that Investors refer to the respective Fund’s governing documents for a complete understanding of the material risks involved in relation to the types of securities 22VAM invests in on behalf of the Funds. The information contained herein is a summary only and is qualified in its entirety by the relevant governing documents.</b></p>
--	--

## ITEM 9 – DISCIPLINARY INFORMATION

If there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Items 9.A, 9.B, and 9.C list specific legal and disciplinary events presumed to be material for this Item. If your advisory firm or a *management person* has been *involved* in one of these events, you must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in your or the *management person's* favor, or was reversed, suspended or vacated, or (2) you have rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the “date” of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. If your advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not listed in Items 9.A, 9.B, or 9.C, but nonetheless is material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of its management, you must disclose the event. Similarly, even if more than ten years have passed since the date of the event, you must disclose the event if it is so serious that it remains material to a *client's* or prospective *client's* evaluation.

<b>Item 9.A</b>	<p>A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a <i>management person</i></p> <ol style="list-style-type: none"> <li>1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any <i>felony</i>; (b) a <i>misdemeanor</i> that <i>involved</i> investments or an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;</li> </ol> <p>is the named subject of a pending criminal <i>proceeding</i> that involves an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;</p> <ol style="list-style-type: none"> <li>2. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation</li> </ol> <p>3. ; or</p> <p>was the subject of any <i>order</i>, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a <i>management person</i> from engaging in any <i>investment-related</i> activity, or from violating any <i>investment-related</i> statute, rule, or</p> <ol style="list-style-type: none"> <li>4. <i>order</i></li> </ol> <p>Not applicable to 22VAM.</p>
<b>Item 9.B</b>	<p>An administrative <i>proceeding</i> before the SEC, any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> in which your firm or a <i>management person</i></p>

	<ol style="list-style-type: none"> <li>1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or</li> <li>2. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation and was the subject of an <i>order</i> by the agency or authority <ol style="list-style-type: none"> <li>(a) denying, suspending, or revoking the authorization of your firm or a <i>management person</i> to act in an <i>investment-related</i> business;</li> <li>(b) barring or suspending your firm's or a <i>management person's</i> association with an <i>investment-related</i> business;</li> <li>(c) otherwise significantly limiting your firm's or a <i>management person's investment-related</i> activities; or</li> <li>(d) imposing a civil money penalty of more than \$2,500 on your firm or a <i>management person</i>.</li> </ol> </li> </ol> <p>Not applicable to 22VAM.</p>
<b>Item 9.C</b>	<p>A self-regulatory organization (SRO) proceeding in which your firm or a management person</p> <ol style="list-style-type: none"> <li>1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or</li> <li>2. was <i>found</i> to have been <i>involved</i> in a violation of the <i>SRO's</i> rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from <i>investment-related</i> activities; or (iii) fined more than \$2,500.</li> </ol> <p>Not applicable to 22VAM.</p>

## ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

<p><b>Item 10.A</b></p>	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>22VAM is under common control with 22V Research Group, LLC (“22VR”), an investment research provider controlled and owned, in part, by Mr. DeBusschere and Brian Herlihy, a minority owner of 22VAM. 22VR has partnered with a non-affiliated broker-dealer and Messrs. DeBusschere and Herlihy are both registered representatives of this broker-dealer. 22VR has also entered into commission sharing arrangements (“CSA”) with one or more broker-dealers for the benefit of registered representatives employed by 22VR. 22VAM utilizes certain of these broker-dealers to execute transactions on behalf the Funds which creates a conflict of interest in that registered representatives of 22VR, including Messrs. DeBusschere and Herlihy, are eligible to receive pecuniary benefits through the CSAs related to brokerage transactions executed on behalf of Advisory Clients. 22VAM also may purchase research from 22VR for the benefit of the Funds. Each of these conflicts is described in further detail in <b>Item 12</b>.</p> <p>An affiliate of 22VAM is also currently preparing an application to register with the SEC as a broker-dealer. The affiliated broker-dealer will be under common control with 22VAM and it is anticipated that the affiliated broker-dealer will provide services to 22VAM and its Advisory Clients as well to other unaffiliated parties.</p>
<p><b>Item 10.B</b></p>	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</p> <p>Not applicable to 22VAM.</p>
<p><b>Item 10.C</b></p>	<p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> <li>1. broker-dealer, municipal securities dealer, or government securities dealer or broker</li> <li>2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)</li> <li>3. other investment adviser or financial planner</li> <li>4. futures commission merchant, commodity pool operator, or commodity trading advisor</li> <li>5. banking or thrift institution</li> <li>6. accountant or accounting firm</li> <li>7. lawyer or law firm</li> <li>8. insurance company or agency</li> </ol>

