

Part 2A of Form ADV: Firm Brochure

Item 1 - Cover Page

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The date of this brochure is March 20, 2024.

This brochure provides information about the qualifications and business practices of Kazazian Asset Management, LLC (“Adviser”). If you have any questions about the contents of this brochure, please contact us at 212-581-8800. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about the Adviser is available on the SEC’s website at www.adviserinfo.sec.gov.

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

Item 2 - Material Changes

This is the Adviser's first brochure and, therefore, there are no material changes to report in this Item. In the future, this item will be used to report any material changes in accordance with the instructions to Form ADV.

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Item 4 - Advisory Business

Kazazian Asset Management, LLC (“Adviser,” “we” or “us”) is a Delaware limited liability company that commenced business operations in February 2005. The Adviser is principally owned by Kirk S. Kazazian.

We currently manage the following private investment funds (each, a “Fund” and, collectively, the “Funds”):

- Kazazian Capital Fund, LP
- Kazazian Capital Offshore Fund, Ltd.
- Kazazian Capital Master Fund, LP

Kazazian Capital Partners, LLC (the “General Partner”) is the general partner of Kazazian Capital Fund, LP and Kazazian Capital Master Fund, LP. Like the Adviser, the General Partner is principally owned by Kirk S. Kazazian. Unless and only to the extent that the context otherwise requires, references to the Adviser, we or us herein are deemed to include references to the General Partner as well.

We provide discretionary investment advice to the Funds and other separately managed accounts (collectively with the Funds, “clients”).

Each Fund is managed in accordance with its own investment and trading objectives, as described in its offering and governing agreements (collectively, “Fund Documents”). We generally do not permit investors in the Funds that we manage to impose limitations on the investment activities described in the Fund Documents.

Under certain circumstances, we may contract with a client to adhere to limited risk and/or operating guidelines imposed by the client. We negotiate such arrangements on a case-by-case basis.

As of December 31, 2023, we managed approximately 189,646,203 in regulatory assets under management on a discretionary basis. Currently, we do not manage any assets on a non-discretionary basis.

Item 5 - Fees and Compensation

The extent to and specific manner in which our clients are responsible for fees, performance-based compensation and/or expenses are set forth in each client’s applicable written agreement with us (and, in the case of clients that are private investment funds, in the Fund Documents for such funds).

In general, we deduct our management fees from the Funds monthly. We generally receive performance-based fees or allocations from the Funds on an annual basis and upon the distribution of capital (such as a withdrawal by a Fund investor).

Unless provided otherwise in the applicable Fund Documents, clients that are private investment funds generally bear all costs and expenses associated with their operations, including, without limitation: (i) all expenses associated with the ongoing offer and sale of interests in the private investment funds, including, but not limited to, marketing expenses, documentation of performance and the admission of investors, (ii) all operating expenses of the private investment funds such as tax preparation fees, governmental fees and taxes, fees to the administrator, communications with investors, and ongoing legal, accounting, auditing, bookkeeping, consulting and other professional fees and expenses, (iii) all the private investment funds' research and investment related costs and expenses (e.g., brokerage commissions, margin interest, expenses related to short sales, custodial fees and clearing and settlement charges), (iv) all fees and other expenses incurred in connection with the investigation, prosecution or defense of any claims, assertion of rights or pursuit of remedies, by or against the private investment fund, and (v) all structural organizational and reorganizational expenses of the private investment funds, including, but not limited to, all accounting, legal and administration costs.

The fees, performance-based compensation and/or expenses that are charged to separately managed accounts that we manage are negotiated on a case-by-case basis. Clients other than private investment funds, such as separately managed accounts that we manage, will have management fee, performance-based compensation and/or expense arrangements that differ in one or more respects from those applicable to our private investment fund clients.

Management fees, performance-based compensation and/or expenses may be reduced or waived in certain circumstances, including, without limitation, with respect to investments in Funds by our personnel and/or other related persons. Our clients may pay our management fees in advance. Management fees and performance-based fees or allocations are generally not refundable, including upon the termination of the advisory contract.

To the extent that we incur any expenses for the benefit of multiple clients, we generally will allocate such expenses in any manner that we deem equitable, taking into account our written agreements with such clients (and, if applicable, Fund Documents in the case of clients that are Funds) and applicable facts and circumstances, including the relative size of the applicable entity or account, the nature or source of the product or service and the benefits derived from and the extent of use of the product or services. Nonetheless, the portion of an expense that we allocate to a client for a particular product or service might not reflect the relative benefit derived by such client from that product or service in any particular instance. Furthermore, it is possible that under some of our advisory contracts we may not require a client to incur certain expenses, despite the fact that such client will receive a benefit in connection with our incurrence of such expenses. In such an event, our other clients may bear the additional share of any such expenses that would have been allocable to the client that is not required to incur such expenses. Our expense allocations often depend on inherently subjective determinations, but the expense allocations made by us will be in good faith. There may be situations in which the appropriate allocation of expenses in the course of evaluating potential investments may not be clear (for example, if a client and one or more other clients considered making an investment that was not consummated). Expenses will typically be allocated among the clients participating in the

relevant investment or potential investment, except to the extent stated otherwise in the applicable client agreement or Fund Documents. However, in all cases, subject to applicable legal, regulatory, contractual or similar restrictions, we will make expense allocation decisions in our sole discretion in good faith.

We may allocate a portion of certain clients' capital to money market funds, exchange-traded funds or similar fee-bearing products, or private investment funds and accounts, that are managed by other advisers. In that case, such client accounts generally would be responsible for paying any and all fees, performance-based compensation and expenses associated with such products, which would be in addition to those discussed above.

The Adviser and its personnel generally can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of clients and client portfolio investments, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as a client expense typically result in cash rebates, "miles," "points" or credit in loyalty/status programs, and such benefits and/or amounts will exclusively benefit the Adviser and/or such personnel even though the cost of the underlying service is borne by clients. The value of such benefits and perquisites will neither be subject to an offset against fees or expenses payable by clients nor will they otherwise be shared with clients and/or portfolio investments.

For a summary of our brokerage practices, see Item 12 below.

