

Part 2A of Form ADV: Firm Brochure

Item 1 - Cover Page

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The date of this brochure is March 2024.

This brochure provides information about the qualifications and business practices of Azora Capital LP. If you have any questions about the contents of this brochure, please contact Richard Reyes, Chief Compliance Officer/Chief Financial Officer (“CCO”), at 212-651-2231. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Azora Capital LP also is available on the SEC’s website at www.adviserinfo.sec.gov.

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

Item 2 - Material Changes

This update serves as the Firm's annual update to our last filing in November 2023 (other-than-annual amendment). Since the last filing, other than routine updates, there have been no material changes made to the Firm's brochure. Clients and prospective clients should carefully read and review the disclosure contained herein.

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Item 4 - Advisory Business

Azora Capital LP (“Advisor,” “we” or “us”) is a Delaware limited partnership that was formed in June 2016. We are principally owned by Ravi Chopra.

We advise Azora Onshore Fund, LP (the “Onshore Fund”), Azora Offshore Fund, Ltd. (the “Offshore Fund,” and together with the Onshore Fund, the “Feeder Funds”), Azora Master Fund, LP (the “Master Fund”), Azora Next Gen Fund LP (the “NextGen Fund”) and together with the Feeder Funds and Master Fund, the “Funds”), and separately managed accounts (the “Managed Accounts,” and collectively, the “client” or “clients”). Azora Capital Advisors LLC is the general partner (the “General Partner”) of the Onshore Fund, the Master Fund and the NextGen Fund. Like the Advisor, the General Partner is principally owned by Ravi Chopra. The General Partner is a “relying adviser” as that term is described in the SEC Staff No-Action Letter, dated January 18, 2012, to the American Bar Association, Business Law Section. Unless and only to the extent that the context otherwise requires, references to Advisor herein are deemed to include references to the General Partner.

We provide discretionary investment advice to the clients. Notwithstanding the foregoing, we are required to invest all investable capital of the Feeder Funds in the Master Fund.

Our general investment and trading objective with respect to our clients is to generate consistently attractive risk-adjusted returns primarily by employing a fundamental, long/short equity strategy. Our strategy is primarily focused on the financial services sector. However, we may invest opportunistically in any other sector in our discretion.

We generally do not permit investors in the private investment funds we manage to impose limitations on the investment activities described in the offering documents for those funds. Under certain circumstances, we may contract with a client to adhere to limited risk and/or operating guidelines imposed by the client. We negotiate such arrangements on a case by case basis. (*See Item 16 “Investment Discretion.”*)

As of December 31, 2023, we had \$1,556,978,315 in regulatory assets under our management on a discretionary basis.

Item 5 - Fees and Compensation

Our fees and compensation are described in the advisory contracts we enter into with our clients.

Separately managed accounts that we may manage are charged fees on a case-by-case basis, which may include management fees and/or performance-based fees.

We generally deduct our management fees from client accounts quarterly in advance. Generally, we receive performance-based fees or allocations from client accounts on an annual basis in arrears and upon redemptions by investors in the private investment funds we manage. Management fees and performance-based fees or allocations are generally not refundable, including upon the termination of the advisory contract.

Funds generally bear all their own expenses, including, without limitation, the following: expenses related to the research, due diligence, execution and monitoring of actual and prospective investments (whether or not consummated) and the consummation of investments, including, without limitation, the following: third-party investment sourcing fees; consulting fees; fees and expenses of and related to obtaining research and market data (including, without limitation, any information technology hardware, software and data subscriptions (such as Bloomberg and FactSet) or other technology

incorporated into the cost of obtaining and monitoring such research and market data); due diligence expenses including, without limitation, consulting and appraisal fees; investment- and research-related travel expenses (including first and business class fares); any outsourced trading provider fees; brokerage and prime brokerage fees, commissions and expenses; expenses relating to borrowing securities to be sold short; clearing and settlement charges; custodial fees and expenses; bank service fees; interest expenses and other borrowing costs; fees and expenses of proxy research and voting services; broken deal expenses; and fees and expenses of third-party professionals, including, without limitation, consultants, investment bankers, attorneys and accountants; (ii) organizational expenses and expenses incurred in connection with the offering and sale of the Funds' securities, including, without limitation, the preparation of the Funds' organizational and offering documents, the Investment Management Agreement between the Funds and the Advisor and the Funds' subscription agreements, fees and expenses of the Advisor incurred in connection with "world sky" matters and private placement regimes, including the European Alternative Investment Fund Managers Directive, and Form D and blue sky and similar fees and expenses, and expenses incurred in connection with negotiating and complying with provisions of any side letter agreement with investors; (iii) operational expenses, including, without limitation, the following: fees and expenses relating to information technology hardware, software or other technology (including, without limitation, costs of software licensing, implementation, data management and recovery services and custom development) used to research investments, evaluate and manage risk, facilitate valuations, facilitate accounting functions, facilitate marketing, facilitate compliance with the rules of any self-regulatory organization or applicable law (including, without limitation, reporting obligations) in connection with the activities of the Funds, facilitate and manage the order execution of securities or otherwise manage the Funds (such as portfolio management systems and order management systems); fees and expenses of third-party risk management products, models and services; third-party administrative fees and expenses, including fees and expenses of the Funds' administrator and any middle office service provider; fees and expenses of third-party professionals, including, without limitation, consultants, valuation service providers, attorneys, accountants and tax preparers; the costs of any litigation, or to the extent permitted under applicable law, investigation involving activities of the Funds, including amounts paid in settlements thereof and attorneys' fees; third-party audit and tax preparation expenses; insurance expenses, including, without limitation, directors and officers liability insurance, errors and omission insurance, and cybersecurity insurance and liability insurance covering the Advisor and its members, partners, officers, employees and agents, the Funds and each of the Funds' directors and governance committee members (in each case, even if such insurance covers conduct for which indemnity would not be available from the Funds); fees and expenses associated with investor and director meetings, including, without limitation, expenses related to the organization and conduct of directors' and investors' meetings (including, without limitation, travel (including first and business class fares), lodging and meal expenses), and director registration fees; fees and expenses associated with the Funds' governance committees and directors; costs of preparing and distributing reports and notices to investors (including the development, implementation and maintenance of an investor electronic delivery site and/or system); entity-level taxes; fees and expenses related to compliance with applicable law and regulations in connection with the activities of the Funds, including, without limitation, any governmental, regulatory, licensing, filing, reporting or registration expenses, fees or taxes (including, without limitation, fees and expenses incurred in connection with the preparation and filing of Form PF, Section 13 filings, Section 16 filings and other similar regulatory filings and any filings or reporting with respect to the Foreign Account Tax Compliance Act provisions of the United States Hiring Incentives to Restore Employment Act of 2010 and similar laws in other jurisdictions); and (iv) extraordinary expenses, including, without limitation, the following: litigation expenses, the cost of settlements and indemnification expenses (including advances thereof); fees and expenses incurred in connection with any tax audit by any U.S. federal, state or local authority, including, without limitation, any related administrative settlement and judicial review; and fees and expenses incurred in connection with the reorganization, dissolution, winding-up or termination of any of the Funds.

The expenses that are charged to separately managed accounts are determined on a case by case basis and are described in the advisory contracts we enter into with such clients.

To the extent we incur any expenses for the benefit of one or more private investment funds and/or separately managed accounts, we generally will allocate such expenses in a reasonable manner among such private investment funds and/or separately managed accounts.

We may also allocate a portion of certain clients' capital to money market funds or exchange-traded funds that are managed by other investment managers. In addition to the fees and expenses discussed above, investors will indirectly incur similar fees and expenses if we invest client's capital in such money market funds or exchange traded funds, as these funds in turn pay similar fees to their investment managers and other service providers.

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

We receive annual performance-based fees or allocations from the private investment funds and separately managed accounts we manage, which are based on a percentage of the capital appreciation of the clients' assets.

