

Item 1 – Cover Page

Ortelius Capital Partners, LLC

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This Brochure provides information about the qualifications and business practices of Ortelius Capital Partners, LLC (“OCP”), Ortelius Advisors, L.P. (“OA”) and Ortelius Ventures, LLC (“OV”). OCP is the filing adviser and each of OA and OV is a relying adviser. Together, OCP, OA and OV are referred to herein as “Ortelius.” If you have any questions about the contents of this Brochure, please contact us at (917) 595-5010. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Ortelius is an investment adviser that is registered with the SEC. Registration as an investment adviser with the SEC does not imply any level of skill or training.

Additional information about Ortelius is also available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Ortelius is 138284.

Item 2 – Material Changes

This Item of the Brochure will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. The last update of our brochure was our annual amendments filing on March 7, 2023. This annual amendment reflects the following material changes:

- There are none.

Currently, our Brochure may be requested by contacting Peter DeSorcy, one of Ortelius' managing members, at (917) 595-5010. Additional information about Ortelius is also available via the SEC's web site www.adviserinfo.sec.gov

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Item 4 – Advisory Business

Ortelius Capital Partners, LLC, an alternative asset management group specializing in hedge funds, is majority-owned by H.R.H. Prince Pavlos of Greece and Peter DeSorcy, and has been providing advisory services since 2002. As of December 31, 2023, Ortelius managed approximately \$102,884,116 on a discretionary basis. Ortelius Capital Partners, LLC is also affiliated through ownership and control with Ortelius Ventures, LLC, a firm specializing in private equity asset management and Ortelius Advisors, L.P., a firm specializing in activist investing. These firms operate under the same compliance policies/procedures and Code of Ethics, and are referred to throughout this Brochure as “Ortelius.”

Ortelius provides investment supervisory services to multiple private pooled investment vehicles (each a “Private Fund”, and collectively the “Private Funds”):

1. Hudson Investors, Ltd., which is incorporated under the laws of the British Virgin Islands, and is managed as a fund of hedge funds of funds, meaning that the pooled investment vehicle invests primarily in other pooled investment vehicles. Ortelius may also invest directly, both long and short, in a wide range of securities and financial instruments (a “direct investment”) when Ortelius believes that the net exposure of the underlying funds either under- or over-exposes this Private Fund to the overall financial markets. These transactions may include, without limitation, equity or debt investments, options, swaps, forwards, futures, credit derivatives, exchange-traded funds or other equity or credit derivative instruments. This Private Fund is in the process of wind down.
2. Hermes Ventures, L.P. (a Master Private Fund) and Hermes Ventures (Cayman), L.P. (a Feeder Fund) – a private equity fund structure that follows an opportunistic private equity strategy.
3. Pangaea Ventures, L.P. (a Master Private Fund) and Pangaea Ventures (Cayman), L.P. (a Feeder Fund) – funds that aim to provide investors with attractive risk-adjusted returns by directly or indirectly investing in companies whose security price can be improved through corporate or strategic action.

The Private Funds are not required to register as investment companies under the U.S. Investment Company Act of 1940 in reliance upon an exemption available to pooled investment vehicles whose securities are not publicly offered. Ortelius manages the Private Funds on a discretionary basis in accordance with the terms and conditions of each Private Fund’s offering and organizational documents.

The Private Funds are only suitable for investors with no need for liquidity in their investment, for whom an investment in the Private Fund does not constitute a complete investment program, and for those who fully understand the Private Fund’s risks, fees and conflicts of interest.

Beginning in 2024, Ortelius also will advise one or more separately managed accounts (each, an “SMA”, and together with the Private Funds, the “Advisory Clients”) on a non-discretionary basis.

Item 5 – Fees and Compensation

Ortelius charges a management fee, typically collected quarterly in advance, to Private Fund investors, with differing management fees depending on the share class, in the case of Hudson Investors, Ltd. Ortelius may also receive a performance fee as detailed in Item 6. Each SMA is invoiced and pays a management fee and performance compensation to Ortelius, subject to waiver or reduction by Ortelius. Ortelius also has the discretion to negotiate a different fee, or waive all or part of the management fee and/or performance fee for any shareholder.