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

As generally described above in Item 5, our clients pay management fees. In addition, we are entitled to receive performance-based compensation (which is based on a percentage of the capital appreciation of client assets or the return on invested capital) from clients. Performance-based compensation may take the form of a performance allocation, performance fee, carried interest or other payment, and typically is subject to a high-water mark. Clients and Fund investors are provided with detailed disclosure in their written agreements with us and the applicable Fund Documents for such Fund, as applicable, as to how the relevant performance-based compensation is calculated and charged. Performance-based compensation will conform to Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), to the extent applicable.

When we determine that a particular trading opportunity would be desirable for more than one client, we generally seek to allocate such opportunity among such clients in a manner that we deem fair and equitable under the circumstances existing at such time. The factors that we may consider in making such determination include (but are not limited to): the relative amounts of capital in each client's account available for new positions of the type at issue; the mandate of each client account; our perception of the appropriate risk/reward ratio for each client account; the intended objective and strategy of each client account and any applicable investment or risk targets, restrictions or guidelines; the liquidity of each client account at the time of investment and thereafter; the ability to add positions to a client account on a leveraged basis; liquidity of the security; market capitalization and/or enterprise value of the underlying credit; whether the position is an "odd lot"; whether

certain accounts would receive nominal or de minimis allocation amounts; transaction costs; position size; industry exposure; market exposure; gross, net, long and short exposure; applicable legal, tax and regulatory considerations; the overall portfolio composition of each client account; and such other considerations that we determine to be relevant at such time. New issues (as defined by FINRA rule 5130) are generally allocated to client accounts in accordance with the criteria set forth above to the extent that such accounts are eligible to participate in new issues.

Notwithstanding the foregoing, there can be no assurance that certain allocation decisions will not directly or indirectly adversely affect our clients, even if such decisions are made in good faith. Allocations are subject to a significant degree of discretion exercised by us, including, but not limited to, in connection with portfolio rebalancing, investing in new, different or additional investment strategies and in connection with admissions and withdrawals of investors to and from the private investment funds that we manage. Even allocations designed to mitigate conflicts do not eliminate the possibility that an allocation of assets will not adversely affect our clients.

We will have no obligation to purchase or sell a security for, enter into a transaction on behalf of, or provide an investment opportunity to, a client solely because we purchase or sell the same security for, enters into a transaction on behalf of, or provides an opportunity to, another client if, in our reasonable opinion, such security, transaction or investment opportunity does not appear to be suitable, practicable or desirable for such other client.

Management fees and performance-based compensation are based on the net asset value of client accounts. In most circumstances, the valuations of client assets will be based on independent market quotations from relevant counterparties, but obtaining such valuations is not required in each instance. In making valuation determinations, we may be deemed subject to a conflict of interest, especially with respect to securities or other financial instruments which are not traded on an organized or liquid market, as the valuation of such assets and liabilities affects our compensation and the compensation of our affiliates. There is no guarantee that the value determined with respect to a particular client asset or liability by us will represent the value that will be realized by such client on the eventual disposition of the related investment or that would, in fact, be realized upon an immediate disposition of the investment, and the difference between such value and the ultimate disposition price could be material. To the extent we are responsible for valuing a client's assets, we will follow our documented valuation policies in order to mitigate these risks.

Clients and investors in the Funds are urged to review their applicable investment management agreements and/or Fund Documents for information regarding the specific fees, performance-based compensation and expenses applicable to them.

Item 7 - Types of Clients

We currently provide investment advice to clients who are private investment funds and to separately managed accounts. Investors in private investment funds generally must qualify as "accredited investors" (as defined in Rule 501 under the Securities Act of 1933, as amended) and "qualified clients" (as defined in Rule 205-3 of the Advisers Act), and may

be subject to other suitability requirements to the extent provided in the applicable Fund Documents. Separately managed account investors generally must qualify as qualified clients and may be subject to other suitability requirements to the extent provided in the separately managed account documents.

The minimum initial investment in some of the Funds is \$250,000, subject to the Funds' discretion to accept lesser amounts. The minimum investment amount (and any other conditions for opening and maintaining an account) for other clients, such as separately managed accounts, is determined on a case-by-case basis.

Item 8 – Investment Strategies and Risk of Loss

The description below of our investment strategies and risk of loss is intended only as a general overview, and is subject to the specific terms of our written agreements with clients.

Investment Strategies

The following is the Adviser's general investment strategy.

The Adviser strategy has the flexibility to invest and trade in a wide variety of investments, domestic and foreign, of all kinds and descriptions, whether publicly-traded or privately-placed, including but not limited to common and preferred stocks, corporate bonds and other debt securities, convertible securities, limited partnership interests, mutual fund shares, options, warrants, commodities, futures, options on futures, derivatives (including swaps, forward contracts and structured instruments), currencies, monetary instruments, other financial instruments and cash and cash equivalents.

The following is a general description of the principal types of investments which the Adviser currently contemplates making, certain trading techniques that it may employ, the investment criteria that it plans to apply, and the guidelines that it has established with respect to the composition of its investment portfolio. The following description is merely a summary and you should not assume that any descriptions of the specific activities in which the Adviser may engage are intended in any way to limit the types of investment activities which the Adviser may undertake or the allocation of capital among such investments.

General Long/Short Strategy. The Adviser currently believes that most of its client's assets will be invested in publicly-traded securities using a general long/short investment strategy. The Adviser purchases securities that it believes to be undervalued and sells short securities that it believes to be overvalued. The Adviser believes that the dynamics of its targeted industries have provided and will likely produce a spectrum of investment opportunities consisting of long and short investments. The Adviser expects to consistently hold both long and short positions. When the Adviser perceives the outlook for the most heavily weighted sectors of the portfolio to be favorable, it is likely that the portfolio will be net-long. Similarly, when the outlook for the most weighted sectors of the portfolio are perceived by the Adviser to be unfavorable, it is likely that the portfolio will be net-short.

However, the Adviser currently believes it will have a “natural” long bias.

Diversity and Hedging Strategies. The Adviser may seek to minimize the losses which may be incurred in severe market declines or in the decline of individual securities prices by utilizing internal stop limits and various hedging techniques, including short sales, futures contracts, stock index options, stock options and futures, as described below. However, there can be no assurances that these stock selections or trading techniques will eliminate the inherent risks of equity investing.

