

ADW CAPITAL MANAGEMENT LLC

CONTACT INFORMATION:

Miami Beach, Florida 33141*

PART 2A OF FORM ADV: FIRM BROCHURE

March 28, 2024

This brochure provides information about the qualifications and business practices of ADW Capital Management LLC ("ADW" or "Firm"). If you have any questions about the contents of this brochure, please contact ADW's Chief Compliance Officer ("CCO"), Adam D. Wyden, at 646-684-4086. 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.

Any reference to ADW as a registered investment adviser does not imply a certain level of skill or training.

Additional information about ADW also is available on the SEC's website at www.adviserinfo.sec.gov.

***The Principal Office and Place of Business for ADW Capital Management LLC is a private residence. Please contact us by phone to make an appointment.**

Item 2: Material Changes

This is ADW's Annual Amendment to Form ADV for the fiscal year ending December 31, 2023. Since ADW's last Annual Amendment, filed on March 31, 2023, there have been no material changes.

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Item 4: Advisory Business

ADW, a Delaware limited liability company, was founded in September 2010 by Adam D. Wyden (the “**Managing Member**”). The Firm filed to become a registered investment adviser with the SEC in May 2018. The Firm’s principal place of business is Miami Beach, Florida.

ADW is an investment manager that offers discretionary investment management services to privately offered pooled investment vehicles and managed accounts. ADW is the investment manager and general partner of ADW Capital Partners LP, a Delaware limited partnership (the “**Master Fund**”), and ADW Capital Global, LTD, a Cayman Islands exempted company (the “**Offshore Feeder**” and collectively with the Master Fund, the “**Funds**”). The Offshore Feeder invests all of its assets in, and conducts its investment activities indirectly through, the Master Fund pursuant to a “mini master” structure. The Funds are intended for investment by certain investors that meet the definition of “Qualified Purchaser” as defined under Regulation D of the Securities Act of 1933 (“**Securities Act**”), as amended, and qualified purchasers under Section 2(a)(51) of the Investment Company Act of 1940, as amended (the “**Company Act**”) so as to comply with the exemptions under Section 3(c)(7) of the Company Act.

The Funds are formed to pool investment assets of their investors (each a “**Limited Partner**” and, collectively, the “**Limited Partners**,” and the Limited Partners, collectively with the General Partner, shall be referred to herein as the “**Partners**”). ADW is responsible for all management decisions on behalf of the Funds and has discretionary trading authority over the Funds’ assets. ADW is controlled by the Managing Member.

The Firm tailors its advisory services to the Funds it manages in accordance with the terms of the relevant offering memorandum or mandate. Limited Partners generally cannot obtain services tailored to their individual specific needs.

Not applicable. ADW does not participate in, nor does it sponsor, a wrap fee program.

ADW has \$473,548,758 in regulatory assets under management on a discretionary basis as of December 31, 2023. ADW does not manage client assets on a non-discretionary basis.

Item 5: Fees and Compensation

The offering documents for the Funds set forth the specific fees and other material terms regarding an investment in the Funds.

In consideration of its investment management services, the Master Fund pays ADW a management fee at the beginning of each calendar quarter, or the first day after a closing with respect to a new investor, equal to two percent (per annum) of the capital account balance of each investor, subject to proportionate reimbursement for any withdrawals during such calendar quarter. The management fee is debited against the capital account of such investor provided that to the extent the applicable period is less than an entire calendar quarter, the management fee for such as period is reduced proportionally.

Details regarding ADW's management fees are set forth in the Funds' offering memorandum ("**Offering Memorandum**") or Limited Partnership Agreement ("**LPA**").

On an annual basis, the Firm is reallocated a performance allocation ("**Performance Allocation**") from the capital account of each investor in the Funds to the capital account of an entity affiliated with the Firm. The Performance Allocation is 20% of each investor's allocable share of net profits for the applicable fiscal year, subject to a high-water mark.

The Firm may, in its sole discretion, elect to reduce or waive the management fee with respect to any investor.

Pursuant to the terms of the Master Funds' Offering Memorandum, the Firm is authorized to deduct management fees from each investor's capital account on a quarterly basis.

The Funds' Offering Memorandum and/or LPA contain information regarding the fees and expenses of the Funds managed by the Firm.

Through the Funds, each investor indirectly pays for its share of all costs and expenses directly related to investment transactions, including: marketing and offering expenses; all operating and administrative expenses related to the operation and business of the Funds such as tax preparation fees, governmental fees and taxes, Funds administrator fees, custodial and prime brokerage expenses and fees, communications with investors, and ongoing legal, accounting, auditing, administration, appraisal, bookkeeping, consulting, and other professional fees and expenses, including for litigation, and preparation of the Funds' financial statements and reports; all Funds costs, expenses, and charges incurred in connection with the investment and trading activities of the Funds (e.g., brokerage commissions, mark-ups, margin interest, expenses related to short sales, custodial fees, clearing and settlement charges, and other transaction costs to brokers); professional and other advisory and consulting expenses incurred in connection with investment due diligence, monitoring, or the assertion of rights or pursuit of remedies; all fees and other expenses incurred in connection with the investigation, prosecution, or defense of any claims by or against the Funds; interest on, fees, and expenses arising out of all borrowings made by the Funds; organizational costs; expenses of any meetings of or reports to

the investor; the costs of any litigation and indemnification relating to the affairs of the Funds; fees and expenses related to third-party research, publications, data, and data services (including pricing services), including research provided by banks, brokerage firms, and other vendors, expert matching services, news services, business and political analysis services, due diligence and other investigative services, pricing feeds, and a wide range of other data, including data about markets, financial instruments, issuers, and other inputs into models or systems; costs of compliance with applicable laws and regulations of governmental and self-regulatory bodies, including costs incurred by ADW and its affiliates in complying with applicable laws and regulations that apply to any such entities as a result of their services to the Funds; the Funds' expenses associated with forming and maintaining the legal existence of the Funds, including directors' fees, administrators' fees, occupancy costs, and other operating costs of entities that maintain their own offices in certain jurisdictions; travel expenses and other costs incurred in connection with the business and investment activities of the Funds and the investment due diligence process, meals, lodging, international data and roaming, business development, and incidentals; and all other reasonable expenses related to the management and operation of the Funds and/or the purchase, sale, or disposition of investor interests.

The Firm generally bears all of its own overhead costs and expenses, including salaries, supplies, utility costs, and office space.

Not Applicable. Fees are not paid in advance. The Firm, in its sole discretion, may waive, by rebate or otherwise, all or part of the management fee otherwise due with respect to any Partner's investment, including, without limitation, its affiliates, members, and/or employees.

Not Applicable. Neither ADW nor any of its supervised persons are compensated for the sale of securities or other investment products.