With respect to Hudson Investors, Ltd., the Investment Management Agreement may be terminated by either the Private Fund or Ortelius without payment of any penalty on at least three months advance written notice, provided that termination by the Private Fund requires the approval of shareholders holding a majority in interest of the shares of the Private Fund. With respect to an SMA, the Investment Management Agreement may be terminated by either party thereto upon ninety days’ prior written notice to the other party, or immediately by the controlling party of the SMA following the occurrence of certain events.

Ortelius does not typically invest Private Fund assets in mutual funds nor does it typically recommend mutual funds to its other Advisory Clients; however it may utilize mutual funds as a result of “cash sweeps” in any of the Private Funds. All fees paid to Ortelius for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees may include management fees, fund

expenses, or distribution fees. Similarly, all fees paid to Ortelius for investment advisory services are separate and distinct from the fees and expenses charged by each of the managers of the Investment Vehicles (defined below) to which Ortelius allocates assets on behalf of Hudson Investors, Ltd. or an SMA. Each of these managers charges management and/or performance-based fees, which are disclosed in the applicable Private Fund documents for such Investment Vehicles, or in the case of an SMA, the controlling party of the SMA is provided the underlying documentation and disclosures and is responsible for effecting any investments directly.

Each Advisory Client will reimburse Ortelius for certain out-of-pocket expenses incurred by Ortelius in connection with the performance of its obligations under the respective Investment Management Agreement with each Advisory Client, subject to the specific terms of each such relationship.

In the sole discretion of Ortelius, Ortelius reserves the right to enter into side letter arrangements with certain investors in the Private Funds providing modifications to the fee structures, liquidity provisions, lock-up periods and other terms and conditions of the Private Funds.

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

For certain Advisory Clients, Ortelius may also receive a performance fee (the “Performance Fee”) based on a percentage of the increase, if any, in the net asset value (“NAV”) of each share class, but only to the extent that such profits exceed a cumulative “high-water mark” (i.e., the previous highest NAV) calculated separately in the case of Hudson Investors, Ltd. for each series class of shares, or, in the aggregate for an SMA. Certain Hudson Investors, Ltd. share classes do not pay a performance-based fee. With respect to Hermes Ventures, L.P., Ortelius will receive performance compensation that is payable after the end of the Private Fund’s investment period.

In measuring an investor’s net profits for the calculation of Performance Fee for certain Advisory Clients, Ortelius will include both realized and unrealized gains and losses during the relevant period, whereas with respect to Hermes Ventures, L.P., the Performance Fee is calculated based only on realized gains, and also subject to a preferred return. The calculation and payment of the Performance Fees applicable to a particular interest in a Private Fund is described in detail in the applicable offering documents for such interest.

The Performance Fee may create a theoretical incentive for Ortelius to cause the applicable Advisory Client to make investments that may be riskier or more speculative than those which might be made under a different fee arrangement. The U.S. Investment

Advisers Act of 1940 and certain state laws restrict the payment of performance-based fees, such as the Performance Fees, to investment advisers registered under such laws.

However, Rule 205-3 under the Investment Advisers Act of 1940 permits the payment of performance-based compensation to investment advisers provided that the clients (including investors in investment vehicles such as the Private Funds) meet certain financial qualifications.

The offering of interests in the Private Funds are structured to comply with this rule and accordingly the Private Funds that pay performance fees to Ortelius will only accept subscriptions from investors who meet the qualifications set forth in Rule 205-3. Investors in the Private Funds are requested to refer to the applicable Private Placement Memorandum for complete information on the services offered, and corresponding fees charged, by Ortelius. Similarly, Ortelius will not provide investment advice in respect of a SMA that does not meet the qualifications set forth in Rule 205-3.

In general, investment decisions for each Private Fund are made with specific reference to the individual needs and objectives of such Private Fund. There is no requirement that Ortelius use the same procedures consistently with respect to all Private Fund accounts. Different strategies and client guidelines and restrictions may lead to the use of different methodologies for addressing potential conflicts of interest. In allocating investment opportunities, Ortelius will take into account various factors, including the various investment objectives, the targeted rates of return, available capital commitments, and the composition of the various portfolios taken as a whole. In each case, Ortelius will seek to act in the best interest of each Private Fund and assure that, over the long term, all Private Funds are treated as fairly and equitably as possible relative to each other.