	<p>9. pension consultant</p> <p>10. real estate broker or dealer</p> <p>11. sponsor or syndicator of limited partnerships</p> <p>22VAM serves as the Adviser of the Advisory Clients. The General Partner serves as the general partner of the Domestic Feeder. 22VAM, its affiliates, employees and/or their related persons invest directly in certain Client Funds. It should be noted that investments made by such persons may not be subject to the management fees and/or performance-based fees.</p>
<b>Item 10.D</b>	<p>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</p> <p>Not applicable to 22VAM.</p>

## ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

<p><b>Item 11.A</b></p>	<p>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any <i>client</i> or prospective <i>client</i> upon request.</p> <p>22VAM’s Code of Ethics (the “Code”) is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (“Advisers Act”). The Code applies to 22VAM’s access persons (which term includes all employees of 22VAM) and sets forth a standard of business conduct that takes into account 22VAM’s status as a fiduciary and requires access persons to place the interests of Advisory Clients above their own interests and the interests of 22VAM. The Code requires access persons to comply with applicable federal securities laws. Further, access persons are required to promptly bring violations of the Code to the attention of 22VAM’s Chief Compliance Officer. All access persons are provided with a copy of the Code and are required to acknowledge receipt of the Code on at least an annual basis.</p> <p>The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by access persons. 22VAM’s access persons must provide the Chief Compliance Officer with a list of their personal accounts and an initial holding report within ten (10) days of becoming an access person. In addition, 22VAM’s access persons must provide annual holdings reports and quarterly transaction reports in accordance with Rule 204A-1. Further, under 22VAM’s Code, access persons’ personal securities transactions are subject to certain restrictions and pre-clearance requirements.</p> <p>In addition, the Code ensures the protection of non-public information about the activities of the Advisory Clients. Investors or prospective Investors may obtain a copy of 22VAM’s by contacting the Chief Compliance Officer, Michael Barr, at 917-224-2277 or by email at <a href="mailto:mbarr@22VAM.com">mbarr@22VAM.com</a>.</p>
<p><b>Item 11.B</b></p>	<p>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>As explained in <b>Item 10.C</b> above, 22VAM serves as the Adviser to Advisory Clients, and the General Partner serves as the general partner of the Domestic Feeder.</p> <p>22VAM and the General Partner have financial ownership interests in the Client Funds and receive a management fee and an incentive allocation, respectively, for their services to these Client Funds. 22VAM, its access persons, or related persons may also invest directly in certain Client Funds, and such investments may not be subject to the management fee or incentive allocation described in <b>Item 5</b> above. The fact that 22VAM and the General Partner, their affiliates, related persons, and access persons (the “Affiliated Parties”) have a financial ownership interest in the Client Funds creates a potential conflict in that it could cause 22VAM to make different investment decisions than if there was no such a financial ownership interest. Further, 22VAM and the General Partner charge</p>