Item 6: Performance-Based Fees and Side-by-Side Management

The existence of the performance fee could theoretically incentivize ADW to manage the Funds in a more aggressive, risky manner; however, ADW has established policies and procedures designed to address potential conflicts of interest relating to the side-by-side management of the Funds with any other client(s), including the allocation of investment and trading opportunities, and in circumstances where any client pays a different management fee and/or performance fee than another. The Firm reviews the portfolio holdings of each client to determine whether any patterns exist which indicate improper allocation, or whether there is any other indication of impropriety. In addition, the Firm's procedures relating to the allocation of investment opportunities require that clients participate in investment opportunities pro rata based on each client's current assets under management (subject to the client's investment guidelines of restrictions, stage of capital deployment, available cash or other liquidity restraints, or other tax or legal reasons). Finally, the Firm's procedures also require fair and equitable treatment in light of the relevant circumstances for the allocation of limited opportunities among clients.

Item 7: Types of Clients

ADW provides portfolio advisory and management services solely to the Funds based on its investment objectives and not based on the criteria or investment objectives of any individual investor of the Funds. The Funds require newly admitted investors to be “qualified purchasers” under Regulation D of the Securities Act and “qualified clients” under the Advisers Act.

Additionally, the Funds each have a minimum investment requirement of \$2,000,000 for investors, although this minimum may be waived or reduced as provided in the offering documents of each Fund.

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

The Firm seeks to achieve long-term capital appreciation by investing in securities within a wide range of market capitalizations, though the Funds' portfolio may be primarily invested in liquid securities of micro- and small-capitalization growth companies through open-market purchases, utilizing a long/short absolute return strategy.

In connection with its investments, the Funds maintain a long-bias and applies short strategies in a limited, opportunistic, and diversified manner as a means to both mitigate risks and maximize returns.

The Funds may take long and short positions in a variety of asset classes, including: common and preferred equity, bonds, notes, options, index securities, hedging instruments, exchange-traded funds (ETFs), private equity, and any other financial instrument that the Firm believes offer an attractive risk/return profile. However, the Funds primarily invest in common stock.

The Funds' investment program is speculative and involves a significant degree of risk. There can be no assurance that the investment or risk management objectives of the Funds will be achieved or that an investment in the Funds will be profitable. In fact, the practice of short selling and other investment techniques employed by the Funds will, in certain circumstances, increase the adverse impact to which the Funds' investment portfolio will be subject. Nothing in this Form ADV is intended to imply, and no one is or will be authorized to represent, that the Funds' investment program is low-risk or risk-free.

The following summary identifies and provides a brief explanation of the material risks related to the Firm's significant investment strategies and should be carefully evaluated before making an investment with the Firm; however, the following does not intend to identify all possible risks of an investment with the Firm or provide a full description of the identified risks of an investment in the Funds. Additional information regarding the material risks related to the Firm's significant investment strategies is set forth in the Funds' Offering Memorandum and/or LPA.

Prospective investors should give careful consideration to the following risk factors in evaluating the merits and suitability of an investment in the Funds as they relate specifically to interests in the Funds or to the Funds in general, as the context requires. The following does not purport to be a comprehensive summary of all of the risks associated with an investment in the Funds. Rather, the following are only certain risks to which the Funds is subject and that the Firm wishes to encourage prospective investors to discuss in detail with their professional advisors.

General Economic and Market Conditions. The success of the Funds' activities will be affected by and subject to general economic and market conditions, such as changes in interest rates, availability of credit and debt-related issues, inflation rates, economic uncertainty, market volatility, changes in laws (including laws relating to the taxation of the Funds' investments), trade barriers, unemployment rates, release of economic data, trade wars, tariffs, protectionist

regulatory policies, currency exchange controls, national and international political circumstances and developments (e.g., “Brexit” and the terms and timing thereof) and other circumstances (including wars, epidemics and pandemics, terrorist acts, security operations, and natural disasters), as well as changes in government policy precipitated by the foregoing. These and other factors may affect the level and volatility of securities prices, the correlations and relationships between the prices of various securities, and the liquidity of the Funds’ investments in ways that impair the Funds’ profitability or result in losses. Unpredictable or unstable market conditions may also result in reduced opportunities to find suitable investments to deploy capital or make it more difficult to exit and realize value from the Funds’ investments. From time to time, including recently amidst the COVID-19 global pandemic and during 2008 and 2009, various markets around the world have experienced extreme periods of volatility, illiquidity, correlation with other markets, negative (or positive) performance and other disruptions and conditions that would previously have been viewed as extremely unlikely or even impossible. Such market developments have led to large losses and insolvencies at numerous investment funds soon thereafter. For example, during the second half of 2008, the state of the worldwide economy deteriorated into a severe recession. A similar or even more severe economic recession (or depression) could result or occur from the global response to, and as a result of, the COVID-19 global pandemic. If so, or if a similar economic situation were to occur in the future, the Funds could experience a reduction in attractive investment opportunities and the Funds’ investments could be materially impaired in many ways that cannot be predicted. See “Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues.”

There can be no assurance that general market developments in the future will not have a material adverse effect on the Funds. The Funds could incur material losses even if the Firm reacts quickly to difficult market or economic conditions, and there can be no assurance that the Funds will not suffer material losses and other adverse effects from broad and rapid changes in economic and market conditions in the future. Investors should realize that markets for the financial instruments in which the Funds invests or seeks to invest can correlate strongly with each other (or cease to correlate) at times or in ways that are difficult for the Firm to predict. Even a well-analyzed approach may not protect the Funds from significant losses under certain market conditions.

Regulatory Developments. The legal, tax, and the regulatory environment worldwide for private investment funds (such as the Fund) is evolving, and changes in the regulation of private investment funds, their managers, and their trading and investing activities may have a material adverse effect on the ability of the Funds to pursue its investment program and the value of investments held by the Funds. There has been an increase in scrutiny of the alternative investment industry by governmental agencies and self-regulatory organizations. New laws and regulations or actions taken by regulators that restrict the ability of the Funds to pursue its investment program or conduct business with brokers and other counterparties could have a material adverse effect on the Funds.

Investment and Trading Risks Generally. All investments risk the loss of capital. No guarantee or representation is made that the Funds’ program will be successful or that an investment in the Funds will be profitable. The Funds’ investment program involves and/or may involve, without limitation, risks associated with limited diversification, short-selling, leverage,

micro-, and small-capitalization companies, equity risks, distressed issuers, interest rates, currencies, volatility, tracking risks in hedged positions, security borrowing risks in short sales, credit deterioration or default risks, systems risks, and other risks inherent in the Funds' activities. Certain investment techniques of the Funds may, in certain circumstances, substantially increase the impact of adverse market movements to which the Funds may be subject. In addition, the Funds' investments may be materially affected by conditions in the financial markets and overall economic conditions occurring globally and in particular countries or markets where the Funds invests its assets.