The performance-based allocation we receive from the Funds is subject to a high watermark. A high watermark is employed so that no performance-based allocation is made with respect to an investment in a Fund until any decline in the net asset value of such investment in any prior year is offset by subsequent increases in the net asset value of such investment. The high watermark provision is described in greater detail in the offering documents of the Funds.

Since the amount of fees paid/allocations made to us is dependent in part on the profitability of the applicable client, we may have an incentive to cause the clients to make investments that are riskier or more speculative than would be the case if such fees/allocations were not dependent on the clients' net asset value and profitability. The Advisor recognizes that it has a fiduciary duty and as such must act in the best interests of its clients.

As the management fees and performance-based fees and allocations are based directly on the net asset value of the client accounts, we have a conflict of interest in valuing the assets held in the accounts. We will follow our documented valuation policies in valuing clients' investments. In most circumstances, the valuations of a client's assets will be based on independent market quotations from relevant counterparties, but obtaining such valuations is not required in each instance. To the extent that a client invests in securities or other financial instruments which are not traded on an organized or liquid market, the valuation of such assets will be determined by the Advisor in accordance with its valuation policies and procedures.

Our affiliates (including Ravi Chopra) may invest in one or more of our clients. Additionally, we may have the incentive to favor clients that pay higher performance-based fees or allocations. As a result, we may have the incentive to favor the client(s) in which our affiliates have a greater economic interest and/or pay us higher performance-based fees or allocations. In order to mitigate these potential conflicts, we have adopted an investment allocation policy that applies in instances like the ones described in this paragraph.

Participation in specific investment opportunities may be appropriate, at times, to the Funds and one or more of our other clients. In such cases, we will seek to allocate such opportunity between the Funds and such other clients in a manner that the Advisor deems fair and equitable under the circumstances existing at such time based upon a number of factors, including, but not limited to,

the intended objective and strategy of each client and any applicable investment or risk restrictions or guidelines, including leverage constraints and position limits; legal, regulatory and tax considerations; the Advisor's perception of the appropriate risk/reward ratio for each client, taking into account, among other things, market exposure, anticipated volatility and diversification; the overall portfolio composition of each client; the relative amounts of capital in each client available for new investments of the type at issue; the liquidity of each client; the desire to avoid *de minimis* allocations and odd lots; and such other consideration that the Advisor determines to be relevant at such time.

Fund investors are provided with detailed disclosure in the applicable offering documents of such Fund as to how the relevant performance-based compensation is calculated and charged.

Item 7 - Types of Clients

We primarily provide investment advice to clients who are private investment funds and managed accounts. Investors in such private investment funds may at any time include one or more of the following: high net worth individuals, family offices, funds of hedge funds, endowments, foundations, trusts, charitable organizations, pension plans, and corporate or business entities that qualify as "accredited investors" (as defined in Rule 501 under the Securities Act of 1933, as amended), and as "qualified purchasers" (as defined in Section 2(a)(51) of the 1940 Act).

The minimum investment in the Funds is generally \$2,000,000. However, the General Partner (and, in the case of the Offshore Fund, the directors of the Offshore Fund) may, in its discretion, accept lesser amounts. We will determine the minimum investment for other clients, including any separately managed accounts, on a case-by-case basis.

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

A. *Methods of Analysis and Investment Strategies Generally*

Our investment objective is to generate consistently attractive risk-adjusted returns for our clients.

In seeking to achieve this investment objective, we employ a fundamental, long/short equity strategy which currently is primarily focused on the financial services sector. However, we may invest opportunistically in any other sector at our own discretion. The universe of securities reviewed by us includes both U.S. and non-U.S. issuers.

The Advisor believes that its deep industry experience and extensive relationships with management teams and industry participants position it well to identify investment opportunities in the financial services sector. The Advisor emphasizes stock selection and seeks to generate returns on both the long and short side of the portfolio. To do so, the Advisor employs a broad research coverage model that actively diligences both holdings and non-holdings within the sector on an ongoing basis, seeking to detect positive and negative inflection points in the businesses and market misperceptions of the companies' earnings and balance sheet prospects. An important element of the research process relates to assessing market sentiment toward the stocks; the Advisor believes the best opportunities arise when the market is off-sides both in terms of numbers and sentiment. The Advisor seeks to continually hunt for such large expectation gaps and size up positions when found.

In addition to ongoing company-specific research, the Advisor recognizes that top-down and macro themes such as interest rates, credit cycles, M&A cycles and regulatory change influence the sector. The Advisor seeks to quickly recognize the emergence of new themes and screen the sector to identify the companies most affected. In this way, the Advisor attempts to combine its rigorous bottom-up

fundamental analysis with top-down themes. Further, the Advisor believes that its industry experience is an advantage in analyzing special and complicated situations such as IPOs, corporate actions and balance sheet complexity. Accordingly, the Advisor seeks to focus on these opportunities when they arise.

The Advisor utilizes proprietary and third-party analytical tools to monitor portfolio-level risk. The Advisor views thematic risk for the financial sector coming from areas such as sensitivity to interest rates, credit and market levels and monitors its exposures to those themes on an ongoing basis. Rather than seeking to hedge out all risks, the Advisor will look to take calculated risks consistent with what it believes to be a sound investment policy and disciplined research process.

From a position-level perspective, the Advisor monitors market sentiment, liquidity, short interest and upside/downside skew. The Advisor seeks to adjust position size based on these inputs, especially in front of potentially market-moving events such as earnings reports. The Advisor does not employ a formal stop loss policy; rather, it will reassess positions on a situation-specific basis.

While the Advisor expects to generally invest in securities and other financial instruments in the financial services industry, the Advisor has broad and flexible investment authority. Accordingly, the Advisor's investment strategy may at any time include long or short positions in U.S. or non-U.S. publicly traded or privately issued or negotiated common stocks, preferred stocks, stock warrants and rights, corporate debt, bonds, notes or other debentures or debt participations, convertible securities, fixed income securities, swaps, options (purchased or written), futures contracts, commodities, forward contracts and other derivative instruments, partnership interests and other securities or financial instruments including those of investment companies.

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

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

B. Certain Risks Associated with Methods of Analysis and Investment Strategies

An investment in a private investment fund and/or separately managed account involves substantial risks, and prospective investors should carefully consider, among other factors, the risks described below. These risk factors are not intended to be an exhaustive listing of all potential risks associated with such an investment.

The following risks primarily pertain to the Funds and other clients (including separately managed accounts) with similar strategies. All of these risks, and other important risks, are described in detail in the Funds' respective Confidential Private Placement Memoranda. Prospective investors are strongly urged to review the applicable Confidential Private Placement Memorandum carefully and consult with their own financial, legal and tax advisors, before investing in a Fund.

Investment and Trading Risks. All securities investments risk the loss of capital. The Advisor believes that its trading program and research techniques will moderate this risk through a careful selection of

securities and other financial instruments. However, no guarantee or representation is made that the Advisor's trading program will be successful or it will not incur losses. The trading program may utilize trading techniques including, but not limited to, short selling and the use of leverage and derivatives, which in practice can, in certain circumstances, increase the adverse impact to which our clients may be subject.

In certain transactions, the Advisor may not be "hedged" against market fluctuations or, in reorganization or liquidation situations, may not accurately value the assets of the subject company or the degree of legal and regulatory risk associated with investments in the securities of companies in such situations. This can result in losses, even if the proposed transaction is consummated.