Item 7 – Types of Clients

As indicated in Item 4, Ortelius currently provides investment advice to Hudson Investors, Ltd. (which is currently in wind-down), Hermes Ventures, L.P., Hermes Ventures (Cayman), L.P., Pangaea Ventures, L.P., and Pangaea Ventures (Cayman), L.P. (as defined above, the “Private Funds”). Prospective investors should refer to the offering documents of the respective Private Fund for information on minimum investment requirements. Typically, Ortelius requires a minimum investment of either \$1,000,000 or \$5,000,000 (depending on the Private Fund), although this is negotiable at Ortelius’ discretion.

Private Funds rely on certain exclusions from the definition of an “investment company” in the U.S. Investment Company Act of 1940. Accordingly, none of the Private Funds are registered as investment companies with the SEC.

This Brochure is not an offer to invest in our Private Funds.

Ortelius may accept new SMAs in its sole discretion. Ortelius does not intend to advise SMAs of retail investors, and its sole SMA has an initial minimum asset level of \$50,000,000.

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

With respect to its management of Hudson Investors, Ltd. and the advisory services provided to the SMA, Ortelius seeks investments primarily with underlying hedge funds (“Investment Vehicles”) that employ a research-intensive, fundamental-based investment philosophy in a variety of investment strategies including, but not limited to, long/short equity, distressed, capital structure arbitrage, special situations, and merger arbitrage. As part of its due diligence efforts, Ortelius applies qualitative and quantitative analyses to the business, strategy, and securities risks inherent with each Investment Vehicle.

While identifying Investment Vehicles with in-depth knowledge of their underlying investments, Ortelius attempts to further identify Investment Vehicles which typically implement proactive and encompassing risk management processes seeking to mitigate macro-exogenous risk factors including, but not limited to, market, interest rate, credit, liquidity and spread risk. Ortelius allocates to approximately thirteen Investment Vehicles (however, Ortelius may allocate to more or less, based solely on the discretion of Ortelius) with exposures across a broad spectrum of styles and market capitalizations, including small-cap, mid-cap, large-cap, growth and value.

Ortelius utilizes a number of different strategies in its management of its Advisory Clients through their investments in a variety of Investment Vehicles and direct investments, including:

- Capital Structure Arbitrage
- Convertible and Warrant Arbitrage
- Distressed
- Fixed-Income Arbitrage
- Long/Short Equities
- Merger Arbitrage
- Relative Value

- Special Situations
- Statistical Arbitrage

Strategies that may be pursued by Ortelius through its investments are described above, but these examples are not intended to be exhaustive and other strategies may also be employed by Ortelius and the Investment Vehicles in which the Advisory Clients are invested. Certain of the Investment Vehicles in which Advisory Clients invest may be affiliated with each other by virtue of having the same or an affiliated investment adviser.

With respect to its approach to investment management of Advisory Clients which pursue an activist strategy, Ortelius will employ a research-intensive, fundamental-based investment approach and seek to pressure target companies to implement corporate and/or capital structure changes. Generally, the activist Advisory Clients will target holding companies or conglomerates with disparate business segments, whose “sum-of-the-parts” appears to Ortelius to be worth significantly more than the current market value of the company as a whole.

In conjunction with precipitating catalysts which jettison financial inefficiencies, the activist Private Funds intend to make sizable investments in one or more businesses whose asset values and free cash flows are materially underappreciated in the marketplace.

The event-driven strategy of Ortelius will typically result in the activist Advisory Clients’ investment in one or more companies that are undergoing significant corporate events, including spin-offs, split-offs, asset sales, divestitures, bankruptcies, liquidations, acquisitions, changes in corporate and capital structures, share repurchases, recapitalizations, re-financings, capital expenditures cycles, cost reductions, new products, unit sales growth, a favorable pricing environment, and positive developments in profitability. Ortelius will generally look for the existence of one or more elements to act as a catalyst for initiating or reinforcing the revaluation of securities across the capital structure of a target company. When evaluating a specific company as a potential target, Ortelius may consider many factors, including the likelihood of realizing identified catalysts, the estimated security prices under positive and adverse outcomes, and the expected time horizon of any investment.