	<p>Clients fees based on a percentage of assets under management and performance via the management fee or incentive allocation. The management fee is payable without regard to the overall success or income earned by Clients and therefore may create an incentive on the part of 22VAM to raise or otherwise increase assets under management to a higher level than would be the case if 22VAM were receiving a lower or no management fee. The receipt of an incentive allocation by the General Partner may create an incentive for 22VAM to make investments that are riskier or more speculative than it otherwise would.</p> <p>Personal transactions of 22VAM's employees and related persons, which include the firm's access persons, must be made strictly in accordance with 22VAM's Code and the terms of the offering described in any applicable investment product's offering materials. To manage any potential for a conflict of interest, 22VAM's access persons are generally prohibited from the personal trading of securities and other instruments held by the Advisory Clients. Exceptions may be made in limited circumstances and are subject to 22VAM's compliance policies and procedures and the discretion of the Chief Compliance Officer. More specifically, as noted in <b>Item 11.A</b>, under 22VAM's Code, access persons' personal securities transactions are subject to certain restrictions and pre-clearance requirements, including: a prohibition of trading in single name equity or debt securities and other single name derivative products; and a pre-clearance requirement for transactions in reportable securities. Additionally, 22VAM maintains a Restricted List, which contains the names of securities that access persons are prohibited from trading on behalf of personal accounts and Advisory Clients. Proposed personal securities transactions by access persons will be reviewed in the best interests of 22VAM's Advisory Clients and will be denied by the Chief Compliance Officer if there is risk of potential adverse consequences to the Advisory Clients. The Chief Compliance Officer reviews access persons' personal transaction reports to make sure each access person is conducting his or her personal securities transactions in a manner that is consistent with the Code.</p> <p>22VAM and the General Partner will each use its best efforts in connection with the purposes and objectives of Clients and will devote so much of its time and effort to the affairs of Clients as may, in its judgment, be necessary to accomplish the purposes of Clients. The Affiliated Parties may conduct any other business, including any business within the securities industry, whether or not such business is in competition with Clients. Without limiting the generality of the foregoing, any of the Affiliated Parties may act as investment adviser, Adviser or general partner for others, may manage funds, separate accounts or capital for others and may serve as an officer, director, consultant, partner or stockholder of one or more investment funds, partnerships, securities firms or advisory firms. The Affiliated Parties may have conflicts of interest in allocating their time between management of Clients and other activities, in allocating investments among Clients and future advisory clients, and in effecting transactions for the Fund and future advisory clients, including ones in which the affiliates may have a greater financial interest.</p> <p>22VAM may face actual or potential conflicts of interest when allocating investment opportunities among Advisory Clients, any other clients and other persons. The general policy of 22VAM is to allocate investment opportunities among Advisory Clients in a fair and equitable manner based upon, among other things, the investment objectives, guidelines and restrictions, risk profiles, financial condition and tax status of such Clients. In furtherance thereof, if each</p>
--	---



	<p>client participating in an aggregated order receives its full desired allocation, then each participating client generally receives the average price per share paid or received with transaction costs shared pro rata among participating clients. If each participating client receives less than its full allocation, then each participating client generally receives its pro rata portion of the executed order with transaction costs shared among all participating Clients proportionately. Under certain circumstances, the Adviser has discretion to utilize alternative allocation procedures, provided that all participating clients are treated fairly and equitably.</p> <p>22VAM may establish and operate additional investment funds and has entered and may in the future enter into other investment advisory relationships with other Clients (including Clients who are also Investors in the Fund), and such other funds or clients will and may in the future be allocated all or part of investment opportunities that would also be appropriate for the Funds. The Adviser and its affiliates may have differing financial interests, direct or indirect, in the performance of the Funds and other clients. As a result, the Adviser may have an incentive to favor other funds or clients with regard to the allocation of opportunities or participation in particular investments and with regard to the terms of any transactions among funds or clients. The Adviser also may face conflicts between the interests of the Funds and the interests of other clients and between the interests of different groups of Investors in the Fund.</p>
<b>Item 11.C</b>	<p>If you or a <i>related person</i> invests in the same securities (or related securities, <i>e.g.</i>, warrants, options or futures) that you or a <i>related person</i> recommends to <i>clients</i>, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</p> <p>Refer to 22VAM's response to <b>Item 11.B</b> above.</p>
<b>Item 11.D</b>	<p>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>Refer to 22VAM's response to <b>Item 11.B</b> above.</p>