The Funds' methods of minimizing such risks may not accurately predict future risk exposures. Risk management techniques are based in part on the observation of historical market behavior, which may not predict market divergences that are larger than historical indicators. Also, information used to manage risks may not be accurate, complete, or current, and such information may be misinterpreted.

Investment Selection and Market Risk. "Investment selection risk" is defined herein as the risk that the Firm may not select and size positions appropriately within the portfolio. An associated "market risk" arises from the influence of the movements of the overall market or the value of the individual investments in the portfolio. The profitability of a significant portion of the Funds' investment program depends to a great extent upon correctly predicting the future price movements and/or general value of securities and other investments. There can be no assurance that the Firm will be able to accurately predict these price movements or future valuation, nor can assurance be given that the Funds' investment portfolio will generate any returns or otherwise appreciate in value. With respect to the investment strategy utilized by the Funds, there is also market risk. For these reasons, the portfolio may also incur losses, and a prospective investor should not invest in the Funds unless it is in a position to sustain a substantial loss with respect to its investment in the Funds.

Discretion and Changes in Investment Strategy. The Firm has discretion in choosing the investments acquired by the Funds and has the right to modify the selection criteria or hedging techniques (if any) used by the Funds without the consent of the Limited Partners. Any of the investment strategies, analytical models, or trading techniques may have operational or theoretical shortcomings, which could result in unsuccessful trades and, ultimately, losses to the Funds. In addition, any new investment strategy or hedging technique developed may be more speculative than earlier techniques and may increase the risk of an investment in the Funds.

Limited Diversification and Risk Management Failures. The Funds' investments are not required to be diversified to any material extent. At any given time, it is possible that the Funds' investments or portfolio risks could be concentrated in only a few industries, companies, geographic regions, asset types, strategies, or other areas of risk. Such concentration could increase losses suffered by the Funds and, as a result, the Funds could experience significant losses if general economic conditions, and, in particular, those relevant to the issuers whose securities are owned by the Funds, decline. In addition, the Funds' portfolio could become significantly concentrated in a limited number of issuers, types of financial instruments, industries, strategies, countries, or geographic regions, and any such concentration of risk may

increase losses suffered by the Funds. This limited diversity could expose the Funds to losses disproportionate to market movements in general. Other investment funds pursue similar strategies, which creates the risk that many funds may be forced to liquidate positions at the same time, reducing liquidity, increasing volatility, and exacerbating losses. Although the Firm attempts to identify, monitor, and manage certain significant risks related to specific investments, these efforts do not take all risks into account, including systematic market risk, and there can be no assurance that these efforts will be effective. Many risk management techniques are based on observed historical market behavior, but future market behavior may be entirely different. Any inadequacy or failure in the Firm's risk management efforts could result in material losses for the Funds.

Investment in Small- and Medium-Capitalization Companies. The Funds may invest worldwide and may invest across all market capitalizations, including on small- and mid-capitalization issuers. Smaller capitalization stocks involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of small-capitalization and even medium-capitalization stocks are often more volatile than prices of large-capitalization stocks, and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than for larger, "blue-chip" companies. In addition, due to thin trading in some small-capitalization stocks, an investment in those stocks may be highly illiquid. Some small companies have limited distribution channels and financial and managerial resources. Such companies may also be dependent on personnel (including key personnel) with limited experience.

Competition. The markets in which the Firm participates, as well as other markets and strategies in which the Firm may participate, are extremely competitive. There can be no assurance that the Firm will be able to identify or successfully pursue attractive investment opportunities in this environment. Investors should expect that the Funds' investments involve substantially more company-specific and market risk and associated volatility in the future than the risk involved in such investment in the past, as arbitrage and similar opportunities are further reduced or eliminated. The Funds and the Firm compete with many firms, some of which may have substantially greater financial resources, more favorable financing arrangements, larger research staffs, and more securities traders than are available to the Funds and the Firm.

Less Liquid Instruments. The Funds generally expect to make investments in publicly-traded equity securities that are generally expected to be relatively liquid. However, the Funds may invest in the securities of companies with micro- and small-capitalizations, which may be thinly traded and otherwise illiquid. In addition, the Funds may from time to time hold large positions with respect to a specific type of instrument, which may reduce the Funds' liquidity. The Funds may be unable to timely dispose of certain assets, which would adversely affect the Funds' ability to rebalance its portfolio or to meet withdrawal requests. In addition, such circumstances may force the Funds to dispose of assets at reduced prices, thereby adversely affecting the Funds' performance. If there are other market participants seeking to dispose of similar assets at the same time, the Funds may be unable to sell such assets or prevent losses relating to such assets. Furthermore, if the Funds incurs substantial trading losses, the need for liquidity could rise sharply while its access to liquidity could be impaired. In conjunction with a

market downturn, the Funds' counterparties could incur losses of their own, thereby weakening their financial condition and increasing the Funds' credit risk to them.

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

Interest Rate Risks. The Funds' borrowings will subject the Funds to risks associated with movements in interest rates. For example, the Funds will be required to manage both curve risk, which is the risk that the slope of the yield curve will vary from the slope assumed in the Funds' strategy, and credit spread risk, which is the risk that the spreads between yields of differently rated issuers will change in a manner that adversely affects the Funds' portfolio.

Risks of Realization on Investments. Given the nature of the investments made by the Funds, there is a significant risk that the Funds may be unable to realize its investment objectives by sale or other disposition of the Funds' investments at attractive prices or will otherwise be unable to complete a suitable exit strategy. In particular, these risks could arise from changes in the financial condition or prospects of the entity in which the investment is made, changes in national or international economic conditions, and changes in laws, regulations, fiscal policies, or political conditions. Furthermore, the types of investments made may require a substantial length of time to liquidate.

Short Sales. While the Funds generally maintains a long-biased portfolio, the Firm does engage in short selling and other hedging activities when the Firm believes certain securities to be overvalued. Short selling involves selling securities which may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from a decline in the price of a particular security to the extent that such decline exceeds the transaction costs and the costs of borrowing the securities. The extent to which the Funds engages in short sales will depend upon the Firm's investment strategy and opportunities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Funds of buying those securities to cover the short position. There can be no assurance that the Funds will be able to maintain the ability to borrow securities sold short. In such cases, the Funds can be "bought in" (i.e., forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the security necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Long/Short. The identification of investment opportunities in the implementation of the Funds' long/short investment strategies is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. In the event that the perceived opportunities underlying the Funds' positions were to fail to converge toward, or were to diverge further from, values expected by the Firm, the Funds may incur a loss. In the event of market disruptions, significant losses can be incurred which may force the Funds to close out one or more positions. Furthermore, the valuation models used to determine whether a position presents an attractive opportunity consistent with the Firm's long/short strategies may become outdated and inaccurate as market conditions change.