Sector Risk. The Advisor generally focuses on the equities of companies in the financial services sector, including, but not limited to, the following subsectors: asset managers, banks, brokers and exchanges, insurance, real estate and home building, specialty finance and mortgage, and financial technology and processors. By investing in securities of companies in the financial services sector, our clients are particularly vulnerable to events affecting that sector. Companies in the financial services sector may include, but are not limited to, commercial and industrial banks, savings and loan associations and their holding companies, consumer and industrial finance companies, diversified financial services companies, investment banking, securities brokerage and investment advisory companies, leasing companies, and insurance companies. The types of companies that compose the financial services sector may change over time. These companies are all subject to extensive regulation, rapid business changes, volatile performance dependent upon the availability and cost of capital, prevailing interest rates, and significant competition. General economic conditions significantly affect these companies. Credit and other losses resulting from the financial difficulty of borrowers or other third parties have a potentially adverse effect on companies in this sector. Investment banking, securities brokerage and investment advisory companies are particularly subject to government regulation and the risks inherent in securities trading and underwriting activities. In addition, all financial services companies face shrinking profit margins due to new competitors, the cost of new technology, and the pressure to compete globally.

Instability in the financial markets has led many governments, including the U.S. government, to take a number of unprecedented actions designed to support certain financial institutions and segments of the financial markets that have experienced extreme volatility and, in some cases, a lack of liquidity. Federal, state, and other governments, and their regulatory agencies or self-regulatory organizations, may take actions that affect the regulation of the instruments in which the Advisor invests, or the issuers of such instruments, in ways that are unforeseeable. Legislation or regulation may also change the way in which our clients are regulated. Such legislation or regulation could limit or preclude the Advisor's ability to achieve its investment objectives. In addition, political events within the United States and abroad, including the U.S. government's ongoing difficulty agreeing on a long-term budget and deficit reduction plan and uncertainty surrounding sovereign debt of European Union members, could negatively impact financial markets and our clients' performance. Governments or their agencies may also acquire distressed assets from financial institutions and acquire ownership interests in those institutions. The implications of government ownership and disposition of these assets are unclear, and such a program may have positive or negative effects on the liquidity, valuation, and performance of our clients' portfolio holdings. Furthermore, volatile financial markets can expose our clients to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held by our clients.

Investment Analysis. When assessing investment opportunities, the Advisor relies on resources that may have limited or incomplete information. In particular, the Advisor relies on publicly available information and data filed with various government regulators or made directly available to the Advisor by the issuers of securities or through sources other than the issuers. Although the Advisor

expects that it will evaluate information and data as it deems appropriate and will seek independent corroboration when reasonably available, the Advisor will not evaluate all publicly available information and data and is not in a position to confirm the completeness, genuineness or accuracy of the information and data that it evaluates.

As a result, there can be no assurance that the due diligence exercise carried out by the Advisor will reveal or highlight all relevant facts that may be necessary or helpful in evaluating investment opportunities. Any failure to have identified the relevant facts may result in an inappropriate investment decision, which may have a material adverse effect on the value of any investment in the portfolio.

Concentration of Investments. As described above, it is anticipated that our clients' assets will generally be concentrated in positions in companies in the financial services industry sector and/or in certain geographic areas. In addition, it is possible that a significant amount of our clients' capital could be invested in the securities of only a few companies. Further, subject to any limitations adopted by the Advisor from time to time in its discretion, there is no limitation on the amount of our clients' capital that may be invested in any security, company, industry, subsector or geographic area.

The concentration of any of our client's portfolio in a small number of securities, issuers, industries, subsectors and/or geographic areas would subject it to a greater degree of risk with respect to the failure of one or a few issuers or with respect to economic downturns in relation to such industries, subsectors and/or geographic areas. In particular, losses incurred in investments in the financial services industry sector (or one or more of its subsectors) could have a material adverse effect on the overall performance and could significantly reduce the client's capital.

Equity Securities. The Advisor will invest in equity and equity-related securities. Equity securities fluctuate in value in response to many factors, including the activities, results of operations and financial condition of individual companies, the business market in which individual companies compete, industry market conditions, interest rates and general economic environments. In addition, events such as epidemics, pandemics, political instability, terrorism and natural disasters may be unforeseeable and contribute to market volatility in ways that may adversely affect our clients' positions.

Short Sales. A short sale involves the sale of a security that the investor in question does not own in the expectation of purchasing the same security (or a security exchangeable therefor) at a later date at a lower price. To make delivery to the buyer, the investor must borrow the security and the investor is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the investor. When the investor makes a short sale in the United States, it must leave the proceeds thereof with the broker and it must also deposit with the broker an amount of cash or U.S. government or other securities sufficient under current margin regulations to collateralize its obligation to replace the borrowed securities that have been sold. If short sales are effected on a foreign exchange, such transactions will be governed by local law. A short sale involves the risk of a theoretically unlimited increase in the market price of the security that would result in a theoretically unlimited loss to our clients. The extent to which our clients will engage in short sales will depend upon the Advisor's trading strategy and perception of market direction and the value of individual securities. The Advisor may engage in short sales on behalf of our clients as a hedge against potential market declines and/or based on its analysis of the subject issuers.

Leverage. The Advisor intends to use leverage as part of its trading program and the amount of leverage which any of our clients may have outstanding at any time may be substantial in relation to its capital. Leverage may be obtained by borrowing funds to make trades or by purchasing or entering into derivative instruments that are inherently leveraged, such as swaps, options, futures and forward

contracts.

If the interest expense on borrowings were to exceed the net return on the positions acquired with borrowed funds, the use of leverage would result in a lower rate of return than if the portfolio in question were not leveraged. If the amount of borrowings which any of our clients may have outstanding at any one time is large in relation to its capital, fluctuations in the market value of such client's portfolio will have a disproportionately large effect in relation to its capital and the possibilities for profit and the risk of loss will therefore be increased. Any gains made with the additional monies borrowed will generally cause the value of such client's assets to rise more rapidly than would otherwise be the case. Conversely, if the investment performance of the additional monies fails to cover their cost to the client, the value of the client's assets will generally decline faster than would otherwise be the case. The amount of any borrowing may also be limited by regulations imposed by the Federal Reserve Board or by the availability and cost of credit, as well as due to overall market conditions. If, due to market fluctuations or other reasons, the value of the client's assets should fall below required regulatory or counterparty-imposed levels, the client will be required to reduce its debt by selling securities in its long portfolio. The client may also be unable to carry-out its trading program if it is not able to obtain leverage on reasonable terms.

In the case of derivative instruments, because many derivatives are "leveraged," such instruments provide significantly more market exposure than the money paid or deposited when the transaction is entered into and, thus, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose our clients to the possibility of a loss exceeding the original amount invested.

In addition, in transactions involving derivative instruments, counterparties and lenders will likely require our clients to post collateral to support its obligations. Should the securities and other assets pledged as collateral decline in value, or should brokers increase their maintenance margin requirements (i.e., reduce the percentage of a position that can be financed), our clients could be subject to a "margin call" pursuant to which they must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged assets to compensate for the decline in value. In the event of a precipitous drop in the value of pledged securities, our clients might not be able to liquidate assets quickly enough to pay off the margin debt or provide additional collateral and may suffer mandatory liquidation of positions in a declining market at relatively low prices, thereby incurring substantial losses. Furthermore, secured counterparties and lenders will generally have the right to sell, pledge, rehypothecate, assign, use or otherwise dispose of collateral posted by our clients. This could increase exposure to the risk of a counterparty default since, under such circumstances, our clients may be unable to recover the posted collateral promptly or may be unable to recover all of the posted collateral.

Inflation Risk. Due to a convergence of different economic factors, including scarcity of workers, pent-up demand and insufficient supply, inflation has recently hit a 30-year-high. High inflation may undermine the performance of our client's investments by reducing the value of such investments and/or the income received from such investments.

Generally, for example, when inflation rises, the Federal Reserve will increase interest rates to decrease borrowing, driving the value of the dollar down even as the cost of goods rises and spending power drops. This causes bond yields (interest) to increase as investors demand compensation for inflation risk. Ultimately, the price of the bonds is expected to drop as investors lose interest in it, lowering the value of any such investments. Furthermore, for example, on discounted cash flow calculations and the presumption that interest rates will change, growth stocks are typically negatively impacted by high inflation. Rising inflation is also expected to lead to general market uncertainty and therefore could impact all types of investments made by our clients.