With respect to private equity investments on behalf of Hermes Ventures, L.P., Ortelius’ objective is to achieve capital appreciation through an investment (either directly or indirectly through a special purpose subsidiary) in the equity securities of publicly-traded companies. Investors should refer to the offering documents of Hermes Ventures, L.P. for complete information on the investment strategy and associated risks of the Private Fund.

Risks Associated with Investment in the Private Funds

Investing in securities involves risk of loss that clients should be prepared to bear.

Investment in the Private Funds involves risk factors and is suitable only for persons who can afford fluctuations in the value of their capital, who have limited need for liquidity in their investment and who meet certain conditions, as outlined in the Private Fund documents.

Our strategies are available only to qualified investors who have reviewed detailed information concerning investment terms and risks. These risks may include, but not be limited to, the following: Performance can be volatile, and an investor could lose a substantial amount of his or her investment. The strategy may use leverage. The investor does not retain any trading authority over assets placed with a Private Fund. Our strategies are not intended to provide an investor with an investment program that is diversified or otherwise tailored to suit any investor's overall investment needs. An investor's account may not be liquid or transferable. Fees and expenses may offset trading profits.

Specific Investment-Related Risks:

Diversification: Although Ortelius seeks to obtain a level of diversification within Hudson Investors, Ltd. and the SMA by investing with a number of different Investment Vehicles with diverse strategies, it is possible that more than one Investment Vehicle may take positions in the same security or group of securities at the same time. Hermes Ventures, L.P., as a private equity fund, may be invested in only one private equity opportunity, creating diversification risk. Pangaea Ventures, L.P. also may be invested in only one opportunity, creating diversification risk.

Risks of Investment Strategies: The success of Hudson Investors, Ltd.'s and the SMA's investment activities, which generally pursue a fund of funds strategy, will primarily depend on Ortelius' ability to identify Investment Vehicles that successfully exploit discrepancies in the capital markets. No assurance can be given that either Ortelius or an Investment Vehicle will be able to locate investment opportunities or to correctly exploit discrepancies in the capital markets. Depending upon the investment strategies employed and market conditions, an Investment Vehicle may be adversely affected by unforeseen events involving such matters as political crises, changes in currency exchange rates or interest rates, forced redemptions of securities or acquisition proposals. Because many Investment Vehicles' investments are actively managed, purchases and sales of investments may be frequent and may result in higher transaction costs. Certain of the

investment strategies employed by Investment Vehicles are based on historical relationships between prices. There can be no assurance that such historical relationships will continue and no representation is made by Ortelius as to what results the Investment Vehicle will or is likely to achieve based on such trends and relationships.

Independence of Investment Vehicles: It is likely that neither Hudson Investors, Ltd. nor the SMA will control any of the Investment Vehicles, the Investment Vehicles' choice of investments and other investment decisions, all of which are totally within the control of such Investment Vehicles and their principals or advisers.

Activist Investing. The activist Private Funds' investment strategy involves certain shareholder activism that would attempt to influence certain actions of target companies. However, there exists the risk that the intended strategy for a particular company will be unsuccessful or that the activist Private Funds do not have sufficient resources, ownership, or legal rights to take certain desired actions. When securities are purchased in anticipation of influencing the future direction of a company, a substantial period of time may elapse between the activist Private Fund's purchase of the securities and the anticipated results. In addition, an activist Private Fund may need to expend substantial resources to attempt to influence corporate actions or pursue various activist strategies and tactics, and there is no assurance that such actions, strategies and tactics will prove successful. If the anticipated results do not in fact occur, the activist Private Fund may be required to sell its investment at a significant loss. Moreover, there may be instances where the activist Private Fund would be restricted in transacting in or redeeming a particular investment as a result of its activist investment strategy.

Control Positions. The activist Private Funds may assume control positions in portfolio companies. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations, and other types of liability in which the limited liability generally characteristic of business operations may be ignored.