Investments in Distressed Issuers. The Funds might invest in equity securities of issuers in weak financial conditions, experiencing poor operating results, having substantial capital needs or negative net worth, or facing special competitive or product obsolescence problems. These securities are likely to be particularly risky investments although they also may offer the potential for high returns. Among the risks inherent in investments in troubled entities is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments may also be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability, and the bankruptcy court's power to disallow, reduce, subordinate, or disenfranchise particular claims. Such companies' securities may be considered speculative, and the ability of such companies to pay their debts on schedule and otherwise continue to operate could be affected by adverse interest rate movements, changes in the general economic climate, economic factors affecting a particular industry, or specific developments within such companies. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is high, and there is no assurance that the Firm will analyze such investments correctly.

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

Convertible Securities. The Funds may invest in convertible securities. Convertible securities are bonds, debentures, notes, preferred stocks, or other securities that may be converted into or exchanged for a specified amount of common stock of the same or different issuer within a particular period of time at a specified price or formula.

The value of a convertible security is a function of its “investment value” (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its “conversion value” (the security’s worth, at market value, if converted into the underlying common stock). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the convertible security’s investment value. The conversion value of a convertible security is determined by the market price of the underlying common stock. If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security’s governing instrument. If a convertible security held by the Funds is called for redemption, the Funds will be required to permit the issuer to redeem the security, convert it into the underlying common stock, or sell it to a third party. Any of these actions could have an adverse effect on the Funds’ ability to achieve its investment objective.

Investments in Undervalued Securities. Since long/short equity, long-biased and short-selling strategies generally involve identifying securities that are undervalued (and, in the case of short positions, overvalued) by the marketplace, the success of the strategy necessarily depends upon the market eventually recognizing such value in the price of the security, which may not necessarily occur or may occur over extended time frames that limit profitability. Positions may undergo significant short-term declines and experience considerable price volatility during these periods. In addition, long and short positions may or may not be correlated to each other. If the long and short positions are not correlated, it is possible to have investment losses in both the long and short sides of the Funds’ portfolio. While investments in undervalued securities offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Funds’ investments may not adequately compensate for the business and financial risks assumed.

The Funds may make certain speculative investments in financial instruments that the Firm believes to be undervalued; however, there are no assurances that the financial instruments purchased will in fact be undervalued. In addition, the Funds may be required to hold such financial instruments for a substantial period of time before realizing their anticipated value. During this period, a portion of the Funds’ capital would be committed to the financial instruments purchased, thus possibly preventing the Funds from investing in other opportunities. In addition, the Funds may finance such purchases with borrowed funds and thus will have to pay interest on such funds during such waiting period.

Equity Risks. The market price of securities owned by the Funds may go up or down, sometimes rapidly or unpredictably. A risk of investing in the Funds is that the equity securities in its portfolio will decline in value due to factors affecting equity securities markets generally or the sectors in which the Funds invests. The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in equity securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which the Firm believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame the Firm anticipates. As a result, the Funds may lose all or substantially all of its investment in any particular instance.

Highly Volatile Markets. The prices of financial instruments in which the Funds may invest can be highly volatile. Price movements of the financial instruments in which the Funds' assets may be invested 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 Funds is subject to the risk of failure of any of the Exchanges on which its positions trade or of its clearinghouses. In addition, governments from time to time intervene in certain markets, directly by regulation and otherwise, particularly in currencies, futures, and options. Such intervention is often intended to directly influence prices and may, together with other factors, cause some or all of these markets to move rapidly in the same direction. The effect of such intervention is often heightened by a group of governments acting in concert.

Loans of Portfolio Securities. The Funds may lend its portfolio securities. By doing so, the Funds attempts to increase income through the receipt of interest on the loan. While a securities loan is outstanding, the Funds will continue to receive the equivalent of the interest or dividends paid by the issuer on the securities, as well as interest on the investment of the collateral or a fee from the borrower. The risks in lending securities, as with other extensions of secured credit, if any, consist of a possible delay in receiving additional collateral, if any, or in the recovery of the securities or possible loss of rights in the collateral, if any, should the borrower fail financially. To the extent that the value of the securities the Funds lent increases, the Funds could experience a loss if such securities are not recovered.

Relative Value and Directional Movements. The Funds' investment strategy depends upon the Firm's ability to accurately predict future price movements or the convergence of market prices toward the theoretical values expected by the Firm. Any such attempt to predict future price movements is inherently risky and inaccurate. Often, price movements are determined by factors that were not anticipated by the Firm and over which the Firm has no control, and the Firm's analysis of known factors may prove to be incorrect, in each case potentially resulting in substantial losses for the Funds.

Non-U.S. Investments. The Funds may invest in financial instruments of non-U.S. corporations and governments. Investing in the financial instruments of companies (and, from time to time, governments) outside of the United States involves certain considerations not usually associated with investing in financial instruments of U.S. companies or the U.S. government, including political and economic considerations, such as greater risks of expropriation, nationalization, confiscatory taxation, imposition of withholding or other taxes on interest, dividends, capital gains or other income, limitations on the removal of assets, and general social, political, and economic instability; the relatively small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; the evolving and unsophisticated laws and regulations applicable to the securities and financial services industries of certain countries; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict the Funds' investment opportunities. In addition, accounting and financial reporting standards that prevail outside of the U.S. generally are not as high as U.S. standards and, consequently, less information is typically available concerning companies located outside of the U.S. than for those located in the U.S. As a result, the Funds may be unable to structure its transactions to achieve the intended results or to mitigate all risks associated with such markets. It may also be difficult to enforce the Funds' rights in such markets. For example, financial instruments traded on non-U.S. exchanges and the non-U.S. persons that trade these instruments are not subject to the jurisdiction of the SEC or the securities and commodities laws and regulations of the U.S. Accordingly, the protections accorded to the Funds under such laws and regulations are unavailable for transactions on foreign exchanges and with foreign counterparties.

Portfolio Turnover. The Funds are not restricted in effecting transactions by any specific limitations with regard to their portfolio turnover rate. Although not anticipated, the Funds' investment policies might result in substantial portfolio turnover. Investments may be sold for a variety of reasons, such as a more favorable investment opportunity or other circumstances bearing on the desirability of a continued position in such investments.

Illiquid Investments. It is possible that some investments held by the Funds may not be able to be sold except pursuant to a registration statement filed under the Securities Act or in accordance with Rule 144 or another exemption under the Securities Act. Furthermore, because of the speculative and non-public nature of some investments, the Firm may, from time to time, sell or otherwise dispose of investments that later prove to be more valuable than anticipated at the time of such disposition. Any premature sales or dispositions may prevent the Funds from realizing as great an overall return on investment as may have been realized if such sales or dispositions had been made at a later date, which may adversely affect the investment results of the Limited Partners.