There is no guarantee that our clients will have positive performance even in, or especially in, environments of sharply rising inflation. There is no guarantee that our clients will be able to successfully mitigate inflation risk or that interest rates will match changes in inflation rates.

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

Currency Risks. Our clients may invest in securities and other instruments denominated or quoted in currencies other than the U.S. Dollar. In connection therewith, the Advisor may hedge against the resulting currency exposure wherever economically prudent. However, changes in currency exchange rates will affect the value of our clients' portfolios and the unrealized appreciation or depreciation of investments. Further, our clients may incur costs in connection with conversions between various currencies. Foreign currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to our clients at one rate, while offering a lesser rate of exchange should our clients desire immediately to resell that currency to the dealer. Our clients will generally conduct their currency exchange transactions either on a spot (i.e., cash) basis at the spot rate prevailing in the currency exchange market, or through entering into forward contracts to purchase or sell non-U.S. currencies.

Price Risk. For reasons not necessarily attributable to any of the risks set forth herein (for example, supply/demand imbalances or other market forces), the prices of the securities in which our clients invest may decline or rise substantially. In particular, purchasing assets at prices that may appear to be "undervalued" is no guarantee that such assets will not be trading at even more "undervalued" levels at the time of valuation or at the time of sale. Similarly, shorting assets at prices that may appear to be "overvalued" is no guarantee that such assets will not be trading at even more "overvalued" levels at the time of valuation or at the time of sale.

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

The success of the Advisor's hedging strategy will depend, in part, upon the Advisor'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 hedging

strategy will also be subject to the Advisor's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Advisor may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for our clients than if they had not engaged in such hedging transactions. For a variety of reasons, the Advisor may fail to seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent our clients from achieving the intended hedge or expose our clients to risk of loss. The Advisor may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of a portfolio's holdings.

Derivatives Generally. Derivative instruments, or "derivatives," include options, futures, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, financial assets, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark, financial asset, currency or index at a fraction of the cost of investing in the underlying asset. The Advisor may seek to acquire derivatives for these or other reasons, however, there is no assurance that derivatives that the Advisor wishes to acquire will be available at any particular times upon satisfactory terms or at all.

The value of a derivative is frequently difficult to determine and depends largely upon price movements of the underlying asset. Therefore, many of the risks applicable to trading an underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are "leveraged," and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement in the underlying asset can not only result in the loss of the entire investment, but may also expose our clients to the possibility of a loss exceeding the original amount invested. Over-the-counter ("OTC") derivatives generally are not assignable except by agreement between the parties concerned, and no party or purchaser has any obligation to permit such assignments. The OTC market for derivatives is relatively illiquid. In the case of OTC derivatives contracts, our clients are subject to the credit risk of the counterparty.

The Advisor may take advantage, directly or indirectly, 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 trading objective of a particular client and legally permissible. Special risks may apply to instruments that are invested in by any of our clients in the future that cannot be determined at this time or until such instruments are developed or invested in by such client.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") enables the CFTC and the SEC to enact new regulations on certain OTC derivatives. Pursuant to CFTC regulations, certain OTC derivatives contracts (including interest rate swaps and credit default index swaps) are required to be traded on regulated trading platforms and cleared through registered clearing organizations subject to regulation by the CFTC. Such contracts are traded more like futures and options contracts and parties to such transactions trade standardized contracts and face clearing organizations as contractual counterparties, rather than facing the credit risk of counterparties under individually negotiated bilateral OTC agreements. In the future, additional categories of OTC derivative contracts may be subject to mandatory clearing. The SEC recently adopted rules establishing margin, capital and collateral segregation requirements for security-based swap dealers. These rules became effective on October 6, 2021, which was the registration deadline for security-based swap dealers.

CFTC registered swap dealers and major swap participants (entities who are not swap dealers, but whose level of activity makes them subject to rules governing dealers) are now subject to regulatory oversight and requirements with respect to OTC derivatives, which include business conduct requirements, such as know-your-customer rules, increased risk disclosure and rules requiring trades to be documented within certain time frames. Once registered, SEC registered security-based swap dealers (and major security-based swap participants) will be subject to substantially similar requirements for derivatives that qualify as security-based swaps. Rules governing the receipt and delivery of variation margin on trades took effect in March 2017. Rules governing the exchange of initial margin on trades took effect in September 2021 (the effective date with respect to our clients is based on the level of our client's aggregate average notional amounts with covered swap dealers (and their affiliates)). Derivative contracts, whether cleared or traded over-the-counter, must be reported to registered swap data repositories. Despite these changes, parties to over-the-counter derivative trades will continue to bear counterparty credit risk.

The effect that the foregoing regulatory changes will have on the price of derivative contracts, liquidity and administrative costs, and the effects resulting from increased transparency, among other things, remains unclear. In addition, the CFTC and SEC are both expected to conduct further rulemakings and potentially revisit previous finalized rules with respect to the Dodd-Frank Act. Depending upon any such changes, there may be significant differences in the future with respect to the risks associated with derivatives trading. The impact of any such changes is currently unknown, and the Advisor and General Partner do not plan to update clients upon such changes or upon finalization of any CFTC or SEC regulations promulgated under the Dodd-Frank Act.

Call Options. The Advisor may trade in call options as part of its investment strategy or for hedging purposes. There are risks associated with the sale and purchase of call options. 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 on gain on the underlying security above the exercise price of the option. If the seller of the call option owns a call option covering an equivalent number of shares with an exercise price equal to or less than the exercise price of the call written, the position is "fully hedged" if the option owned expires at the same time or later than the option written. 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 buyer of a call option assumes the risk of losing its entire investment in the call option.

Put Options. The Advisor may trade in put options as part of its investment strategy or for hedging purposes. 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 below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is "fully hedged" if the option owned expires at the same time or later than the option written. 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.

In addition, there is speculation that some or all of the Dodd-Frank Act may be repealed and/or changed. Depending upon such changes, there may be significant differences in the future with respect to the risks associated with derivatives trading. The impact of any such changes is currently unknown, and the Advisor and General Partner do not plan to update Limited Partners upon such

changes or upon finalization of any CFTC or SEC regulations promulgated under the Dodd-Frank Act.

Index or Index Options. The Advisor may trade in indexes and index options. The value of an index or index option fluctuates with changes in the market values of the securities included in the index. Because the value of an index or index option depends upon movements in the level of the index rather than the price of a particular security, whether our clients will realize appreciation or depreciation from the purchase or writing of options on indices depends upon movements in the level of instrument prices in the security market generally or, in the case of certain indices, in an industry or market segment, rather than movements in the price of particular securities.

Index Futures. The Advisor may trade in index futures. The price of index futures contracts may not correlate perfectly with the movement in the underlying index because of certain market distortions. First, all participants in the futures market are subject to margin deposit and maintenance requirements. Rather than meeting additional margin deposit requirements, participants may close futures contracts through offsetting transactions that would distort the normal relationship between the index and futures markets. Second, from the point of view of speculators, the deposit requirements in the futures market are less onerous than margin requirements in the securities market. Therefore, increased participation by speculators in the futures market also may cause price distortions. Successful use of index futures contracts also is subject to the Advisor's ability to correctly predict movements in the direction of the market.