Illiquidity of Private Fund Shares: No secondary market for shares in the Private Funds is expected to develop and, if a secondary market develops, there is no assurance that it will continue or provide a shareholder of shares of a Private Fund with liquidity. In addition, the governing documents of the Private Funds typically impose substantial restrictions on transfer of equity interests in the Private Fund.

Leverage: The use of leverage has attendant risks and can substantially increase the adverse impact to which investment portfolio may be subject. In addition, the use of leverage will be subject to the risk that changes in the general level of interest rates may adversely affect expenses and operating results.

In general, the anticipated use of short-term margin borrowings results in certain additional risks. For example, should securities pledged to brokers to secure a Private Fund's margin accounts decline in value, the Private Fund could be subject to a "margin call," pursuant to which that Private Fund must either deposit additional funds or securities with the broker, or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of the Private Fund's assets, the Private Fund might not be able to liquidate assets quickly enough to satisfy its margin debt.

Direct Investments: As discussed above, Ortelius, as investment adviser to Hudson Investors, Ltd., may invest, or may recommend to the SMA to invest, directly both long and short in a wide range of securities and financial instruments when Ortelius believes that the net exposure of the underlying funds either under- or over-exposes that Private Fund, or the SMA, as applicable, to the overall financial markets. These transactions may include, without limitation, equity or debt investments, options, swaps, forwards, futures, credit derivatives, exchange-traded funds or other equity or credit derivative instruments.

Short Sales by Investment Vehicles: To make delivery to the buyer, the Investment Vehicle must borrow the security, and the Investment Vehicle is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the Investment Vehicle. When the Investment Vehicle makes a short sale, it may be obligated to leave the proceeds thereof with the broker and also deposit with the broker an amount of cash or other securities (subject to requirements of applicable law) that is sufficient under any applicable margin or similar regulations to collateralize its obligation to replace the borrowed securities that have been sold.

If the price of the security sold short increases between the time of the short sale and the time the Investment Vehicle replaces the borrowed security, the Investment Vehicle will incur a loss; conversely, if the price declines, the Investment Vehicle will realize a short-term capital gain. Any gain will be decreased, and any loss will be increased, by the transaction costs described above. Although the Investment Vehicle's gain is limited to the price at which it sold the security short, its potential loss is theoretically unlimited because there is no limit on how much the price of a security may appreciate before the short position is closed out. In addition, the supply of securities which can be borrowed

fluctuates from time to time. The Investment Vehicle may be subject to losses if a security lender demands return of the lent security and an alternative lending source cannot be found or if the Investment Vehicle is otherwise unable to borrow securities which are necessary to hedge its positions. In addition, purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. The extent to which the Investment Vehicle engages in short sales depends upon its investment strategy.

Investors in the Private Funds are requested to refer to the applicable Private Placement Memorandum for more complete information on the strategies utilized by Ortelius, and the risks associated with each.

Item 9 – Disciplinary Information

There are no legal or disciplinary events to report regarding Ortelius or any of its subsidiary companies, directors, officers, or principals regarding any criminal or civil actions in a domestic, foreign, or military court.

Neither Ortelius nor any of its subsidiary companies, directors, officers, or principals has been involved in any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

Neither Ortelius nor any of its subsidiary companies, directors, officers, or principals has been involved in any self-regulatory organization proceedings.

Item 10 – Other Financial Industry Activities and Affiliations

Peter DeSorcy and H.R.H. Prince Pavlos of Greece both sit on the Board of Directors of Hudson Investors, Ltd. These individuals are also:

- Majority owners of Ortelius Ventures, LLC, investment manager of Hermes Ventures, L.P., and Ortelius Ventures GP, LLC, the General Partner of Hermes Ventures, L.P.
- Majority owners of Ortelius Advisors, L.P., investment manager of the activist Private Funds, Ortelius Advisors GP I, LLC, the General Partner of Pangaea Ventures, L.P.

Neither Peter DeSorcy nor H.R.H. Prince Pavlos of Greece maintain any other substantive outside activities.

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

Employees of Ortelius may potentially own the same securities as those held by the managers to whom Ortelius allocates fund of fund assets, or direct investments made by Ortelius on behalf of the Private Funds. However, Ortelius and its managing members are never in the position of having prior knowledge of the specific investment decisions made by the managers to which it allocates assets of a Private Fund, and as such cannot benefit from any investment decisions made by such managers.