The Adviser may utilize, as appropriate, the following defensive measures in an attempt to reduce individual stock and/or overall market risk:

- Purchase of stock with a put option to retain stock upside appreciation potential and to define and limit downside exposure.
- Purchase of stock and the sale of a call to provide incremental income and to reduce downside exposure.
- Use volatility spreads or straddles to capture sharp price movements up or down with defined capital exposure.
- Purchase stock indexes, stock index futures and stock index options to minimize exposure to market volatility

This should not be considered an exhaustive list of the investment and trading techniques that may be used by the Adviser to reduce market risk.

Position Limits. The Adviser’s options investments may be subject to position limits. Position limits are the maximum amounts of net long or net short positions which any one person or entity may own or control in a particular security. Securities exchanges establish limitations governing the maximum number of calls and puts of each class which may be held or exercised within certain time periods by an investor or group of investors acting in concert, regardless of whether the options are held or exercised in one or more accounts or through one or more brokers.

Short-Term Trading. The Adviser will typically seek to invest and hold for the long term a “core” of equity and/or debt securities. However, the Adviser may make frequent changes in that part of its portfolio that does not fall within its core positions to take advantage of opportunities in the market.

Short Sales. From time to time, the Adviser may engage in “short sale” transactions (and, in certain cases, use margin in connection therewith). A short sale is effected by selling a security which the Adviser does not own or, if the Adviser does own the security, which is not to be delivered upon consummation of the sale. The Adviser may engage in short sales “against the box” (i.e., short sales of securities the Adviser already owns) for hedging purposes. The Adviser also may engage in “naked” short sales, i.e., short sales of securities the Adviser does not own. If the price of the security in the naked short sale decreases, the Adviser will profit to the extent that the short sale price for the security exceeds the market price, less transaction costs. In the event the price of the security increases, the

Adviser will incur a loss to the extent that the market price exceeds the short sale price plus transaction costs.

Options Strategies. The Adviser may purchase and sell put and call options on both securities and stock indexes for the purpose of speculation and hedging its portfolio positions. A stock index measures the movement of a certain group of stocks by assigning relative values to the common stocks included in the index. Examples of well-known stock indexes in which the Adviser currently anticipates it will purchase and sell put and call options are the Standard & Poor's Composite Index of 500 Stocks, the Standard & Poor's 100 Index, the NASDAQ 100 Index and the New York Stock Exchange Composite Index.

Futures Strategies. The Adviser may purchase and sell futures contracts on stock indexes for the purpose of hedging its portfolio positions, as well as enhancing its client's portfolio performance by predicting the direction of the market without necessarily hedging any portfolio position. Examples of well-known stock indexes on which the Adviser currently anticipates it will purchase and sell futures contracts are the Standard & Poor's Composite Index of 500 Stocks and the NASDAQ 100 Index. The Adviser may also purchase and sell futures contracts on commodities, interest rates, currencies, and other such underlying securities for speculation in order to profit on anticipated changes in their prices.

Margin and Leverage. The Adviser may acquire and maintain positions "on margin". To hold a position on margin, the Adviser must maintain, in a margin account with a clearing firm, a margin deposit at a level specified either by applicable rules or the carrying broker. This margin deposit is intended to protect the clearing firm against declines in the value of the position. The Adviser is empowered to use substantially all of its capital as margin deposits that, depending on its client's portfolio at any one time, could result in extremely high leverage of the Adviser's capital. Leverage may be used when the Adviser determines that opportunities consistent with its investment and objectives and policies exist and it is appropriate to do so. Additionally, money may be borrowed for the account of its client where the Adviser deems this desirable to implement the its investment objective and policies, to pay expenses. The Adviser may charge or pledge all or any part of the assets of its client to secure any borrowing and the interest and expenses thereof.

The development of an investment strategy for each of our clients is an ongoing process. The strategies, techniques and methods described above will therefore be modified by us from time to time and over time. There is no limitation on the investment strategies, techniques, methods or processes which we may adopt for any particular client or the factors that we may take into account in analyzing investments for our clients. Depending on conditions and trends in securities markets and the economy generally, we may pursue other objectives, or employ other strategies, techniques, methods or processes, that we consider appropriate and in the best interest of our clients, without notice to them or their consent, except to the extent that our written agreement with a client may provide otherwise.

Risk of Loss

A brief summary of the material risks involved with our significant investment strategies and methods of analysis follows. An investment in a private investment fund and/or separately managed account involves substantial risks, and prospective investors should carefully consider, among other factors, the risks described below. These risk factors are not intended to be an exhaustive listing of all potential risks associated with such an investment. Investors are urged to review the written agreement or Fund Documents applicable to their investment for additional information concerning the risks applicable to them. Investing in securities involves risk of loss that clients and investors should be prepared to bear.

General Investment and Trading Risks. All securities investments present a risk of loss of capital. Volatile financial markets increase that risk. If our evaluation of an investment opportunity should prove incorrect, our clients could experience losses. No guarantee or representation is made that our clients' investment programs will be successful, that clients will achieve their targeted returns or that there will be any return of capital invested to investors. In addition, investment results may vary substantially over time.

Changes in Investment Strategy. We have considerable discretion in choosing the securities that may be acquired and have the right to modify the investment strategy, selection criteria, or hedging techniques used by a client without the consent of the client, unless provided otherwise in our written agreement with such client. Any of these new investment techniques may not be thoroughly tested in the market before being employed and may have operational or theoretical shortcomings, which could result in unsuccessful investments and, ultimately, losses to clients. In addition, any new investment strategy or hedging technique developed may be more speculative than earlier techniques and may increase the risk of loss by clients.

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

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

Adviser's Investment Activities. The Adviser's investment activities involve a significant degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of nor predictable by the Adviser. Such factors include a wide range of economic, political, competitive and other conditions (including acts of terrorism or war) which may affect investments in general or specific industries or companies. The securities markets may be volatile, which may adversely affect the ability of the Adviser to realize profits. As a result of the nature of the Adviser's

investing activities, it is possible that the Adviser's financial performance may fluctuate substantially from period to period.