Swaps. The Advisor may trade swaps. Swap agreements and options on swap agreements ("swaptions") can be individually negotiated and structured to include exposure to a variety of different types of investments, asset classes or market factors. Whether our use of swap agreements or swaptions will be successful will depend, in part, on the Advisor's ability to select appropriate transactions for our clients. Depending on their structure, swap agreements may increase or decrease the holder's exposure to, for example, equity securities, long-term or short-term interest rates, non-U.S. currency values, credit spreads or other factors. Swap agreements can take many different forms and are known by a variety of names. Swap transactions may be highly illiquid and may increase or decrease the volatility of a portfolio. Moreover, a client bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency of its counterparty. Our clients will also bear the risk of loss related to swap agreements, for example, for breaches of such agreements or the failure to post or maintain required collateral. It is possible that developments in the swap markets, including potential government regulation, could adversely affect our clients' ability to terminate swap transactions or to realize amounts to be received under such transactions.

Futures Contracts. The Advisor may trade futures contracts. The value of futures contracts depends upon the price of the securities, such as commodities, underlying them. The prices of futures contracts are highly volatile, and price movements of futures contracts can be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, as well as national and international political and economic events and policies. In addition, investments in futures contracts are also subject to the risk of the failure of any of the exchanges on which our clients' positions trade or of their clearing houses or counterparties. Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent our clients from promptly liquidating unfavorable positions and subject our clients to substantial losses or prevent it from entering into desired trades. Also, low margin or premiums normally required

in such trading may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce a disproportionately larger profit or loss. In extraordinary circumstances, a futures exchange or the CFTC could suspend trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract. See “—“Derivatives Generally” for a description of the regulatory implications of the Dodd-Frank Act.

Exchange Traded Funds. The Advisor may trade Exchange Traded Funds (“ETFs”). ETFs are publicly traded unit investment trusts, open-end funds or depository receipts that seek to track the performance and dividend yield of specific indexes or companies in related industries. These indexes may be either broad-based, sector, or international. However, ETF shareholders are generally subject to the same risk as holders of the underlying securities they are designed to track. ETFs are also subject to certain additional risks, including, without limitation, the risk that their prices may not correlate perfectly with changes in the prices of the underlying securities they are designed to track, and the risk of trading in an ETF halting due to market conditions or other reasons, based on the policies of the exchange upon which the ETF trades. Generally, each shareholder of an ETF bears a pro rata portion of the ETF’s expenses, including management fees. Accordingly, in addition to bearing their proportionate share of the client’s expenses (e.g., management fees and operating expenses), investors in a client’s securities may also indirectly bear similar expenses of an ETF.

Non-U.S. Investments. The Advisor may trade non-U.S. securities and other instruments denominated in non-U.S. currencies and/or traded outside of the U.S. Investments in securities of non-U.S. issuers (including non-U.S. governments) and securities denominated in, or the prices of which are quoted in, non-U.S. currencies pose, to the extent not hedged, currency exchange risks (including blockage, devaluation and non-exchangeability), as well as a range of other potential risks not typically associated with trading in U.S. securities or other instruments. Such risks include unfavorable currency exchange rate developments, restrictions on repatriation of investment income and capital, imposition of exchange control regulation by the U.S. or foreign governments, confiscatory taxation and economic or political instability in foreign nations. In addition, there may be less publicly available information about certain non-U.S. companies than would be the case for comparable companies in the U.S., and certain non-U.S. companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. companies.

Transaction costs of investing in non-U.S. securities markets are generally higher than in the United States. There is generally less government supervision and regulation of exchanges, brokers and issuers outside the United States than there is in the United States. Our clients might have greater difficulty taking appropriate legal action in non-U.S. courts. Non-U.S. markets also have different clearance and settlement procedures which, in some markets, could at times fail to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect investment performance.

Forward Trading. The Advisor may engage in forward trading on behalf of our clients. Deliverable forward contracts (including certain foreign exchange contracts) and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Such forward trading is largely unregulated and currently daily price movements are not limited and speculative position limits are not applicable. The principals who deal in such forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration, which could result in substantial losses to our clients.

Foreign Exchange Contracts. Pursuant to rules promulgated under the Dodd-Frank Act, many foreign exchange contracts will be deemed “swaps” under the U.S. Commodity Exchange Act, as amended,

and therefore will be subject to comprehensive regulation by the CFTC. CFTC rules will govern certain terms of such contracts, such as minimum margin requirements, among others, and dealers of such products will be subject to business conduct and reporting obligations. Foreign currency options (unless traded on a securities exchange), non-deliverable foreign exchange forwards, currency swaps and cross-currency swaps will be included in such regulation. The U.S. Treasury Department (the “Treasury”) has exercised its authority to exempt foreign exchange forwards and swaps from most CFTC regulation, although such transactions remain subject to certain CFTC reporting and business conduct requirements. As a result, foreign exchange forwards and swaps are not guaranteed by an exchange or clearing house and consequently, there are no requirements with respect to financial responsibility or segregation of customer funds or positions, which could expose our clients to unanticipated losses.

Counterparty Risk. Some of the markets in which the Advisor may effect transactions are “over-the-counter” or “interdealer” markets. The participants in such markets typically are not subject to the same credit evaluation and regulatory oversight as are members of “exchange-based” markets. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, might not be available in connection with such “over-the-counter” transactions. This exposes our clients to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing our clients to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where any of our clients has concentrated its transactions with a single or small group of counterparties. The Advisor is not restricted from dealing with any particular counterparty or from concentrating any or all of any of our clients’ transactions with any one counterparty. The ability of the Advisor to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by our clients.

The Advisor’s trading strategy may involve transactions that expose it to the credit of its counterparties, and vice versa. For example, the Advisor may seek to borrow against long positions, to borrow securities intending to sell them short and to enter into long and short derivative positions. All of these transactions, and transactions similar to them, are governed by documents, industry standards, market customs and practices, the parties’ prior course of dealing and by the covenants of good faith and fair dealing. At times, and especially in times of market stress, these credit exposures may come under stress, normal business conduct may be interrupted and normal legal protections may prove inadequate or may fail to provide timely relief. Furthermore, the prime brokerage agreements between any of our clients and its prime brokers may be terminated at any time upon notice from the prime brokers without penalty. Should it become necessary to remove or reduce credit exposure to a particular counterparty, or in the event that the prime brokers elect to terminate the prime brokerage agreements, there can be no guarantee that a satisfactory alternative will be available, or even if one is available, that the Advisor will be able to avail itself of that alternative. As a consequence, it is possible that positions may be unwound at a disadvantageous time and any unwinding and/or porting of positions to another counterparty may prove costly and thereby damage our clients.

Small to Medium Capitalization Companies. Any of our clients may invest a portion of its assets in the stocks of companies with small- to medium-sized market capitalizations. While the Advisor believes these investments often provide significant potential for appreciation, these stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of such stocks are often more volatile than prices of large-capitalization stocks. Smaller companies often times lack the management experience, financial resources, product diversification, and competitive strength of larger companies. In addition,

due to thin trading in some such stocks, an investment in these stocks may be more illiquid than that of larger capitalization stocks.

Convertible Securities. The Advisor may invest in convertible securities. The market value of convertible securities, as with all fixed income securities, tends to decline as interest rates increase and, conversely, tends to increase as interest rates decline. However, when the market price of the common stock underlying a convertible security exceeds the conversion price, the convertible security tends to reflect the market price of the underlying common stock. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly on a yield basis and thus, may not decline in price to the same extent as the underlying common stock. If a convertible security held by any of our clients is called for redemption, such client will be required to permit the issuer to redeem the security, convert it into the underlying stock or sell it to a third party. Any of these actions could have an adverse effect on this client's ability to achieve its objective.

Special Situations. Our clients may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or result in a distribution of cash or a new security the value of which will be less than the purchase price to our clients of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, any of our clients may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which our clients may invest, there is a potential risk of loss by any of our clients of its entire investment in such companies.

Fixed Income Securities. The Advisor may trade in bonds or other fixed income securities of and non-U.S. issuers, including, without limitation, bonds, notes and debentures issued by corporations, or debt securities issued or guaranteed by a sovereign government or one of its agencies or instrumentalities. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities 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 credit worthiness, political stability or soundness of economic policies. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk).