## ITEM 12 – BROKERAGE PRACTICES

Item 12.A.1	<p>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (e.g., commissions).</p> <ol style="list-style-type: none"> <li>1. Research and Other Soft Dollar Benefits. If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create. <ol style="list-style-type: none"> <li>a. Explain that when you use <i>client</i> brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.</li> <li>b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your <i>clients’</i> interest in receiving most favorable execution.</li> <li>c. If you may cause <i>clients</i> to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact.</li> <li>d. Disclose whether you use soft dollar benefits to service all of your <i>clients’</i> accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to <i>client</i> accounts proportionately to the soft dollar credits the accounts generate.</li> <li>e. Describe the types of products and services you or any of your <i>related persons</i> acquired with <i>client</i> brokerage commissions (or markups or markdowns) within your last fiscal year.</li> <li>f. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for soft dollar benefits you received.</li> </ol> </li> </ol> <p>22VAM has sole authority for selecting the broker-dealer used in each transaction for Advisory Clients and for negotiating, where applicable, the fees to be paid to the broker-dealers in connection with such transactions. 22VAM recognizes its duty to obtain “best execution.” Consistent with such duty, in determining best execution, 22VAM takes into account the full range and quality of a broker-dealer’s services, including such factors as the financial stability and reputation of brokerage firms, and the brokerage or other services provided by such brokers. 22VAM does not select broker-dealers solely based on the lowest possible commission costs, but on the best qualitative execution and overall value. Moreover, 22VAM does not measure best execution by the circumstances surrounding a single transaction but measures best execution instead over time.</p>
-------------	---

	<p>Consistent with such policy, consideration is given to a variety of factors, including, but not limited to, one or more of the following:</p> <ul style="list-style-type: none"> <li>• attention to 22VAM’s account</li> <li>• willingness to commit capital for trades</li> <li>• ability to source or provide liquidity</li> <li>• broker’s creditworthiness</li> <li>• broker’s ability to maintain confidentiality</li> <li>• cost of execution</li> <li>• trading products/execution expertise</li> <li>• access to market information</li> <li>• providing investment ideas</li> <li>• brokers’ efficiency in booking and settling trades</li> <li>• ability of broker to provide access to multiple markets and venues (including foreign markets)</li> </ul> <p>Although 22VAM will make a good faith determination that the amount of any commissions paid is reasonable in light of the products or services provided by a broker, commission rates are generally negotiable and thus, selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable (i.e., Clients may “pay up” for research and other services provided by the broker through the commission rate (“soft dollars”). The receipt of such products or services and the determination of the appropriate allocation in the case of “mixed use” products or services (described below) create a potential conflict of interest between 22VAM and its Clients.</p> <p>22VAM does not currently have any soft dollar arrangements in place but may elect to enter into such arrangements in the future. For any future soft dollar arrangements, except for services that would be a Fund expense or as otherwise described herein, 22VAM will limit the use of “soft dollars” to obtain research and brokerage services to services which constitute research and brokerage within the meaning of the safe harbor in section 28(e) of the Securities Exchange Act of 1934. In some instances, 22VAM may receive a product or service that may be used only partially for functions within Section 28(e) (i.e., an order management system, trade analytical software or proxy services). In such instances, 22VAM will make a good faith effort to determine the relative proportion of the product or service used to assist 22VAM in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). The proportion of the product or service attributable to assisting 22VAM in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by Client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by 22VAM from its own resources or borne by the Client as an expense where allowable.</p> <p>Research and brokerage services obtained by the use of commissions arising from Clients’ portfolio transactions may be used by 22VAM in its other investment activities and thus, Clients may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided. 22VAM has no obligation to deal with any particular broker or dealer in executing transactions and does not have any directed brokerage arrangements. 22VAM periodically reviews brokerage and soft dollar arrangements.</p>
--	--