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

Investments in Undervalued Securities and Other Assets. The Adviser's investment program contemplates investment in securities and other assets that the Adviser believes to be deeply undervalued. The identification of such investment opportunities is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. While such investments offer the opportunities for above-average capital appreciation, they also involve a high degree of financial risk and can result in substantial losses. Returns generated from the Adviser's investments may not adequately compensate for the business and financial risks assumed. Such investments include bonds and other fixed income securities, including, without limitation, commercial paper and "higher yielding" (and, therefore, higher risk) debt securities. Severe economic conditions and any major economic recession can severely disrupt the markets for such investments and significantly impact their value. In addition, any such economic downturn can adversely affect the ability of the issuers of such obligations to repay principal and pay interest thereon and increase the incidence of default for such securities. Additionally, there can be no assurance that other investors will ever come to realize the value of some of these investments, and that they will ever increase in price. Furthermore, the Adviser may be forced to hold such investments for a substantial period of time before realizing their anticipated value. During this period, a portion of a clients funds would be committed to the investments made, thus possibly preventing the Adviser from investing in other opportunities.

Small Companies. The Adviser's investment program contemplates investment in small and/or unseasoned companies with small market capitalization. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations. When making large sales, the Adviser may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small sales over an extended period of time due to the lower trading volume of smaller company securities.

Volatility of Currency Prices. The profitability of a clients portfolio depends, in part, upon the Adviser correctly assessing the future price movements of currencies. However, price movements of currencies are difficult to predict accurately because they are influenced by, among other things, changing supply and demand relationships; governmental, trade, fiscal, monetary and exchange control programs and policies; national and international political and economic events; and changes in interest rates. Governments from time to time intervene in certain markets in order to influence prices directly. The Adviser cannot guarantee that it will be successful in accurately predicting currency price and interest rate movements.

Leverage. When deemed appropriate by the Adviser and subject to applicable regulations, the Adviser may use leverage in its investment program, including the use of borrowed funds and investments in futures contracts and certain types of options, such as puts, calls and warrants, which may be purchased for a fraction of the price of the underlying securities while giving the purchaser the full benefit of movement in the market of those underlying securities. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect the operating results of the Adviser. If the interest expense on borrowings were to exceed the net return on the investments made with borrowed funds, the Adviser's use of leverage would result in a lower rate of return than if the client accounts were not leveraged.

Certain of the Adviser's trading and investment activities in securities and other financial instruments may be subject to Federal Reserve Board ("FRB") margin requirements, which are computed each day. At present, the FRB's Regulation T permits a broker to lend no more than 50% of the purchase price of "margin stock" bought by a customer. When the market value of a particular open position changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a "margin call" on the customer is made. If the customer does not deposit additional funds with the broker to meet the margin call within a reasonable time, the customer's position may be closed out. In the event of a precipitous drop in the value of the assets managed by the Adviser, the Adviser might not be able to liquidate assets quickly enough to pay off the margin debt and might suffer mandatory liquidation of positions in a declining market at relatively low prices, incurring substantial losses.

Short Sales. The Adviser's investment program contemplates investment, from time to time, in selling securities short. Although the Adviser may sell short a variety of assets, such as bonds and currencies, it expects most short trades to be in equity securities. Short selling involves the sale of a security that one does not own and must borrow in order to make delivery in the hope of purchasing the same security at a later date at a lower price. In order to make delivery to its purchaser, one must borrow securities from a third party lender. One subsequently returns the borrowed securities to the lender by delivering to the lender securities it previously owned or by purchasing securities in the open market. One must generally pledge cash with the lender equal to the market price of the borrowed securities. This deposit may be increased or decreased in accordance with changes in the

market price of the borrowed securities. During the period in which the securities are borrowed, the lender typically retains his right to receive interest and dividends accruing to the securities. In exchange, in addition to lending the securities, the lender generally pays the investors a fee for the use of the investors cash. This fee is based on prevailing interest rates, the availability of the particular security for borrowing and other market factors.

Theoretically, securities sold short are subject to unlimited risk of loss because there is no limit on the price that a security may appreciate before the short position is closed. In addition, the supply of securities that can be borrowed fluctuates from time to time. Clients may be subject to losses if a security lender demands return of the lent securities and an alternative lending source cannot be found.

Options and Other Derivative Instruments. The Adviser may invest, from time to time, in options and derivative instruments, including buying and writing puts and calls on some of the securities held by clients, in an attempt to supplement income derived from those securities. The prices of many derivative instruments, including many options and swaps, are highly volatile. Price movements of options contracts and payments pursuant to swap agreements 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. The value of options and swap agreements also depends upon the price of the securities, currencies or other assets underlying them. Clients are also subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearinghouses or of counterparties. The cost of options is related, in part, to the degree of volatility of the underlying securities, currencies or other assets. Accordingly, options on highly volatile securities, currencies or other assets may be more expensive than options on other investments.

Put options and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument or asset on which they are purchased or sold. A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer the obligation to buy, the underlying security, commodity, index, currency or other instrument or asset at the exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument or asset at the exercise price.

If a put or call option purchased by the Adviser were permitted to expire without being sold or exercised, the Adviser would lose the entire premium paid for the option. The risk involved in writing a put option is that there could be a decrease in the market value of the underlying instrument or asset caused by rising interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then be sold to the Adviser at a higher price than its current market value. The risk involved in writing a call option is that there could be an increase in the market value of the underlying instrument or asset caused by declining interest rates or other factors. If this occurred, the

option could be exercised and the underlying instrument or asset would then be sold by the Adviser at a lower price than its current market value.

Purchasing and writing put and call options and, in particular, writing “uncovered” options are highly specialized activities and entail greater than ordinary investment risks. In particular, the writer of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying instrument or asset above the exercise price of the option. This risk is enhanced if the instrument or asset being sold short is highly volatile and there is a significant outstanding short interest. These conditions exist in the stocks of many companies. The instrument or asset necessary to satisfy the exercise of the call option may be unavailable for purchase except at much higher prices. Purchasing instruments or assets to satisfy the exercise of the call option can itself cause the price of the instruments or assets to rise further, sometimes by a significant amount, thereby exacerbating the loss.

Swaps and certain options and other custom instruments are subject to the risk of non performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty.