The Advisor may trade in fixed-income securities which are not protected by financial covenants or limitations on additional indebtedness. In addition, evaluating credit risk for foreign debt involves greater uncertainty because credit rating agencies throughout the world have different standards, making comparisons across countries difficult.

EU Short Selling Regulation. The EU Regulation on short selling and certain aspects of credit default swaps (the "SSR") applies to short sales of/short positions relating to (1) the issued share capital of companies whose shares are admitted to trading on a regulated market or multilateral- trading facility ("MTF") in the EEA (unless the principal trading venue for the relevant shares is located in a country outside the EEA) ("EEA listed shares"); and (2) debt instruments issued by an EEA sovereign issuer ("EEA sovereign debt"). The SSR currently applies in respect of member states of the EU and will apply to the additional EEA jurisdictions once further implementation steps have been taken. Accordingly, it is difficult to predict the precise impact of the SSR on our clients and the Advisor.

The SSR provides for the disclosure of net short positions in EEA listed shares and EEA sovereign

debt. It applies to all natural or legal persons, irrespective of regulatory status, located inside and outside the EEA. The SSR also contains prohibitions on uncovered or “naked” short sales of EEA listed shares and EEA sovereign debt in certain circumstances, as well as a prohibition on uncovered credit default swaps referencing EEA sovereign debt (“naked CDS”). Further, the SSR contains a number of provisions designed to minimize the risk of settlement failure caused by short sales of shares, which oblige an EEA based central counterparty providing clearing services in respect of shares to ensure that certain buy-in procedures are in place.

Discontinuation of LIBOR. In March 2021, it was announced that most London Interbank Offered Rate (“LIBOR”) settings will no longer be published after the end of 2021 and a majority of U.S. dollar LIBOR settings will no longer be published after June 30, 2023. Although the transition away from LIBOR became increasingly well-defined in advance of the anticipated discontinuation date, including that the Secured Overnight Financing Rate (“SOFR”) has reached general market acceptance so far as a replacement rate, there remains uncertainty regarding the permanence of any replacement rate, whether any additional alternative reference rates will emerge and attain market acceptance, and the potential effects that any alternative reference rates, including SOFR, will have on the Master Fund or on certain instruments in which the Master Fund invests. LIBOR transition risk is the risk that the transition from LIBOR to alternative interest rate benchmarks may involve, among other things, increased volatility or illiquidity in markets for instruments that relied on LIBOR or other unintended consequences.

SPAC Trading. The Advisor may make investments in special purpose acquisition companies (“SPACs”) in the form of units, common stock, and/or warrants. SPACs have a broad discretion to select potential business combinations. Investments in SPACs may result in substantial risks of loss in the event a business combination is not announced or not completed, or after completion, a sale, initial public offering or other realization event of the acquired business does not occur. The management team of each SPAC is entrusted with identifying appropriate business combination opportunities and negotiating the terms of such transactions. As a result, the Advisor will be dependent upon the integrity, skill and judgment of each SPAC’s management team in which the Advisor invests. A significant portion of the IPO proceeds of a SPAC are initially placed in a trust fund, which may not be protected from third party claims against the SPAC. There is no guarantee that creditors or other entities involved with a SPAC will not seek recourse against a trust fund for any reason and that the proceeds in a trust fund will not be reduced by such claims.

PIPE Investing. The Advisor may make private investments in equities of publicly-traded companies (“PIPEs”). These are typically securities issued pursuant to Regulation D under the Securities Act to “accredited investors” such as our clients. Generally, the issuer’s common stock is publicly traded on a U.S. securities exchange or listed on the over-the-counter market. However, the securities acquired by the Advisor (in the case of equity or preferred securities) or the underlying securities (in the case of warrants, options, or convertible securities) typically are unregistered and subject to re-sale restrictions, but these securities may have registration rights which generally require the issuer to register them for re-sale by the Advisor following the date of issue. Certain convertible securities issued in these privately negotiated transactions, however, may provide for registration at a date several months in the future. Often, the issuers of PIPEs will have unstable, fluid, or weak financial positions. As a result, PIPE investments made by the Advisor may lose some or all of their value, which could cause losses to our clients.

PIPE strategies have historically been significantly more likely to be successful during periods of rising equity prices. In such conditions, not only is it easier to liquidate the equity acquired upon conversion of any of our clients’ illiquid and restricted securities, but also the equity price may increase from the conversion, increasing the profit of conversion. PIPE investing also involves making capital commitments to issuers without access to traditional capital markets in situations in which the

bankruptcy of the issuer could result in a total loss of the investment and thereby result in losses to the Advisor. Analysis of the financial condition of each issuer is an important component of determining whether to make any such investment.

Herding Risk. The substantial growth of the hedge fund industry and funds trading large highly-leveraged positions of the same nature as those held by other funds have augmented herding risks. While the Advisor typically strives not to invest, on behalf of our clients, in securities and/or other instruments that are broadly followed by other funds, such funds may later discover opportunities in the same securities and/or other instruments in which the Advisor has already invested. Whatever the “fair price” of a security, instrument or a relationship, its trading price is sometimes radically altered or influenced by the market activity of traders executing parallel trading programs. This factor may provide surprising and sudden losses at unpredictable times, even after long periods of calm. The negative impact of herding is greatest when markets are under stress and traders holding large leveraged positions seek to liquidate or cover positions simultaneously.

Inside Information. From time to time, the Advisor and its affiliates may come into possession of inside information concerning specific companies. Under applicable securities laws, this may limit the Advisor’s ability to buy or sell securities issued by such companies. If our clients hold the securities of a company with respect to which the Advisor is in possession of inside information, the Advisor may be restricted from trading the securities of such company for an indefinite period of time, which could result in losses to our clients.

Changes and Uncertainty in U.S. and International Regulation. The portfolio may be adversely affected by uncertainties such as international and domestic political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of the countries to which the portfolio’s assets are exposed through their portfolio or investor base. During this period of uncertainty, market participants may react quickly to unconfirmed reports or information and as a result there may be increased market volatility. This unpredictability could cause the Advisor to alter trading plans, including the holding period of positions and the nature of instruments used to achieve our client’s investment objective.

In the United States, our clients, the Advisor and the General Partner may be adversely affected as a result of new or revised legislation or regulations imposed by the SEC, the Financial Stability Oversight Council, and other U.S. governmental regulatory authorities or self-regulatory organizations that supervise the financial markets. In addition, the securities and futures markets are subject to comprehensive statutes and regulations, including margin requirements. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The Dodd-Frank Act and the rules promulgated thereunder could result in our clients, the Advisor and the General Partner becoming subject to additional regulatory compliance burdens and trade reporting, which may add significant costs to our clients. The Dodd-Frank Act endows the SEC, the CFTC, and other regulators with discretionary authority to write and interpret new rules. The ultimate impact of the Dodd-Frank Act on our clients, the Advisor and the General Partner is unclear and will depend in large part on the regulations that the CFTC and SEC promulgate, as well as any legislative changes that may be made. There is speculation that some of the provisions of the Dodd-Frank Act and rules and regulations promulgated thereunder may be revised, repealed or amended.

In August 2023, the SEC adopted an array of new rules and/or rule amendments that will directly and materially impact private fund advisers such as the Advisor (the “**New Private Fund Rules**”). The New Private Fund Rules will result in the Advisor becoming subject to additional regulatory compliance burdens, which may add significant costs to, or have other adverse impacts on, our

clients. Furthermore, the Advisor may have to amend certain of its policies and procedures and/or the terms with our clients in order to comply with the New Private Fund Rules, which could adversely impact our clients, including bearing costs associated with revising fund documentation.