	<p><b>Trade Errors.</b> Trade errors involving transactions effected by 22VAM on behalf of its Advisory Clients may occur. 22VAM will use reasonable efforts to detect such errors prior to settlement and promptly correct them. Trade errors may result in losses or gains. Losses caused by trade errors committed by 22VAM will ordinarily be borne by Clients, except for losses caused by 22VAM's bad faith or gross negligence, which losses would then be borne by 22VAM. To the extent a trade error is caused by a counterparty, such as a broker-dealer, 22VAM will use reasonable efforts to recover any losses associated with such error from the counterparty. Any gains resulting from such errors will be retained by the affected Client(s). The evaluation of the standard of care exercised in committing a trade error will be performed by 22VAM, in its sole discretion, and may be conflicted in making such a determination.</p>
Item 12.A.2	<p><u>Brokerage for <i>Client</i> Referrals.</u> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</p> <ol style="list-style-type: none"> <li>Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients'</i> interest in receiving most favorable execution.</li> <li>Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals.</li> </ol> <p>22VAM may place transactions with a broker or dealer that (i) provides 22VAM (or an affiliate) with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers Investors to the Funds or other products advised by 22VAM (or an affiliate). Because such referrals, if any, are likely to benefit 22VAM and its affiliates but will provide an insignificant (if any) benefit to Investors, 22VAM will have a conflict of interest with Clients when allocating Client brokerage business to a broker who has referred investors to Clients (a "Referring Broker"). In light of this conflict, it should be noted that 22VAM will only place transactions with a Referring Broker if doing so is otherwise consistent with seeking best execution; provided that 22VAM is not selecting the broker-dealer in recognition of the opportunity to participate in such capital introduction events or the referral of Investors.</p>
Item 12.A.3	<p><u>Directed Brokerage.</u></p> <ol style="list-style-type: none"> <li>If you routinely <u>recommend</u>, <u>request</u> or <u>require</u> that a <i>client</i> direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their <i>clients</i> to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage</li> </ol>

	<p>you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money.</p> <p>b. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices.</p> <p>22VAM does not have any directed brokerage arrangements. 22VAM has complete discretion in deciding what brokers and dealers Clients will use and in negotiating the rates of compensation Clients will pay. 22VAM is not committed to continue its prime brokerage relationships with any particular prime brokers for any minimum period, and 22VAM may select other or additional brokers to act as prime brokers for Clients. As outlined above, 22VAM recognizes its duty to obtain “best execution” in effecting transactions on behalf of Clients.</p> <p><b>Affiliated Brokerage Transactions.</b> The Adviser executes transactions on behalf of the Funds utilizing brokers and dealers with which the Adviser or its related persons are affiliated (as disclosed in <b>Item 10</b> above). The Adviser will be incentivized to utilize such affiliated brokers as such affiliated brokers will be entitled to receive commissions and/or other forms of compensation in exchange for effecting any such transactions on behalf of the Funds. The Adviser will not be limited to the number of transactions it may effect through affiliated brokers on behalf of the Funds. Notwithstanding the foregoing, the Adviser will act in the utmost good faith in allocating any transactions on behalf of the Funds to any affiliated brokers and the Adviser will ensure any commissions or other compensation payable to any such affiliated brokers will be reasonable in light of all factors considered for such services (including but not limited to consistent with the Adviser’s best execution requirements).</p> <p><b>Principal Transactions.</b> Additionally, it is possible the Adviser could purchase and sell securities on behalf of the Funds in transactions whereby the Adviser (or an affiliate) acts as principal (including as a riskless principal) and in this instance the Adviser would have a potentially conflicting division of loyalties and responsibilities with respect to such principal trades as either the Adviser and/or its affiliate could profit through spreads or otherwise through such transactions. As required by Section 206(3) of the Advisers Act, prior to completion of any principal trade, the Adviser will provide appropriate written disclosure regarding the principal trade to the respective Fund and will effect such trade only upon the written consent of the Fund. With respect to potential principal transactions contemplated by the Adviser as described above, the Investors hereby agree that the Adviser and/or the General Partner may convene an advisory committee to make any decisions with respect to such contemplated principal transactions by the Adviser, in their sole discretion. Any such transaction could turn out to be disadvantageous to the Fund and, in any event, could give rise to conflicts of interest. Unless otherwise required herein, the General Partner and the Adviser are not obligated to form an advisory committee or seek the consent or approval of, or submit any specific matter to, an Advisory Committee.</p>
--	---