Certain securities may be difficult or impossible to sell at the time and price that the Funds desires. The Funds may have to lower the price, sell other securities instead, or forego an investment opportunity, any of which could have a negative effect on the performance of the

Funds. In addition, there may be severe limitations on the Funds' ability to sell certain securities at any price during a period of reduced credit market liquidity.

In addition, the Firm has broad authority to designate investments in the Funds as "Special Investments." Special Investments are held for the benefit of Limited Partners who were invested in the Funds when the Special Investment was acquired or designated as a Special Investment. This may have the effect of isolating the gain or loss from such investment to a smaller group of Limited Partners than if the investment was not held as a Special Investment. Special Investments are also not subject to the normal withdrawal rights of the Funds and may affect a Limited Partner's ability to withdraw its investment. There are no limits on the portion of the Funds' assets that may be held as Special Investments.

Hedging Transactions. The Funds may utilize financial instruments, both for investment purposes and for risk management purposes in order to: (i) protect against possible changes in the market value of the Funds' investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the Funds' unrealized gains in the value of the Funds' investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads, or gains on any investment in the Funds' portfolio; (v) hedge against a directional trade; (vi) hedge the interest rate or currency exchange rate on any of the Funds' liabilities or assets; (vii) protect against any increase in the price of any securities the Funds anticipates purchasing at a later date; or (viii) for any other reason that the Firm deems appropriate.

The success of the Funds' hedging strategy depends, in part, upon the Firm's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Funds' hedging strategy is also subject to the Firm's ability to continually recalculate, readjust, and execute hedges in an efficient and timely manner. While the Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Funds than if it had not engaged in such hedging transactions. For a variety of reasons, the Firm may not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Funds from achieving the intended hedge or expose the Funds to the risk of loss. The Funds is not required to hedge any particular risk in connection with a particular transaction or its portfolios generally. Moreover, it should be noted that the portfolio will always be exposed to certain risks that may not be hedged. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of the Funds' portfolio holdings.

Call Options. In certain circumstances, the Funds may trade in call options. There are significant risks associated with the sale and purchase of call options. A call option is a financial contract that gives the buyer of the contract the right, but not the obligation, to buy a security or other financial instrument from the seller (or "writer") at a specified price within a specified time period. The buyer pays a non-refundable premium to the seller for the right to exercise the call option. The seller (writer) of a call option which is covered (e.g., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the

purchase price of the underlying security less the premium received and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The securities necessary to satisfy the exercise of an uncovered call option may be unavailable for purchase, except at much higher prices, thereby reducing or eliminating the value of the premium. Purchasing securities to cover the exercise of an uncovered call option can cause the price of the securities to increase, thereby exacerbating the loss. The buyer of a call option assumes the risk of losing its entire premium investment in the call option.

Put Options. There are risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received and gives up the opportunity for gain on the underlying security if the market price falls below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option.

Index Contracts. The Funds also may invest in customized instruments to seek to hedge against the risk of changes in the level of prices of broad market averages or indices, as well as narrower indices or baskets of securities, foreign currencies, or commodity prices. These hedging strategies may be executed by the Firm through the use of exchange-traded equity index options, standardized or individually negotiated over-the-counter contracts, or other forms of derivative contracts (collectively, "Index Contracts") structured by investment banking institutions.

There are substantial risks associated with Index Contracts, including possible default by the counterparty to the transaction, illiquidity, and, to the extent the Firm's view as to certain market movements is incorrect, the risk that the use of such Index Contracts could result in losses greater than if they had not been used. Moreover, any lack of correlation between price movements of Index Contracts and price movements in the position of the Funds may create the possibility that losses in the value of the Funds' position may be greater than the gain on the hedging instrument (or that a gain in the Funds' position may be less than the loss on the hedging instrument). In addition, options markets may not be liquid in all circumstances and certain over-the-counter Index Contracts may have no markets. As a result, in certain markets, the Funds might not be able to close a transaction without incurring substantial losses, if at all. Any such result may have a material adverse effect on the Funds.

Other Derivative Instruments. The Funds may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objective of the Funds and legally permissible. Special risks may apply to instruments that are invested in by the Funds in the future that cannot be determined at such time that instruments are developed or invested in by the Funds. Certain

options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty (including risks relating to the financial soundness and creditworthiness of the counterparty), legal risk, and operations risk.

Leverage and Liquidity Risks. The Funds intends to borrow funds and will do so when deemed appropriate by the Firm, which may result in significant and/or high levels of leverage. The Funds may borrow funds from brokers, banks, and other lenders to finance its investing and trading operations, which borrowings may be secured by assets of the Funds. The use of such leverage can, in certain circumstances, maximize the losses to which the Funds' investment portfolio may be subject. Any event that adversely affects the value of an investment would be magnified to the extent that a particular asset or the Funds as a whole is leveraged. The cumulative effect of the use of leverage by the Funds in a market that moves adversely to the Funds' investments could result in a substantial loss to the Funds, which would be greater than if the Funds were not leveraged. Leverage may be achieved through, among other methods, direct borrowing and purchases of securities on margin and the use of options, repurchase, and reverse repurchase agreements. The access to capital could be impaired by many factors, including market forces or regulatory changes.

The use of margin and short-term borrowings will create several risks for the Funds. If the value of the Funds' securities falls below the margin level required by a prime broker, additional margin deposits would be required. If the Funds is unable to satisfy any margin call by a prime broker, then the prime broker could liquidate the Funds' position in some or all of the financial instruments that are in the Funds' accounts at the prime broker and cause the Funds to incur significant losses. Furthermore, secured counterparties and lenders may have the right to sell, pledge, rehypothecate, assign, use, or otherwise dispose of collateral posted by the Funds. This could increase exposure to the risk of a counterparty default since, under such circumstances, the Funds may be unable to recover the posted collateral promptly or may be unable to recover all of the posted collateral. The occurrence of defaults may trigger cross-defaults under the Funds' agreements with other brokers, lenders, clearing firms, or other counterparties, creating or increasing a material adverse effect on the performance of the Funds.

The purchase of options, repurchase agreements, and reverse repurchase agreements generally involves little or no margin deposit and, therefore, will provide substantial leverage. Accordingly, relatively small price movements in these financial instruments may result in immediate and substantial losses to the Funds. In addition, the Funds will have unlimited discretion to use derivative instruments, which generally provide the economic equivalent of leverage by magnifying the potential gain or loss from an investment.