Futures. The Adviser may implement futures trading for investment and/or for hedging purposes. Futures are standardized exchange-traded contracts which obligate a purchaser to take delivery and a seller to make delivery of a specific amount of an asset at a specified future date at a specified price. No price is paid upon initiation of a futures contract. Rather, the investor is required to deposit margin equal to a percentage of the contract value. The investor will then receive or pay maintenance margin based on the gains or losses experienced on an on-going basis. Futures therefore involve substantial leverage. As a result, an investor can suffer losses that significantly exceed the amount deposited with the prime brokers. Futures positions may be illiquid because, for example, most US commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as a “daily price fluctuation limits” or “daily limits”. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the futures can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. Futures contract prices in various commodities occasionally have moved the daily limit for several days with little or no trading. Similar occurrences could prevent the Adviser from promptly liquidating unfavorable positions and subject clients to substantial losses. In addition, the Adviser may not be able to execute futures contract trades at favorable prices if trading volume is low. It is also possible that an exchange or the Commodity Futures Trading Commission (“**CFTC**”) may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract or order trading in a particular contract be conducted for liquidation only.

Hedging Transactions. Investments in financial instruments such as forward contracts, options and interest rate swaps, caps and floors, and other derivatives are commonly utilized by investment funds to hedge against fluctuations in the relative values of its portfolio positions as a result of changes in currency exchange rates, in interest rates and

in the equity markets or sectors thereof. Although it retains the flexibility to utilize hedges in any of these general ways, the Adviser currently plans to focus on two types of hedges: (i) low or no cost hedges (i.e., those in which the Adviser believes that client can earn a profit or incur minimal cost while lowering overall portfolio risk); and (ii) protection against catastrophic risks. However, any hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the portfolio positions' value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible for the Adviser to hedge against a fluctuation at a price sufficient to protect client's assets from the decline in value of the portfolio positions anticipated as a result of such fluctuations. For example, the cost of options is related, in part, to the degree of volatility of the underlying instruments or assets. Accordingly, options on highly volatile instruments or assets may be more expensive than options on other instruments or assets and of limited utility in hedging against fluctuations in their prices.

The Adviser is not obligated to establish hedges for portfolio positions and may not do so. To the extent that hedging transactions are effected, their success is dependent on the Adviser's ability to correctly predict movements in the direction of currency and interest rates and the equity markets or sectors thereof.

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

Call Option Risk. Many bonds, including agency, corporate and municipal bonds, and all mortgage-backed securities, contain a provision that allows the issuer to "call" all or part of the issue before the bond's maturity date. The issuer usually retains this right to refinance the bond in the future if market interest rates decline below the coupon rate. There are three disadvantages to the call provision. First, the cash flow pattern of a callable bond is not known with certainty. Second, because the issuer will call the bonds when interest rates have dropped, the Adviser is exposed to reinvestment rate risk – the Adviser will have to reinvest the proceeds received when the bond is called at lower interest rates. Finally, the capital appreciation potential of a bond will be reduced because the price of a callable bond may not rise much above the price at which the issuer may call the bond.

Maturity Risk. In certain situations, the Adviser may purchase a bond of a given maturity as an alternative to another bond of a different maturity. Ordinarily, under these circumstances, the Adviser will make an adjustment to account for the interest rate risk differential in the two bonds. This adjustment, however, makes an assumption about how the interest rates at different maturities will move. To the extent that the yield movements deviate from this assumption, there is a yield-curve or maturity risk. Another situation

where yield-curve risk should be considered is in the analysis of bond swap transactions where the potential incremental returns are dependent entirely on the parallel shift assumption for the yield curve.

Inflation Risk. Inflation risk results from the variation in the value of cash flows from a security due to inflation, as measured in terms of purchasing power. For example, if the Adviser purchases a 5-year bond in which it can realize a coupon rate of 5%, but the rate of inflation is 6%, then the purchasing power of the cash flow has declined. For all but inflation-linked bonds, adjustable bonds or floating rate bonds, the Adviser is exposed to inflation risk because the interest rate the issuer promises to make is fixed for the life of the security. To the extent that interest rates reflect the expected inflation rate, floating rate bonds have a lower level of inflation risk.

Investments in Non-U.S. Investments. The Adviser may invest and trade in non-U.S. securities and other assets (through ADRs and otherwise), which will give rise to risks relating to political, social and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and foreign issuers and markets are subject. Such risks which may include:

- Political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels, and limitations on the use or transfer of portfolio assets.
- Enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments.
- Foreign securities and other assets often trade in currencies other than the U.S. dollar, and the Adviser may directly hold foreign currencies and purchase and sell foreign currencies through forward exchange contracts. Changes in currency exchange rates will affect clients account values, the value of dividends and interest earned, and gains and losses realized on the sale of investments. An increase in the strength of the U.S. dollar relative to these other currencies may cause the value of the Adviser's investments to decline. Some foreign currencies are particularly volatile. Foreign governments may intervene in the currency markets, causing a decline in value or liquidity of the Adviser's foreign currency holdings. If the Adviser enters into forward foreign currency exchange contracts for hedging purposes, it may lose the benefits of advantageous changes in exchange rates. On the other hand, if the Adviser enters forward contracts for the purpose of increasing return, it may sustain losses.
- Non-U.S. securities, commodities and other markets may be less liquid, more volatile and less closely supervised by the government than in the United States. Foreign countries often lack uniform accounting, auditing and financial reporting standards, and there may be less public information about the operations of issuers in such markets.

Risk of Default or Bankruptcy of Third Parties. The Adviser may engage in transactions in securities, commodities, financial instruments and other assets that involve counterparties.

Under certain conditions, the Adviser could suffer losses if a counterparty to a transaction were to default or if the market for certain securities, instruments and/or assets were to become illiquid. In addition, the Adviser could suffer losses if there were a default or bankruptcy by certain other third parties, including brokerage firms and banks with which the Adviser does business, or to which securities, instruments and/or assets have been entrusted for custodial purposes.

Purchasing Initial Public Offerings. The Adviser may purchase securities of companies in initial public offerings or shortly after those offerings are complete. Special risks associated with these securities may include a limited number of shares available for trading, lack of a trading history, lack of investor knowledge of the issuer, and limited operating history. These factors may contribute to substantial price volatility for the shares of these companies. The limited number of shares available for trading in some initial public offerings may make it more difficult for the Adviser to buy or sell significant amounts of shares without an unfavorable effect on prevailing market prices. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or near-term prospects of achieving revenues or operating income.