	<p><b>Cross Trades.</b> The Adviser may engage in transactions in which it causes the Funds to purchase securities or other instruments from, or sell securities or other instruments to, other funds or managed accounts managed by the Adviser and/or its affiliates (“cross-trades”) for purposes of portfolio rebalancing or for other reasons as may arise from time to time. The Adviser intends that any cross-trades will, to the best of the Adviser’s ability, reflect the market value of the security or other instrument being purchased or sold and the Adviser and/or its affiliates, as applicable, will always seek best execution. Prior to effecting any cross-trade, the Adviser will make a good faith determination that the transaction is in the best interests of the Fund.</p> <p><b>Purchasing Research From Affiliates.</b> As discussed in Item 10, the Adviser may purchase research from its 22VR, its affiliate, for the benefit of the Funds. In this instance, the Adviser would indirectly benefit from the purchase of any such research due to its affiliation with 22VR. This creates a conflict of interest as the Adviser will be incentivized to purchase research from 22VR. Notwithstanding the foregoing, the Adviser will seek research from a variety of sources (including unaffiliated broker dealers) and will only purchase research on behalf of the Fund from 22VR if the Adviser believes it is in the best interest of the Funds to do so and that it believes the research provided by 22VR is the best research out there for the Adviser’s execution of the investment strategy on behalf of the Funds.</p>
<b>Item 12.B</b>	<p>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</p> <p>22VAM may face actual or potential conflicts of interest when allocating investment opportunities among Advisory Clients, any other clients and other persons. The general policy of the 22VAM is to allocate investment opportunities among its various clients in a fair and equitable manner based upon, among other things, the investment objectives, guidelines and restrictions, risk profiles, financial condition and tax status of such clients. In furtherance thereof, if each Client participating in an aggregated order receives its full desired allocation, then each participating Client generally receives the average price per share paid or received with transaction costs shared pro rata among participating clients. If each participating Client receives less than its full allocation, then each participating client generally receives its pro rata portion of the executed order with transaction costs shared among all participating Clients proportionately. Under certain circumstances, the Adviser has discretion to utilize alternative allocation procedures, provided that all participating clients are treated fairly and equitably.</p> <p>22VAM may establish and operate additional investment funds and has entered and may in the future enter into other investment advisory relationships with other clients (including clients who are also Investors in the Fund), and such other funds or clients will and may in the future be allocated all or part of investment opportunities that would also be appropriate for the Funds. The Adviser and its affiliates may have differing financial interests, direct or indirect, in the performance of the Funds and other clients. As a result, the Adviser may have an incentive to favor other funds or clients with regard to the allocation of opportunities or participation in particular investments and with regard to the terms of any transactions among funds or clients. The Adviser also may face</p>

	conflicts between the interests of the Funds and the interests of other clients and between the interests of different groups of Investors in the Fund.
--	---

## ITEM 13 – REVIEW OF ACCOUNTS

<b>Item 13.A</b>	<p>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the <i>supervised persons</i> who conduct the review.</p> <p>Clients’ portfolios are under continuous review by 22VAM and its personnel who determine whether security positions should be maintained in view of the current market conditions. Matters generally reviewed include specific securities held, adherence to investment guidelines and the performance of each portfolio.</p> <p>Further, the Chief Compliance Officer periodically reviews trading to ensure consistency with applicable laws and regulations.</p>
<b>Item 13.B</b>	<p>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review</p> <p>Please see <b>Item 13.A</b>. The accounts are under continuous review.</p>
<b>Item 13.C</b>	<p>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</p> <p>Each investor in the Client Funds will receive annual audited financial statements within 120 days of the Client Funds’ fiscal year-end.</p> <p>The Client Funds may offer certain investors, upon request, additional information and reporting that other Investors may not receive.</p>



## ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

<b>Item 14.A</b>	<p>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</p> <p>Not applicable to 22VAM.</p>
<b>Item 14.B</b>	<p>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>supervised person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</p> <p>There are no sales charges payable to Clients, 22VAM or its affiliates in connection with the offering of interests/shares. As described in <b>Item 12</b>, 22VAM may receive investor referrals from broker-dealers providing services to its clients. Further, <b>Item 12</b> discusses how 22VAM may receive certain research or other products or services from broker-dealers through “soft-dollar” arrangements.</p>

## ITEM 15 – CUSTODY

If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.

22VAM will maintain the assets of the Client Funds in accounts with “qualified custodians” pursuant to Rule 206(4)-2 under the Advisers Act. 22VAM and/or the General Partner, as applicable, are *deemed* to have custody of the Client Funds by virtue of their status as Adviser or general partner, respectively.