Counterparty Risks. The Funds has established relationships to obtain financing, engage in derivative transactions, and obtain prime brokerage services and other services, all of which permit the Funds to trade in any variety of markets or asset classes over time; however, there can be no assurance that the Funds will be able to maintain such relationships or establish such relationships in the future. An inability to establish or maintain such relationships would limit the Funds' trading activities and could create losses, preclude the Funds from engaging in certain

transactions, financing, derivative intermediation, and prime brokerage services, and prevent the Funds from trading at optimal rates and terms. Moreover, a disruption in the financing, derivative, and prime brokerage services provided by any such relationships before the Funds establishes additional relationships could have a significant impact on the Funds' business due to the Funds' reliance on such counterparties.

Some of the markets in which the Funds may affect its transactions are "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. This exposes the Funds to the risk that a counterparty will not settle a transaction due to a credit or liquidity problem, thus causing the Funds to suffer a loss. In addition, in the case of a default, the Funds could become subject to adverse market movements while replacement transactions are executed. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement or where the Funds has concentrated its transactions with a single counterparty or small group of counterparties.

Furthermore, there is a risk that any of the Funds' counterparties could become insolvent and/or the subject of insolvency proceedings. If one or more of the Funds' counterparties were to become insolvent or the subject of insolvency proceedings, there exists the risk that the recovery of the Funds' securities and other assets from the Funds' prime brokers or broker-dealers will be delayed or be of a value less than the value of the securities or assets originally entrusted to such prime broker or broker-dealer.

The Funds may use counterparties located in jurisdictions outside the United States. Such counterparties are subject to the laws and regulations in non-U.S. jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Funds' assets are subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved, and the range of possible factual scenarios involving the insolvency of a counterparty, it is impossible to generalize about the effect of their insolvency on the Funds and its assets.

The Funds is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, the Firm's internal process for evaluating the creditworthiness of its counterparties may prove insufficient. The ability of the Funds to transact business with any one or more counterparties, the lack of complete and "foolproof" evaluation of the financial capabilities of the Funds' counterparties, and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Funds.

Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues. The Funds and the operations and business activities of the Firm and its affiliates could be materially adversely affected or impacted in the future by the continuation or worsening of the COVID-19 global pandemic and other outbreaks of disease, epidemics, pandemics, and public health issues, whether globally or limited to particular regions of the world, such as diseases or public health issues caused by other novel coronaviruses (including as a result of the emergence of new coronaviruses), Ebola virus disease, H1N1 flu, H7N9 flu, H5N1 flu (and other types or subtypes of

influenza viruses), Severe Acute Respiratory Syndrome, or SARS, or other epidemics, pandemics, outbreaks of disease or public health issues. In particular, coronavirus disease 2019 (or COVID-19), an infectious disease caused by Severe Acute Respiratory Syndrome coronavirus 2 (SARS-CoV-2), was first identified in December 2019 and has since spread rapidly globally, resulting in an ongoing global pandemic. The COVID-19 global pandemic has severely and materially affected (and may continue to negatively affect and materially impact) the global economy, global equity markets, and supply chains (including as a result of quarantines, shelter-in-place orders, social-distancing measures, and other government-directed or mandated measures or actions to stop or slow the spread of SARS-CoV-2 and COVID-19). Although the short-term and long-term effects and consequences of COVID-19 (and the actions and measures taken or mandated by governments around the world to halt or slow down the spread of SARS-CoV-2 and COVID-19) cannot currently be predicted, previous occurrences of other epidemics, pandemics, and outbreaks of disease, such as the 1918 influenza pandemic (also referred to as the Spanish flu pandemic) and the 2002-2004 SARS outbreak in Asia, had material adverse effects on the economies, capital markets and basic day-to-day operations of (and activities in) those countries and jurisdictions in which they were most prevalent. Recent efforts, actions, and measures undertaken by governments, businesses, and communities to protect public health in the face of the COVID-19 pandemic (including measures designed or intended to “flatten the curve” and protect the healthcare systems in such applicable countries and jurisdictions from collapse or undergoing significant breakdowns) have resulted in partial or complete shutdowns of many sectors of the economy generally as well as severe restrictions, limitations and consequences on the means by which the Firm operates its business (e.g., travel restrictions or bans, mandatory quarantines, shelter-in-place orders and social distancing measures and rules), which could adversely affect or negatively impact the business, activities, financial condition, and operations of the Firm and the Fund indefinitely. If and to the extent the economy and businesses begin to reopen and are allowed to resume operations or activities and people begin to return to more frequent personal or social interactions, there is a risk of recurrence of an outbreak of COVID-19, and such a recurrence or emergence of any kind of epidemic, pandemic, an outbreak of disease or major public health issue could cause another slowdown or shutdown in the levels of economic activity and business activities and operations generally, or push the world or local economies into recession or depression, which could adversely affect and materially impact the Firm and the Fund.

The impact of a health crisis such as the COVID-19 pandemic, and other epidemics, pandemics, and outbreaks of disease that may arise in the future, depends on the duration and spread of the outbreak, the severity, the actions to contain, slow down or halt the spread of the virus or treat its impact, and how quickly and to what extent normal or semi-normal economic and operating conditions can resume, which could affect the global economy in ways that cannot necessarily be foreseen at the present time. A health crisis may exacerbate other pre-existing political, social, and economic risks. Any such impact could adversely affect the Funds’ performance, resulting in losses to the Investors.

The COVID-19 pandemic and actions, measures, and steps taken by governments around the world in response to such pandemic may cause material disruptions to (or otherwise materially impact or affect) the business operations and activities of service providers on which the Fund and the Firm rely (including the administrator, custodians, and counterparties). It may

also adversely impact the Funds' investments, the ability of the Firm to access markets or implement the Funds' investment strategies in the manner originally contemplated, the Funds' net asset value, and therefore the Investors.

Government Intervention. In 2008 and thereafter, the global financial markets underwent significant disruptions that led to significant governmental interventions and actions. The COVID-19 global pandemic of 2020 has recently led to, and is likely to continue to result in or lead to, significant (and in certain cases unprecedented) governmental interventions both in the United States and abroad. Such interventions have been and may be implemented on an "emergency" basis, with little advance notice, thereby substantially reducing or eliminating market participants' ability to anticipate or react to such interventions, implement certain investment strategies, or manage the risk of outstanding positions. In addition, these interventions have been and may be unclear in scope and application, resulting in confusion and uncertainty, which in itself can be materially detrimental to the efficient functioning of the markets or the economy, or the Funds' investment strategies. If governmental intervention programs or actions are unwound, there could likewise be uncertainty and adverse effects on the markets and economy and the Funds' investment strategies. In the case of any future market disruptions, significant economic events, pandemics or other health events, or other events or circumstances, it is impossible to predict what interim or permanent governmental interventions, restrictions (or easing of restrictions), or other actions may be imposed on the markets or the economy or the effect of such actions on the Funds' activities and investment strategies. For all of the foregoing reasons, among others, governmental interventions and other actions could have a material adverse effect on the Funds.