Moreover, the Adviser and/or certain client accounts may be limited as to the amount of new issue allocations it/they can receive while other investors may not be restricted at all and may be entitled to receive or may actually receive a larger portion of any new issue allocation. Conversely, the Adviser may determine to restrict certain client accounts as a whole from purchasing new issues.

Item 9 - Disciplinary Information

There are no legal or disciplinary events that would be material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Item 10 - Other Financial Industry Activities and Affiliations

As described above in Item 4, the Adviser and the General Partners are principally owned by Kirk S. Kazazian.

We and our affiliates are subject, and each of us and our clients are exposed, to a number of actual and potential conflicts of interest. Any such conflict of interest could have a material adverse effect on our clients (and on investors in the Funds). However, the existence of an actual or potential conflict of interest does not mean that it will be acted upon to the detriment of any client. When a conflict of interest arises, we will endeavor to ensure that the conflict is resolved fairly and in an equitable manner that is consistent with our fiduciary duties to the relevant client(s). We have in place policies and procedures that we believe are reasonably designed to identify and resolve actual and potential conflicts of interest. However, there can be no assurance that these policies and procedures will be successful in identifying or mitigating all actual or potential conflicts of interest.

The Adviser, the General Partner, and their principals and affiliates may determine, in their sole discretion, to participate in investments with persons not affiliated with our clients. In addition, we may offer to certain clients, or to any third party, the opportunity to co-invest in opportunities in which a client has invested or that become available to a client. We may offer such opportunities to investors that we select in our sole discretion without notice to or the consent of any other client or investor. The economic and other terms of any co-investment will be determined by us in our discretion on a case-by-case basis, and we may receive fees and/or allocations from co-investors, which may differ among co-investors and also may differ from the fees and/or allocations borne by our clients (or investors in the Funds).

Certain advisors and other service providers, or their affiliates, to our clients may also provide services to or have business, personal, familial, political, financial or other relationships with us or our affiliates. Such advisors and service providers may be our clients or investors in the Funds, sources of investment opportunities for us or our clients, or co-investors with or counterparties to transactions involving the foregoing. These relationships may influence us in deciding whether to select or recommend any such advisor or service provider to perform services for our clients (the cost of which will generally be borne directly or indirectly by such clients). Notwithstanding the foregoing, we will generally seek to engage advisors and service providers for our clients on the basis of, without limitation, the overall quality of advice and other services provided.

In addition, we have a conflict of interest where a service provider (*e.g.*, legal counsel or accountants) provides services directly to us or one of our affiliates, and separately provides services to one or more clients, in that we or our affiliates may potentially obtain services at a lower cost (or obtain other terms that are more beneficial) than we or our affiliates otherwise could have as a result of the service provider's work performed on behalf of, and the compensation paid to the service provider by, such clients. In particular, unless inconsistent with our applicable written client agreement, costs associated with services rendered to the benefit of a client may be borne by such client. We and our affiliates may use some of the same service providers as are retained on behalf of one or more clients and, in some cases, fee rates, amounts or discounts may be offered to us and our affiliates by a third-party service provider which differ from those offered to a client as a result of scheduled or ad hoc rate changes, differences in the scope, type or nature of the service or transaction, alternative fee arrangements and negotiation.

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

We have adopted a Code of Ethics (the "Code of Ethics") which provides that we are committed to conducting our business in accordance with all applicable laws and regulations and in an ethical and professional manner. In addition, we recognize that we have a fiduciary duty to our clients, and that we must conduct our business in a manner that enables us to fulfill this fiduciary duty. In this regard, we have developed policies and procedures in our Code of Ethics that are premised on fundamental principles of openness, integrity, honesty and trust. In addition, among other things, our Code of Ethics governs all personal investment transactions by our employees, our policies with respect to gifts

and entertainment, compliance with applicable federal securities laws, the manner in which violations of our Code of Ethics are to be reported, and certain other outside activities of our employees. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Under our Code of Ethics, we place certain restrictions on the personal trading activities of our employees and their immediate family members. For example, our employees may participate in initial public offerings and limited offerings, such as hedge funds, private equity funds or other types of private offerings, subject to pre-clearance procedures. In addition, it is possible that our employees may invest in the same securities (or related securities, such as warrants, options or futures) that we recommend to clients. As a result of differing trading and investment strategies or constraints, positions taken by our employees can be the same as or different from, or made contemporaneously or at different times than, positions taken for our clients. As these situations involve potential conflicts of interest, our Code of Ethics is intended to identify and prevent actual conflicts of interest with clients and to resolve such conflicts appropriately if they do occur. For example, our employees are required to disclose their personal securities holdings on an initial and annual basis, and their personal securities transactions quarterly, which requirements are designed to address potential conflicts of interest that might interfere or appear to interfere with making decisions in the best interest of our clients.

Subject to applicable law, we may effect transactions between clients (generally for rebalancing purposes and to correct misallocations of trades) where one client will purchase securities from another client (including a private investment fund or account in which we, our affiliates, principals or employees may have a significant interest). Such transactions (*i.e.*, cross trades) will be effected only when we believe that such transactions are in the best interest of the applicable clients. Such transactions will be placed through an unaffiliated broker-dealer or custodian, will not involve any accounts subject to ERISA, and will be effected for cash consideration, at prices that reflect prevailing market conditions. In addition, no brokerage commission or transfer fee will be paid to us or our affiliates in connection with any such transaction. Any transaction costs incurred in connection with any such transaction will be shared *pro rata* between the applicable clients.

In the event that we effect a cross trade between an account in which we or our principal owns more than twenty five percent (25%) and a client account, such transaction may be deemed to be a principal transaction under the Advisers Act. Such transactions would create a conflict of interest for us because we may put our or our principal's interests in such accounts before the interests of our client in the other account. We will not effect any cross trades between accounts if we believe that such trade would result in a principal transaction, unless:

- 1) We believe that such transaction is in the best interest of the clients participating in the transaction; and
- 2) We obtain the consent of the applicable clients to the extent required under the Advisers Act.