To ensure compliance with Rule 206(4)-2 under the Advisers Act, 22VAM reasonably believes that all investors will be provided with audited financial statements, prepared by an independent accounting firm that is registered with, and subject to review by, the Public Company Accounting Oversight Board, in accordance with U.S. Generally Accepted Accounting Principles, within 120 days of the end of the Client Funds’ fiscal years (i.e., generally by April 30<sup>th</sup>). Investors should carefully review such audited financial statements.

## **ITEM 16 – INVESTMENT DISCRETION**

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

22VAM has discretionary authority to manage Client accounts. 22VAM is authorized to make purchase and sale decisions for Clients. As explained above, each Client's investment strategy is set forth in detail in the Clients' respective offering material or investment management agreement. Investors in the Client Funds do not have the ability to impose limitations on 22VAM's discretionary authority. Prospective investors in the Client Funds are provided with offering materials prior to their investment and are encouraged to carefully review such materials, along with all other relevant fund materials, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective investors should also consult with their legal, tax, or other advisors prior to making any investment. Prospective investors in the Funds must also execute a subscription agreement, which constitutes a legal, valid and binding obligation of the Investor, enforceable in accordance with its terms. Further, prospective investors in the Domestic Funds must execute the signature page of the applicable Fund's limited partnership agreement, which is included in the respective Domestic Fund's subscription documents.

## ITEM 17 – VOTING CLIENT SECURITIES

<p><b>Item 17.A</b></p>	<p>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</p> <p>Unless otherwise agreed with a particular Client, 22VAM (or an affiliate thereof) holds the authority to vote proxies on behalf of its Clients. Although 22VAM does not generally acquire Client investments in public equity securities and does not typically receive proxies on behalf of Clients, it has adopted proxy voting policies and procedures designed to ensure that any such proxies are voted in its Clients' best interests. Pursuant to 22VAM's proxy voting procedures, in the event that 22VAM receives proxies sent to a Client, the portfolio manager for the applicable Client's account will be responsible for casting the proxy, consistent with 22VAM's general voting guidelines and other applicable firm policies.</p> <p>22VAM does not expect that there will be any material conflicts of interest with respect to any proxy vote between the firm or its supervised persons and its Clients. However, the Chief Compliance Officer will monitor the potential for conflicts of interest on the part of the Adviser with respect to proxy voting as a result of personal relationships, significant Client relationships, potential conflicts of interests among Clients or special circumstances that may arise during the conduct of the Adviser's business. If a conflict of interest is identified, 22VAM will not make related proxy voting decisions until it has been determined that the conflict of interest is not material or a method for resolving the conflict of interest has been agreed upon and implemented, in accordance with 22VAM's proxy voting policies and procedures.</p> <p>22VAM reserves the right to abstain from voting a specific proxy or proxy item when it concludes that the cost of voting outweighs the potential benefit, or when 22VAM otherwise does not believe voting serves the best interests of Clients. Clients may obtain a copy of 22VAM's complete proxy voting policies and procedures and information about how 22VAM voted any proxies on behalf of such Client by contacting the Chief Compliance Officer, Michael Barr, at 917-224-2277 or by email at <a href="mailto:mbarr@22VAM.com">mbarr@22VAM.com</a>.</p>
<p><b>Item 17.B</b></p>	<p>If you do not have authority to vote <i>client</i> securities, disclose this fact. Explain whether <i>clients</i> will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) <i>clients</i> can contact you with questions about a particular solicitation.</p> <p>Not applicable to 22VAM.</p>

## ITEM 18 – FINANCIAL INFORMATION

<b>Item 18.A</b>	<p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none"> <li>1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.</li> <li>2. Show parenthetically the market or fair value of securities included at cost.</li> <li>3. Qualifications of the independent public accountant and any accompanying independent public accountant’s report must conform to Article 2 of SEC Regulation S-X.</li> </ol> <p>Not applicable to 22VAM.</p>
<b>Item 18.B</b>	<p>If you have <i>discretionary authority</i> or <i>custody</i> of <i>client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>22VAM is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Clients.</p>
<b>Item 18.C</b>	<p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p> <p>Not applicable to 22VAM.</p>