General Operational Risks. The volume and complexity of the Funds' transactions may place substantial burdens on the Firm's operational systems and resources, including those related to trade entry and execution, position reconciliation, corporate actions, collateral and margin maintenance, marking procedures, finance, accounting, profit and loss reporting, internal management and risk reporting and funds transfers. Human error (including, without limitation, trading errors), system failure, or other problems with any of these processes could result in material losses or costs, which will generally be borne by the Fund.

Execution Risks. The Funds' trading strategy depends on its ability to establish and maintain an overall market position in a combination of financial instruments selected by the Firm. Should the Funds' trading orders and investment decisions not be executed in a timely and efficient manner, the Fund might be able to acquire only some, but not all, of a desired position, or if the overall position were to need adjustment, the Fund might not be able to make such adjustment. In such an event, the Fund would not be able to achieve the market position selected by the Firm and might incur a loss in liquidating its position.

Systems and Facilities Risks. The Funds rely extensively on computer programs and systems to trade, clear, and settle securities transactions, to evaluate certain securities based on real-time trading information, to monitor its portfolio and net capital, and to generate risk management and other reports that are critical to oversight of the Funds' activities. In addition, certain of the Funds' operations interface with or depend on systems operated by third parties, including its prime brokers, custodians, and market counterparties. The Funds also rely on the

ongoing services of the Firm and the administrator, which depend on access to their facilities. Although the Firm has attempted to develop appropriate contingency plans, there can be no assurance that such plans will be effective. For example, a natural catastrophe or terrorist incident could temporarily or permanently interfere with the availability or efficient functioning of such resources. Given the potential for extremely rapid price movements in the markets in which the Funds invest, any defect or failure in the Funds' computer programs or systems or any interruption in the Firm's or the administrator's access to its facilities, however brief, could have a material adverse effect on the Funds.

Valuation Risks and ASC 820. Although the Firm (and/or the Administrator) attempts to mark the Funds' portfolio to fair value, substantial uncertainty and subjectivity often exist, particularly for illiquid investments, and even the Firm's best judgment as to fair value may not accurately reflect the prices at which the Funds could actually purchase or sell such assets. The Firm determines the fair value of many investments based on a variety of valuation methodologies, which may depend on a variety of inherently unreliable estimates and assumptions. The methodologies applied to particular assets or types of assets may vary from case to case and over time depending on a range of factors. A failure to properly value the Funds' assets could have a material adverse effect on the returns earned by shareholders. Many assets are subject to rapid changes in value caused by sudden company-specific or industry-wide developments. For certain illiquid investments, long periods of time may pass during which the Firm will have no basis upon which to change the reported value of the investment, with the result that large price movements could occur suddenly when information does become available or an investment is liquidated. Performance allocations are calculated based on unrealized gains, on the basis of an estimate of fair value, which could be inaccurate. All values assigned to assets and liabilities by the Firm generally are conclusive and binding on the Funds and all Investors, absent bad faith, gross negligence, or willful misconduct.

For purposes of calculating the Funds' net asset value (and the net asset value per Interest of each series), the Funds' assets and liabilities generally are valued as described in the Funds' governing documents. The Funds' annual audited financial statements are prepared in accordance with U.S. generally accepted accounting principles ("**GAAP**"). Specifically, for purposes of GAAP-compliant financial reporting, the Funds are required to follow a specific framework for measuring the fair value of its assets and liabilities and are required to provide certain additional disclosures regarding the use of fair value measurements in its audited financial statements. Financial Accounting Standards Board ("**FASB**") Codification ("**ASC**") 820 defines and establishes a framework for measuring fair value under GAAP and expands financial statement disclosure requirements relating to fair value measurements. Other valuation-related requirements are contained in other provisions of GAAP and other sections of the codification. Additional FASB Accounting Codification Standards and updates and additional provisions of GAAP, that may be adopted in the future may also impose additional, or different, specific requirements as to the valuation of assets and liabilities for purposes of GAAP-compliant financial reporting.

FATCA Withholding and Cayman Islands Reporting Requirements. The U.S. Foreign Account Tax Compliance Act ("**FATCA**"), together with final regulations and guidance issued by the IRS and the U.S. Treasury Department, generally provide that a thirty percent (30%)

withholding tax will be imposed on certain payments of U.S. source income, as well as on certain payments of gross proceeds from the sale of equity of U.S. issuers that could give rise to U.S. source interest or dividends (although proposed regulations, which may be relied upon, eliminate withholding from gross proceeds), unless the Offshore Feeder and the Master Fund (or the Firm or one of its affiliates on behalf of the Offshore Feeder and the Master Fund) either (i) enter into “FFI agreements” with the IRS, pursuant to which they agree to perform certain due diligence, reporting and withholding functions, or (ii) comply with the Model 1(b) (non-reciprocal) inter-governmental agreement between the U.S. Department of Treasury and the Cayman Islands (together with the regulations adopted by the Cayman Islands to give effect to such inter-governmental agreement and the guidance notes issued by the TIA) (the “**U.S. IGA**”). Cayman Islands financial institutions that comply with the U.S. IGA generally will be treated as satisfying the due diligence and reporting requirements of FATCA and, accordingly, will be “deemed compliant” with the requirements of FATCA, will not be subject to any FATCA withholding tax, and will not be required to close recalcitrant accounts. Although each of the Offshore Feeder and the Master Fund will attempt to satisfy any obligations imposed on it and to avoid the imposition of this withholding tax, no assurance can be given that the Offshore Feeder or the Master Fund will be able to satisfy these obligations. If the Funds or the Master Fund becomes subject to a withholding tax as a result of the U.S. IGA or FATCA, the returns of all Investors may be materially affected.

The Funds’ ability to comply with the U.S. IGA and FATCA will depend on each Investor providing the Funds with information that the Funds or the Firm requests concerning such Investor, including its direct and indirect owners. If an Investor fails to provide the Funds with any information or documents the Funds requests, the Funds may exercise its right to (among other things) completely mandatorily redeem the Interests of such Investor or charge such Investor for any redemption and any related costs attributable to such Investor’s failure to provide the requested information. The Funds may take various other actions against any Investor that fails to provide any requested or required information. The Offshore Feeder and the Master Funds may be required to report or disclose certain information relating to an Investor to the TIA, the IRS, or other authorities. Prospective investors are encouraged to consult with their own tax advisors regarding the possible implications of the U.S. IGA and FATCA on their investments in the Funds.

Item 9: Disciplinary Information

There are no material legal or disciplinary events related to the Firm.

Item 10: Other Financial Industry Activities and Affiliations

ADW and its management persons are not registered and do not have any application pending to register as a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, a commodity pool operator, a commodity trading advisor, or an associate of the foregoing entities.