We may buy or sell securities for one client at the same time that we or our related persons buy or sell the same security for one or more other clients (including Funds which are our related persons). This will typically happen when more than one client is capable of purchasing or selling a particular security based on investment objectives, available cash and other factors. This may create a conflict of interest if one account may benefit from making the trade before or after the other account. We will generally seek to aggregate trades, as described below in Item 12 under “Aggregation of Orders,” to avoid any such conflict of interest.

Item 12 - Brokerage Practices

Selection of Brokers

The Adviser is generally responsible for the placement of the portfolio transactions for client accounts and the negotiation of any commissions paid on such transactions. Portfolio securities normally are purchased through brokers on securities exchanges or directly from the issuer or from an underwriter or market maker for the securities. Purchases of portfolio instruments through brokers involve a commission to the broker. Purchases of portfolio securities from dealers serving as market makers include the spread between the bid and the ask price. The Adviser will not commit to provide any level of brokerage business to any broker. The Adviser may utilize the services of one or more introducing brokers who will execute its brokerage transactions through the broker and custodians who will clear the Adviser's transactions.

Securities transactions for clients are generally executed through brokers selected by the Adviser in its sole discretion and without the consent of the client. In placing portfolio transactions, the Adviser will seek to obtain the best execution for clients, taking into account the following factors: the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected and the efficiency of error resolution, taking into account the size of order and difficulty of execution; the financial strength, integrity and stability of the broker; special execution capabilities; clearance; settlement; reputation; on-line pricing; block trading and block positioning capabilities; willingness to execute related or unrelated difficult transactions in the future; order of call; on-line access to computerized data regarding clients' accounts; performance measurement data; the quality, comprehensiveness and frequency of available brokerage and research services and products considered to be of value; the availability of stocks to borrow for short trades; and the competitiveness of commission rates in comparison with other brokers satisfying the Adviser's other selection criteria.

Research and Other Soft Dollar Benefits

The term “soft dollars” refers to commissions accumulated by brokers based on an adviser's transactions, on behalf of its clients, which may then be used by the adviser to acquire various products or services. The use of client commissions, known as soft dollars, to pay for these products and services, including research and brokerage products and services, presents advisers with potential conflicts of interest and may give incentives for

advisers to use certain brokers without regard to their best execution obligations to their clients.

The Adviser may use soft dollars generated by the its brokerage transactions to pay for brokerage and research products and services that fall within the safe harbor afforded by Section 28(e) of the Exchange Act (“Section 28(e)”). Section 28(e) provides a “safe harbor” to investment managers who use soft dollars to obtain investment research and brokerage services. In order to qualify for the safe harbor, the products or services must provide assistance to an adviser in the performance of its investment decision-making responsibilities, or must relate to the execution, clearance or settlement of a trade.

Brokerage for Client Referrals

The Adviser may also direct some of its brokerage business to brokers who refer prospective investors to the Adviser. Because such referrals, if any, are likely to benefit the Adviser but will provide an insignificant (if any) benefit to clients, the Adviser will have a conflict of interest with client accounts when allocating brokerage business to a broker who has referred investors to the Adviser. To prevent these brokerage commissions from being used to pay investor referral fees, the Adviser will not allocate its brokerage business to a referring broker unless the Adviser determines in good faith that the commissions payable to such broker are reasonable in relation to those available from non-referring brokers offering services of substantially equal value to the client accounts.

Trade Errors

The Adviser has several internal controls in place to prevent trade errors from occurring. However, on those occasions when such an error does occur, the Adviser will reasonably determine how to correct the error. If the error results in a loss to the client accounts, the Adviser will generally not reimburse such losses absent gross negligence or willful misconduct.

Aggregation of Orders

The Adviser may aggregate purchase and sale orders of investments held by client accounts with similar orders being made simultaneously for other accounts or entities if, in the Adviser’s reasonable judgment, such aggregation is reasonably likely to result in an overall economic benefit to client accounts based on an evaluation that client accounts will be benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions, or a combination of these and other factors. In many instances, the purchase or sale of investments for client accounts will be effected simultaneously with the purchase or sale of like investments for other accounts or entities. Such transactions may be made at slightly different prices, due to the volume of investments purchased or sold. In such event, the average price of all investments purchased or sold in such transactions may be determined, at the Adviser’s sole discretion, and client accounts may be charged or credited, as the case may be, with the average transaction price.

Our brokerage practices, including our ability to receive soft dollar benefits or to enter into soft dollar arrangements or similar arrangements, as described above, may differ for certain clients based on the client's applicable written agreement with us.

Item 13 - Review of Accounts

Client accounts are typically reviewed by Kirk S. Kazazian on a daily basis for conformity to the objectives and risk criteria applicable to such accounts, and compliance with any applicable investment guidelines and restrictions.

Investors in the Funds generally will receive a monthly account statement and audited financial statements on an annual basis. We also typically distribute tax reports to investors in the Funds.

We may enter into agreements ("side letters") with one or more Fund investors that result in investment terms that differ from the terms applicable to other investors in such Fund, including, without limitation, with respect to fees, performance-based fees or allocations, and/or withdrawal terms. In addition, pursuant to side letters, we may provide particular investors with more frequent and/or more detailed information regarding a Fund's positions, performance, finances, and management and/or other information about such Fund or us (including, notification of senior employee departures, the commencement of disciplinary actions, legal proceedings, investigations or similar matters, or redemptions from the Funds by us, our affiliates and/or our respective personnel), possibly enabling such investors to better assess the prospects and performance of the Funds. As a result of such side letters, certain investors may receive additional rights and/or information that other investors will not necessarily receive. Subject to applicable law and contractual arrangements, we do not intend to disclose the terms of side letter agreements or other arrangements and do not intend to disclose the identities of the investors that have entered into such agreements with the Funds or us. We will not be required to offer such additional or different rights and terms to any or all other investors.

We may provide certain additional information to any investor, or prospective investor, in a Fund (or to any of our clients or prospective clients) who requests such information. This information may be provided in response to questions and requests and in connection with due diligence meetings and other communications, but will not be distributed to other investors and prospective investors (or other clients or prospective clients) who do not request such information. Such information may affect a prospective investor's (or prospective client's) decision to invest, and investors and clients (which may include our personnel, affiliates and/or related persons) who receive such additional information may be able to act on such additional information and redeem their investments potentially at higher values than other investors (or clients). Each investor and client is responsible for asking such questions that it believes are necessary in order to make its own investment decisions and must decide for itself whether the limited information provided by us is sufficient for its needs.