Market Disruption Events and Geopolitical Risks. The Advisor may trade in different markets and different kinds of instrument types. It is possible that as a result of war, terrorist act, natural disaster, outbreak of infectious disease, epidemic, pandemic, including COVID-19, or other serious public health concern, or geopolitical or other extraordinary or unforeseen circumstance or event (a “**Market Disruption Event**”), one or more of these markets may cease operating for a limited or indeterminable period of time. In that event, it may be difficult for the Advisor to value the positions that trade in the affected markets, and our clients may be exposed to significant movements in the perceived value of instruments without having the ability to trade those instruments.

Additionally, Market Disruption Events may have a substantial effect on economies and securities markets in the U.S. or worldwide, and could materially adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment, and other factors affecting the value of our client’s investments. Market Disruption Events could also affect the principal prime brokers and custodians that carry and clear our client’s trades and positions. The inability of key marketplace intermediaries to function could have an adverse impact upon liquidity as well as the ability of the Advisor to trade its positions. Market Disruption Events could also have a direct physical impact upon our clients and/or the Advisor’s operations, including the destruction of their facilities and/or incapacity or loss of life to key personnel.

Furthermore, in late February 2022, Russia launched a large-scale military attack on Ukraine. The invasion significantly amplified already existing geopolitical tensions among Russia, Ukraine, Europe, and NATO countries generally, including the United States. In response to the military action by Russia, various countries, including the United States, the United Kingdom, and the EU issued broad-ranging economic sanctions against Russia. The ramifications of the hostilities and sanctions, however, may not be limited to Russia and Russian companies, but may spill over to and negatively impact other regional and global economic markets of the world (including Europe and the United States), companies in other countries (particularly those that have done business with Russia) and on various sectors, industries and markets for securities and commodities globally, such as oil and natural gas. Accordingly, the potential for a wider conflict could increase financial market volatility, cause severe negative effects on regional and global economic markets, industries, and companies and have a negative effect on our client’s performance beyond any direct exposure to Russian issuers or those of adjoining geographic regions.

While the Advisor has taken steps intended to mitigate the adverse consequences that could arise from the occurrence of a Market Disruption Event, the inability to predict the timing, location, source and severity of such event or events make it difficult to provide assurances that the clients would not suffer material adverse consequences should a Market Disruption Event occur.

Item 9 - Disciplinary Information

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

Item 10 - Other Financial Industry Activities and Affiliations

Both the Advisor and the General Partner are principally owned by Ravi Chopra, who also serves as one of the directors of the Offshore Fund.

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

We have adopted a Code of Ethics (the “Code of Ethics”) which provides that we are committed to conducting our business in accordance with all applicable laws and regulations and in an ethical and professional manner. In addition, we recognize that we have a fiduciary duty to the investors in the private investment funds and other accounts we manage, and that all of our employees must conduct their business on our behalf in a manner that enables us to fulfill this fiduciary duty. In this regard, we have developed policies and procedures in our Code of Ethics that are premised on fundamental principles of openness, integrity, honesty and trust. In addition, among other things, our Code of Ethics governs all personal investment transactions by our employees, our policies with respect to gifts and entertainment, compliance with applicable federal securities laws, the manner in which violations of our Code of Ethics are to be reported, and certain other outside activities of our employees. We may provide a copy of our Code of Ethics to any client or prospective client upon request.

Under our Code of Ethics, the Advisor places certain restrictions on the personal trading activities of its employees and their immediate family members sharing the same household. Subject to pre-clearance by our Chief Compliance Officer (“CCO”), employees are permitted to transact in broad-based publicly traded funds, liquidate positions held prior to the commencement of employment at the firm, invest in limited offerings, and transact in single-name issuers subject to a minimum holding period of 90 days and the security not being in Advisor’s investable universe. Securities held in accounts wherein the employee has no direct or indirect influence or control such as those wherein an employee has granted full investment discretion to a financial adviser are exempt from reporting and approval requirements, provided that the status of such non-discretionary account has been reviewed by the CCO.

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

In the event that we effect a cross trade between an account in which we or our controlling persons own more than twenty five percent (25%) and another client account, such transaction may be deemed to be a principal transaction under the Advisers Act. Such transactions may create a conflict of interest for us because we may put our or our control persons’ interests in such accounts before the interests of our clients in the other account. In order to mitigate this conflict of interest, we monitor the interests of our principal, his immediate family members and his affiliates in our client accounts, and we will not affect any cross trades between accounts if we believe that such trade would result in a principal transaction unless:

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

We may buy or sell securities for one client at the same time that we or our related persons buy or sell the same security for one or more other clients (including the Funds which are our related persons). This will typically happen when more than one client is capable of purchasing or selling a particular

security based on investment objectives, available cash and other factors. This may create a conflict of interest if one account may benefit from making the trade before or after the other account. We will generally aggregate trades, subject to best execution to avoid any such conflict of interest. (see *Item 12, Section B "Aggregation of Orders"*).

Item 12 - Brokerage Practices

Selection of Brokers

The Advisor has discretion to determine the broker-dealers and other financial intermediaries to use in effecting transactions for our clients, and the commission rates or mark-ups/mark-downs to be paid for such transactions.

In selecting brokers to effect portfolio transactions for our clients, the Advisor will consider such factors as price, the ability of the brokers to effect the transactions, the brokers' facilities, reliability and financial responsibility and the provision or payment (or the rebate to our clients for payment) of the costs of property or services (*e.g.*, certain custodial services, research services, news and quotation services, certain publications, analytical and trading software, and trading products and services). Accordingly, if the Advisor determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and products or services provided by such broker, then our clients may pay commissions to such broker in an amount greater than the amount another broker might charge for effecting the same portfolio transactions.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. Actual brokerage business received by any broker may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above.

The Advisor has adopted policies and procedures intended to seek best execution on an ongoing basis for securities transactions, based upon the aforementioned factors. The Advisor periodically evaluates the execution performance of the broker-dealers we use to execute client transactions. The Advisor also evaluates, and seeks to resolve, any conflicts of interest that we may have in selecting brokers to execute client transactions.

Research and Other Soft Dollar Benefits

The Advisor enters into soft dollar arrangements (including "commission sharing agreements") with brokers. Soft dollar arrangements arise when an investment adviser obtains products and services, other than securities execution, from a broker in return for directing client securities transactions to the broker. Soft dollar arrangements pose a conflict of interest for us in that such arrangements allow us to pay expenses with client commissions that would otherwise be borne by us. We will also only use soft dollars in a manner that is consistent with our duty to seek best execution.

When we use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, we receive a benefit because we do not have to produce or pay for the research, products or services. We may have an incentive to select a broker based on our interest in receiving the research or other products or services offered by such broker, rather than our clients' interest in receiving most favorable execution.

When engaging in soft dollar transactions, we intend to comply with the safe harbor requirements of Section 28(e) of the Securities Exchange Act of 1934, as amended.

Under this provision, in exercising our discretionary authority to select or arrange for the selection of brokers for execution of transactions for our clients, and, subject to our duty to obtain best execution, we may consider the value of research and brokerage products and services (collectively, “Research”) provided by such brokers. Research may include, among other things, proprietary research from brokers, which may be written or oral. Research products may include, among other things, databases, reports, surveys regarding companies and industries and quotation services. Research services may include, among other things, research concerning market, economic and financial data, a particular aspect of economics or on the economy in general, statistical information, pricing data and availability of securities, financial publications, electronic market quotations, performance measurement services, analyses concerning specific securities, companies, industries or sectors, market, economic and financial studies and forecasts, appraisal services, algorithmic trading software, and invitations to attend conferences or meetings with management or industry consultants. We may in the future acquire other products and services with client brokerage commissions in accordance with our policies and procedures. Accordingly, if we determine in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and products or services provided by such broker, our clients may pay commissions to such broker in an amount greater than the amount another broker might charge.

Research provided by such brokers may be used to service all of our clients and not exclusively in connection with the management of such clients that generated the particular soft dollar credits.