Ortelius has adopted a Code of Ethics that sets forth high ethical standards of business conduct that Ortelius requires of its employees, including compliance with applicable federal securities laws. Ortelius' Code of Ethics also includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by Ortelius' covered persons.

Among other things, Ortelius' Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Ortelius' code also includes oversight, enforcement, and recordkeeping provisions. A copy of Ortelius' Code of Ethics is available to Ortelius' Advisory Clients upon request to the Chief Compliance Officer at Ortelius' principal office address.

Item 12 – Brokerage Practices

With respect to Hudson Investors, Ltd., Ortelius is provided with written authority to determine which Investment Vehicles to whom the fund's assets are to be allocated, and the amounts of such allocations. As the fund's assets are predominantly allocated to Investment Vehicles, Ortelius does not have the ability to determine which securities and the amounts of securities that are bought or sold by the managers of such Investment Vehicles, nor will Ortelius be able to determine the broker-dealer to be used and the commission rates to be paid. However, in those situations where Ortelius decides to utilize a hedge overlay or makes a direct investment as discussed above, Ortelius will take discretion to determine the broker-dealer to be used and the commission rates to be paid. Ortelius will endeavor to select those brokers which will provide the best execution at competitive rates. In placing hedge overlay or direct investments for a Private Fund, Ortelius typically considers a number of factors in selecting appropriate brokers,

including, among others: the overall costs of a trade (i.e., net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of Ortelius' knowledge of negotiated commission rates currently available and other current transaction costs; quality and consistency of market access and of execution including accurate and timely execution, clearance and error/dispute resolution. Ortelius does not place transactions on a soft dollar basis.

With respect to the activist Private Funds, Ortelius is granted the discretionary authority to select broker-dealers and the commission rates to be paid for transactions. Transactions normally will be effected through brokers on securities exchanges or directly with the issuer, or through an underwriter, or market maker or other dealer for the investments. Transactions through brokers involve a commission to the broker. Transactions with dealers typically are priced to include a spread between the bid and the asked price to compensate the dealer.

With respect to the SMA, the SMA retains full investment discretion and custody of assets and has sole responsibility for selection of its own broker-dealers. Any transactions effected by the SMA through any such accounts will be subject to the fees and costs agreed directly between the SMA and the applicable broker-dealer.

The primary selection criterion employed by Ortelius in connection with selecting brokers for activist Private Fund transactions is the brokers' ability to provide best execution. In assessing best execution, and its overall broker relationships, Ortelius considers a variety of factors including a totality of circumstances, including the broker-dealer's research capabilities and the success of prior research recommendations (including private equity financings), ability to efficiently execute difficult trades (such as those in illiquid markets or trades of substantial size), the broker's risk in positioning a block of securities, commitment of capital, access to new issues, nature and frequency of sales coverage, depth of services provided, including economic or political coverage, arbitrage and option operations, back office and processing capabilities, financial strength, stability and responsibility, efficiency, reputation, access to markets, confidentiality, commission rate, responsiveness to the investment manager and the value of research and brokerage and research products and services provided by such brokers.

Ortelius may also execute trades with brokers and dealers with whom the Private Funds or Ortelius have other business relationships, including prime brokerage, credit relationships, and capital introduction or investments by affiliates of the broker-dealers in the Private Funds or other entities managed by Ortelius. However, Ortelius does not believe that these other relationships will influence the choice of brokers and dealers who execute trades for the Private Fund.

Broker-dealers may provide research that may include written or oral proprietary research. Broker-dealers may also provide research products that include software and related support services for use in research and trading, quotation boards, computer databases and quotation equipment, in each case to access research or which provide research directly. Research services may include, among other things, research concerning market, economic and financial data, statistical information, data on pricing and availability of securities, financial publications, attendance at conferences and meetings, electronic market quotations, performance measurement services, analyses or due diligence concerning specific securities, companies or sectors, including due diligence on specific aspects of a company's operations or finances, analyses on issues raised in proxy statements and market, economic and financial studies and forecasts. Research services may be in written or oral form or on-line and may be produced by broker-dealers or third parties such as attorneys, accountants, or consultants. Brokerage products and services may include certain order management system components and order routing.