We may provide clients with reports in such forms and at such times as such clients and we may agree.

The custodians of any separately managed accounts that we manage may send account statements to the owners of such accounts. In general, since a separately managed account client would directly own the positions in its account, such client may have full, real-time transparency as to all transactions and holdings in such account, and may be better able to assess the future prospects of a portfolio that is substantially similar to the portfolios of the private investment funds managed by us. Separately managed account clients may have the right to withdraw all or a portion of their capital from such accounts on shorter notice and/or with more frequency than the terms applicable to an investment in the private investment funds that we manage.

Item 14 - Client Referrals and Other Compensation

Other than as described above in Item 12, we do not receive any economic benefits from non-clients in connection with the provision of investment advice or other advisory services to our clients.

The Adviser may raise capital through broker-dealers, placement agents and other persons and pay a marketing fee or commission in connection with such activities, including ongoing payments, at the Adviser's own expense. In certain cases, the Adviser reserves the right to deduct a percentage of the amount invested by a client or investor to pay sales fees or charges, on a fully disclosed basis, to a broker-dealer or placement agent based upon the capital contribution of the investor introduced to the Adviser by such broker-dealer or agent. Any such sales fees or charges would be assessed against the referred investor and would reduce the amount actually invested by the investor in the client accounts.

Placement agents are subject to a conflict of interest because they will be compensated in connection with their solicitation activities. This conflict applies as well to any nominees that are compensated in connection with the investment of their clients' assets with us or in the private investment funds that we manage.

Item 15 - Custody

Client funds and securities are maintained by qualified custodians to the extent required by Rule 206(4)-2 under the Advisers Act. However, for purposes of the Advisers Act, we may be deemed to have custody of certain client assets. The owners of any separately managed accounts over which we have custody will receive account statements from the custodians for such accounts, and are urged to carefully review those statements. To the extent that such account owners were to also receive account statements from us, they are urged to compare those statements with the statements that they receive from their custodians.

Item 16 - Investment Discretion

We have discretionary authority to manage securities accounts on behalf of our clients. Clients give us this discretionary authority when they enter into a written agreement with us. The investors in the private investment funds managed by us generally may not place any limits on our authority beyond the limitations set forth in the Fund Documents for such private investment funds.

On a case-by-case basis, clients other than the Funds may negotiate certain risk and/or operating guidelines that we will adhere to when exercising our discretionary authority over such accounts.

Item 17 - Voting Client Securities¹

We have the authority to vote proxies on behalf of the Funds. We may be delegated the authority to vote proxies for other client accounts to the extent provided in a written agreement with a particular client.

We have adopted proxy voting policies and procedures that are designed to ensure that in cases where we vote proxies with respect to client securities, such proxies are voted in the best interests of such clients, and that any material conflict of interest between our interests and the interests of our clients will be resolved in a manner that is consistent with the best interests of clients and in a manner not affected by such conflict of interest.

To the extent that we are authorized to vote proxies for a client account, invest in a security for a client account for which a proxy vote may arise and receive timely notice of such proxy from the client's custodian, we will be guided by general fiduciary principles and will seek to act in a manner intended to enhance the overall economic value of the applicable security. There may be times (which may be frequent) when we are authorized to vote proxies for a client account and determine that refraining from voting is in the best interest of that client. For example, we may refrain from voting a client proxy when (without limitation): (i) the economic effect on shareholder's interests or the value of the portfolio holding is indeterminable or insignificant; (ii) voting the proxy would unduly impair the investment management process; or (iii) the cost of voting the proxies outweighs the benefits or is otherwise impractical. In addition, we may abstain from voting a proxy on behalf of our clients' accounts due to (1) de minimis holdings; (2) de minimis impact on the portfolio; (3) contractual arrangements with clients; (4) their authorized delegates or the failure of a proxy to provide sufficient information to allow for informed decision making; and/or (5) items relating to non-U.S. issuers (such as those described below). We may refrain from voting a proxy of a non-U.S. issuer due to logistical considerations that may have a detrimental effect on our ability to vote the proxy. These issues may include, but are not limited to: (a) proxy statements and ballots being written in a foreign language; (b) untimely notice of a shareholder meeting; (c) requirements to vote proxies in person; (d) restrictions on non-U.S. person's ability to exercise votes; (e) restrictions on the sale of securities for a period of time in proximity to the shareholder meeting (*e.g.*, share blocking); or (f) requirements to provide local agents with power of attorney to facilitate the voting instructions.

To the extent that we have discretion to participate in class action lawsuits filed against companies or issuers in which our clients are invested, we may participate in such class action lawsuit if we believe that such participation is in the best interest of our clients on a case-by-case basis.

¹ **Note to client:** We included a relatively generic proxy policy- please review and confirm whether this is consistent with your practice.

We may engage a third-party proxy voting service to vote proxies on behalf of clients and in such case, we may, when it is believed to be in the best interest of clients, adopt such third-party's proxy voting policies and guidelines; the cost of any such third-party proxy voting service may be borne by such clients, as applicable. If engaged, we generally expect that we would vote with the advice of the third-party proxy voting service whose recommendations are intended to be in the best economic interest of investors; however, we may override any recommendation of such proxy voting service that we do not believe is in the best interest of our clients.

In the event that we do not accept proxy voting authority over a client's securities, we generally will not accept questions about particular solicitations from such client, who should contact its custodian to coordinate receipt of proxies and other solicitations directly from the custodian.

We currently do not permit clients to direct our vote in a particular solicitation. We may enter into arrangements with clients or other investment managers pursuant to which such clients or managers have responsibility to vote proxies according to their own policies and procedures or wishes (such as in the event that we advise a separately managed account or act as a sub-adviser to a private investment fund managed by a third-party manager).

A client may obtain a copy of our proxy voting policy and procedures upon request, as well as information about how we voted the client's securities, by contacting us at the address on the cover page of this brochure.

Item 18 - Financial Information

Currently, there is no financial condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

Item 19 - Requirements for State-Registered Advisers

Not applicable.