ADW acts as an investment manager and General Partner of the Funds.

Not Applicable. ADW does not recommend or select other investment advisers for its Funds.

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

ADW has adopted a Code of Ethics (“**Code**”) under Rule 204A-1 of the Investment Advisers Act of 1940, as amended (“**Advisers Act**”) designed to provide that ADW employees comply with applicable federal securities laws. The Code addresses, among other things, ADW’s standard of business conduct, requirements and restrictions relating to personal securities trading, policy regarding political contributions, policy regarding gifts and entertainment, and policy regarding confidentiality. ADW employees must acknowledge, both initially upon employment and annually thereafter, in writing, having received and read a copy of the Code.

The Code requires all employees to report personal securities holdings (initially and annually) and certify quarterly as to personal trading activity. The Code places certain limitations on the securities transactions of employees. The Code is monitored by ADW’s CCO and any exceptions to the Code need prior approval by ADW’s CCO.

A copy of the Firm’s Code is available to clients, Limited Partners, and prospective clients upon their individual request.

ADW, as a fiduciary, endeavors to always make decisions in the best interest of its clients if a conflict of interest arises between the Firm’s securities transactions on behalf of its clients and those of the Firm’s personnel and related persons. In order to monitor any conflict of interest, ADW’s CCO reviews each employee’s personal transaction to verify compliance with the Code.

Item 12: Brokerage Practices

Portfolio transactions are executed by brokers selected by the Manager on behalf of the Funds. ADW retains full discretion to determine the broker or dealer to be used for each securities transaction for client accounts. The Firm seeks to obtain the best execution for its clients by placing orders for the purchase and sale of securities with brokers and dealers taking into account factors including, but not limited to, the broker's reliability, reputation, financial responsibility, stability, ability to execute trades, nature, and frequency of sales coverage, commission rate, if any, and responsiveness.

ADW does not currently engage in the use of soft dollars (third-party or proprietary).

Not applicable. ADW does not participate in selecting or recommending broker-dealers in exchange for client referrals.

Not applicable. ADW does not permit its clients to provide a directed brokerage instruction and does not recommend, request, or require clients to execute transactions through specified broker-dealers.

ADW has a fiduciary obligation to use its best efforts to ensure that no client is treated unfairly in relation to any other client in the allocation of securities or investment opportunities. Accordingly, ADW will seek to allocate orders and investment opportunities among its Funds in a manner that it believes is equitable and in the best interests of all clients. ADW's accounts are invested in accordance with a single strategy and generally invest *pari passu*, or on a pro-rata basis with trades generally being executed on an aggregate basis among the Funds. Exceptions to this allocation methodology include, but are not limited to, differing legal or tax prohibitions and rebalancing due to disparities in capital activity (redemptions/subscriptions) in one or more of the Funds. Accordingly, the Funds, as a result, may experience some performance dispersion.

Item 13: Review of Accounts

The Managing Member will review the portfolio assets in the Funds and the values of the securities held by the Funds on an ongoing basis.

Client holdings are reviewed on a regular basis to determine their conformity with their risk parameters, investment objectives, and guidelines. ADW continuously monitors the portfolio investments of the Funds in order to satisfy its fiduciary obligation to evaluate its investment program and portfolio in accordance with set guidelines. ADW's investment personnel convene regularly to evaluate each position's conformance with the relevant Funds' offering memorandum and any investment limitations, restrictions, or risk parameters.

Limited Partners will each receive written unaudited reports of the performance of the Funds in which they are an investor on a quarterly basis and written audited year-end financial statements (prepared using the U.S. Generally Accepted Accounting Principles ("**GAAP**")) on an annual basis within 120 days after the fiscal year end of such Funds.

Item 14: Client Referrals and Other Compensation

The Firm currently does not retain any third-party solicitors, however, should a third-party solicitor be engaged, the Firm has policies and procedures in place to mitigate any risks that are involved in such an agreement and to confirm that the Firm is in compliance with Advisers Act Rule 206(4)-1.

Item 15: Custody

As a registered investment adviser, ADW may be deemed to have custody of client assets due to the Firm's ability to deduct fees, even though indirectly through the Administrator, from client accounts. Therefore, ADW is subject to Rule 206(4)-2 under the Adviser's Act.

To confirm compliance with Rule 206(4)-2 under the Advisers Act, all Funds must be audited annually and must distribute their audited financial statements to their investors within 120 days after the end of the fiscal year. The Funds are audited annually by an independent certified public accounting firm that is both registered with, and subject to regular inspection by, the Public Companies Accounting Oversight Board. Financial statements of the Funds are prepared in accordance with GAAP.

In addition, each investor in the respective Funds receives written quarterly statements from the Funds' Administrator with respect to the activities of the relevant Funds.

Item 16: Investment Discretion

ADW has full discretion to manage assets on behalf of the Funds. This authority is granted in accordance with an investment management agreement (“**IMA**”) between the Funds and the Firm. Individual Limited Partners grant authority to the Funds to enter into an IMA with ADW by signing a subscription agreement and accepting the terms of the LPA for the Funds.

Item 17: Voting Client Securities

While ADW has the authority to vote proxies, the Firm has determined not to exercise voting authority over Funds proxies. ADW may determine under certain circumstances that it is in the best interest of the Funds to vote certain proxies and may in those instances vote client proxies. If ADW determines that special circumstances exist under which it would be in the Funds' best interest to vote a specific proxy, ADW will retain as part of its books and records a copy of the proxy, the vote instructed on behalf of the Funds, a description of the special circumstances for which ADW is voting the proxy, and any other books and records as may be required for an investment adviser registered with the SEC under the Adviser's Act. Prior to voting any proxies, the CCO will determine if there are any conflicts of interest related to the proxy in question. If a conflict is identified, the CCO will make a determination, which may be in consultation with external parties, as to whether the conflict is material or not. If no material conflict is identified, the Managing Member will make a decision on how to vote the proxy in question in accordance with the guidelines put forth briefly in the following paragraph. All inquiries regarding ADW's proxy voting policy should be directed to the CCO.

Clients may obtain information regarding how ADW voted its securities by requesting records of the CCO, who is responsible for retaining all records relating to proxy voting. Additionally, clients may obtain a copy of the Firm's Proxy Voting Policies and Procedures, which are included in the Firm's Compliance Manual, upon request of the CCO.

Not Applicable; see the response to Item 17.A. ADW has the authority to vote client securities.

Item 18: Financial Information

Not Applicable. ADW does not require nor solicit pre-payment of more than \$1,200 in fees per client, six months or more in advance.

ADW is not aware of any financial condition that is reasonably likely to impact its ability to meet its contractual commitments to clients.

Not Applicable. ADW has not been the subject of a bankruptcy petition at any time during the past ten years.