The receipt of brokerage and research products from broker-dealers through client commission payments is commonly referred to as "soft dollars." Broker-dealers may provide products and services paid for through soft dollars either directly or through credits deposited into an account that may be used for research developed by the broker-dealer, third-party research, and brokerage services. Section 28(e) of the Securities Exchange Act of 1934 provides a safe harbor from liability for breach of fiduciary duties relating to the purchase of limited research or brokerage services using soft dollars so long as the products and services received constitute lawful and appropriate assistance and the amount indirectly paid for those products or services is reasonable. If Ortelius uses research or brokerage products or services, it intends to limit research and brokerage to those services included in the safe harbor under Section 28(e) of the Securities Exchange Act of 1934.

Research and brokerage products and services may be used by Ortelius in servicing some or all of Ortelius' Advisory Clients. In addition, some research and brokerage may not be used by Ortelius in servicing the Advisory Clients whose commission dollars provided for the research or brokerage. Advisory Clients may not, in any particular instance, be the direct or indirect beneficiaries of the research or brokerage provided. Certain Advisory Clients, who are the beneficiaries of research or brokerage, may have an investment style which results in the generation of a small amount of brokerage commissions due to a lack of active trading for their accounts. As a result, Advisory Clients who generate sizeable commissions subsidize research or brokerage provided to Advisory Clients whose accounts generate minimal brokerage commissions since the commission dollars

generated by transactions for such Advisory Clients are not sufficient to pay for research or brokerage that may be received by such Advisory Clients from other brokers.

In selecting broker-dealers on the basis of the foregoing factors, Ortelius may pay a brokerage commission in excess of that which another broker might have charged for effecting the same transaction. In connection therewith, Ortelius will make a good faith determination that the amount of commission is reasonable in relation to the value of the research or brokerage services received, viewed in terms of either the specific transaction or Ortelius' overall responsibility to its Advisory Clients. Ortelius will regularly evaluate the placement of brokerage services and the reasonableness of commissions paid. Research received from brokers will be supplemental to Ortelius' own research efforts. While the receipt of research will not reduce Ortelius' normal research activities, Ortelius' expenses could increase materially if it attempted to generate such additional research or brokerage services through its own staff, and the activist Private Funds' management fee will not be reduced as a consequence of the receipt of such research or brokerage services or products. As such, Ortelius' arrangements for the receipt of research and brokerage services from brokers may create a conflict of interest, in that Ortelius may have an incentive to choose a broker-dealer that provides research and brokerage services, instead of one that does not but charges a lower commission rate. In some instances, Ortelius receives products and services that may be used for both research and non-research purposes. In such instances, Ortelius will make a good faith effort to determine the relative proportion of the products and services used to assist Ortelius in carrying out its investment decision-making responsibilities or order execution, including research and brokerage, and the relative proportion used for administrative or other non-research purposes. The proportionate amount of the research attributable to assisting Ortelius in carrying out its investment decision-making responsibilities or order execution will be paid through brokerage commissions generated by the activist Private Funds and other Advisory Client transactions; the proportionate amount attributable to administrative or other non-research purposes will be paid for by Ortelius from its own resources. The receipt of "mixed-use" research and the determination of the appropriate allocation may result in a potential conflict of interest between the Investment Manager and its Advisory Clients, including the Private Funds.

With respect to private equity transactions for Hermes Ventures, L.P., to the extent applicable, Ortelius selects broker-dealers through which to effect transactions on the basis of best execution. Best execution in this context does not necessarily mean effecting transactions at the lowest possible commission rate, transaction costs and price, but includes a number of factors mentioned herein. Ortelius seeks to effect transactions at a price, commission and transaction cost (e.g., mark-up or mark-down in the case of fixed income) that provides the most favorable total cost or proceeds reasonably attainable

under the circumstances. Ortelius may consider various factors when selecting broker-dealers including, but not limited to, the experience of the broker-dealer in liquidating distributions from private equity funds, the nature of the portfolio transaction, the size of the transaction, broker's trading expertise, reliability, responsiveness, reputation, execution, clearance, settlement and error correction capabilities, willingness to commit capital, access to a particular trading market, and security conditions (e.g., liquidity, volatility).

Item 13 – Review of Accounts

Reviews:

All Advisory Client assets are periodically monitored and reviewed by Ortelius' managing members. The managing members review each Advisory Client in the context of its stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the market, political or economic environment.

Reports:

Investors in the Private Funds (with the exception of Hermes Ventures, L.P.) are provided monthly unaudited return estimates. Return estimates are prepared internally. The Private Fund Administrator provides monthly unaudited NAV statements to investors in those Private Funds.

Investors in Hermes Ventures, L.P. will receive quarterly unaudited return estimates.

Investors in all Private Funds are also provided annual audited financial information. Ortelius may also prepare and deliver to such investors additional information Ortelius deems pertinent.

Ortelius provides periodic and special reports in respect of the SMA as reasonably requested thereby. In general, because the SMA is advised on a non-discretionary and non-custodial basis, the SMA receives any applicable reporting directly from its broker-dealers, custodians and other service providers, as well as the managers of any Investment Vehicles in which it has invested.

Item 14 – Client Referrals and Other Compensation

Ortelius may from time to time engage placement agents, solicitation agents or finders for the interests of the Private Funds (“Solicitation Agents”). Ortelius may pay Solicitation Agents a portion of the fees paid to Ortelius or other compensation.

Such compensation is paid in a manner intended to comply with Rule 206(4)-3 under the Investment Advisers Act of 1940, which regulates the payment of solicitation fees by registered investment advisers, as well as applicable regulations under the Securities Act of 1934.

Item 15 – Custody

Private Fund assets are held in custody by unaffiliated broker-dealers or banks that serve as the qualified custodian. However, in the limited context in which Ortelius may be considered to have custody of Advisory Client assets, Ortelius maintains compliance with Rule 206(4)-2 of the Investment Advisers Act of 1940 by ensuring that:

- The Private Funds are audited on an annual basis by an independent accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board in accordance with its rules.

Ortelius distributes audited financial statements prepared in accordance with generally accepted accounting principles to all members (or other beneficial owners) of the Private Funds within 120 (or 180 days for Hudson Investors, Ltd. as a fund of funds) of the end of its fiscal year.

Ortelius does not have custody over SMA assets.

Item 16 – Investment Discretion

Ortelius manages the Private Funds on a discretionary basis in accordance with the terms and conditions of each Private Fund’s offering and organizational documents. Despite this broad authority, Ortelius is committed to adhering to the investment strategy and program set forth in the offering materials of each Private Fund. These documents cover matters such as the types and amounts of assets of which a Private Fund’s portfolio will consist, portfolio allocation limitations, and the degree of risk assumed by a Private Fund’s portfolio. Before accepting the discretionary authority inherent in managing accounts of

Private Funds, Ortelius carefully reviews the investment strategies and investment programs set out in the offering materials of each Private Fund.

Ortelius provides investment advisory services to the SMA on a non-discretionary basis.

Item 17 – Voting Client Securities

Ortelius has implemented policies and procedures regarding the voting of proxies as required under Rule 206(4)-6 of the Investment Advisers Act of 1940.

This Rule generally requires Ortelius to (i) adopt policies and procedures reasonably designed to ensure that proxies with respect to securities in Private Fund accounts, where we exercise voting discretion, are voted in the best interest of the Private Funds and its investors; (ii) to disclose how information may be obtained on how we vote proxies; and (iii) to maintain records relating to our proxy voting.

Ortelius will provide, at no cost, a copy of its proxy voting policies and will provide investors in the Private Funds with information regarding how proxies were voted by contacting Ortelius' Chief Compliance Officer. Consideration is given to both the short- and long-term implications of the proposal to be voted on when considering the optimal vote. Our complete proxy voting policy and procedures are available for investors to review upon written request to Ortelius' Chief Compliance Officer.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Ortelius' financial condition. Ortelius has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Ortelius does not require or solicit prepayment of more than \$1,200 in fees per client in advance.