Where a product or service obtained with clients’ commission dollars provides both research and non-research assistance to us, we will make a reasonable allocation of the cost which may be paid for with clients’ commission dollars.

The Advisor executes securities transactions on behalf of our clients with broker-dealers that provide the Advisor with access to proprietary research reports (such as standard investment research and credit reports). To the best of the Advisor’s knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. These bundled services are made available to the Advisor on an unsolicited basis and without regard to the rates of commissions charged or paid by client accounts or the volume of business that the Advisor directs to such broker-dealers.

The Advisor may participate in “client commission arrangements” pursuant to which the Advisor may execute transactions through a broker-dealer and request that the broker- dealer allocate a portion of the commissions or commission credits to another firm that provides research and other products to the Advisor. The Advisor excludes from use under these arrangements those products and services that are not eligible under Section 28(e) and applicable regulatory interpretations.

Services from Prime Brokers

Prime brokers servicing our clients provide the Advisor with front and back office services, including trading, securities lending, clearing, reporting, and settlement for fixed income, swaps, foreign currency and options, among others. Such prime brokers may also provide the Advisor with capital introduction, talent recruitment and other services. Our clients will pay fees to the prime brokers in accordance with the fee schedules negotiated with such prime brokers.

Brokerage for Client Referrals

Subject to applicable law, the Advisor may direct some client brokerage business to brokers who refer prospective investors to the private investment funds managed by the Advisor, consistent with best execution. Because such referrals, if any, are likely to benefit the Advisor but will provide an

insignificant (if any) benefit to clients, the Advisor will have a conflict of interest with its clients when allocating client brokerage business to a broker who has referred investors to a private investment fund managed by the Advisor. To prevent client brokerage commissions from being used to pay investor referral fees, the Advisor will not allocate client brokerage business to a referring broker unless the Advisor determines in good faith that the commissions payable to such broker are not materially higher than those available from non-referring brokers offering services of substantially equal value to the client account.

Trade Error Policy

Subject to applicable law, we will reimburse the applicable client account(s) for net losses that occur as a result of trade errors resulting from our gross negligence, willful misconduct or fraud.

We may correct misallocations of trades among client accounts by re-allocating the applicable trade using the intended allocation methodology prior to the trade's settlement date.

Aggregation of Orders

We may in our discretion aggregate client trades, subject to best execution. Aggregation, or "bunching," describes a procedure whereby an investment adviser combines the orders of two or more clients into a single order for the purpose of obtaining better prices and lower execution costs. Aggregation opportunities for the Advisor generally arise when more than one client is capable of purchasing or selling a particular security based on investment objectives, available cash and other factors. In such event, securities purchased or sold will generally be allocated among client accounts on an average price basis. When an aggregated order is only partially filled, the Advisor will allocate the investment opportunity based on the criteria described in Item 6 above.

High-Touch Trading

From time to time, the Advisor may use high-touch traders to execute all or part of certain trades on its behalf. The high-touch traders are registered broker-dealers and are capable of directly executing trades for the Advisor's Clients based on instructions given by the Advisor. When using high touch traders, the Advisor may occasionally select specific broker-dealers that the high-touch traders must use to execute the trades in question. The Advisor's decision to instruct the high-touch trader to use a specific broker-dealers is subject to the various broker-dealer selection criteria described above.

Outsourced Trading

The Advisor often delegates the authority to select brokers for the Clients transactions to one or more third parties. As a result, Client expenses will often be higher, as a result of paying such third parties than if the Advisor traded directly with such brokers.

Item 13 - Review of Accounts

Access to Information

Client positions and investments are regularly reviewed by the Advisor's portfolio manager, to ensure conformity to the objectives and risk criteria applicable to such portfolios. The portfolio manager is assisted by the Advisor's team of investment professionals. Our CCO also regularly reviews applicable client portfolios for compliance with the applicable trading mandate and any applicable risk and/or operating guidelines.

Investors in the Funds generally receive an unaudited monthly report and quarterly letter from the

Advisor. In addition, the Advisor distributes copies of the audited financial statements of the Funds at least annually to investors for the Funds in which they invest, generally within 120 days after the end of the period to which the audit relates. The Advisor also distributes tax reports as promptly as practicable after the end of each fiscal year to investors in the U.S. Fund.

The Advisor may enter into agreements (“side letters”) with certain investors that will result in different terms of an investment in a Fund than the terms applicable to other investors. As a result of such side letters, certain investors may receive additional rights that other investors will not necessarily receive.

Pursuant to side letter or other agreements, we may provide particular investors with access to more frequent and/or more detailed information regarding the relevant Fund’s securities positions, performance, finances, and management and/or other information about such Fund or the Advisor (including, notification of certain senior employee departures, as well as the commencement of certain disciplinary actions, legal proceedings, investigations or similar matters against our clients, us, our affiliates and/or our respective personnel, or of redemptions from the Funds by us, our affiliates and/or our respective personnel), possibly enabling such investors to better assess the prospects and performance of the Funds. In addition, the Funds or we may give certain investors, including those who are provided with enhanced transparency (as described above), the right to redeem all or a portion of their investment on shorter notice and/or with more frequency than the terms applicable to other investors. As a result, certain investors may be able to redeem their investment at times when other investors may not, and based on information that may not be available to all investors.

Subject to the applicable law and contractual arrangements, we do not intend to disclose the terms of side letter agreements or other arrangements and do not intend to disclose the identities of the investors that have entered into such agreements with the Funds or us. We will not be required to offer such additional or different rights and terms to any or all of the other investors.

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

We may provide the owners of any separately managed accounts we may manage with periodic unaudited reports at such times as the owners of such accounts and we agree. The custodians of such accounts would send account statements to the owners of such accounts no less frequently than monthly. In addition, since a managed account investor would directly own the positions in its separately managed account, such investor could have full, real-time transparency as to all transactions and holdings in such account and may be better able to assess the future prospects of a portfolio that is substantially similar to the portfolios of the private investment funds managed by us. The investors in such separately managed accounts may have the right to withdraw all or a portion of their capital from such managed accounts on shorter notice and/or with more frequency than the terms applicable to an investment in the private investment funds we manage.

Item 14 - Client Referrals and Other Compensation

Other than the circumstances described in the *Brokerage Practices* section above, we do not receive any economic benefits from non-clients in connection with the provision of investment advice to our clients.

If a client is introduced to us by a third-party solicitor, we and/or our affiliates may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 under the Advisers Act. Any such referral fee will be paid solely by us or our affiliates, and will not result in any additional charge to the client.

Item 15 - Custody

All Fund assets are held in custody by qualified custodians. However, for purposes of Rule 206(4)-2 under the Advisers Act, we will be deemed to have custody of Fund assets. In accordance with such Rule, a qualified custodian is not required to deliver quarterly account statements to the Funds or their respective investors because annual audited financial statements are delivered to investors within 120 days after the end of each Fund's fiscal year.

As noted above in Item 13, owners of any separately managed accounts we may manage will receive account statements typically no less frequently than monthly from the custodians of such accounts. Clients should carefully review these statements that are received from the custodians of such accounts.

Item 16 - Investment Discretion

We have discretionary authority to manage securities accounts on behalf of our clients. The investors in the private investment funds managed by us generally may not place any limits on our authority beyond the limitations set forth in the offering and governing documents of such private investment funds.

On a case by case basis, owners of any separately management accounts that we may manage on a discretionary basis may negotiate certain risk and/or operating guidelines that we will adhere to when exercising our discretionary authority over such accounts.

Item 17 - Voting Client Securities

We generally have voting discretion over securities held in our clients' accounts. Our clients are generally not able to direct their votes in a particular situation.

To the extent we have been delegated proxy voting authority on behalf of our clients, the Advisor has adopted proxy voting policies and procedures that are designed to ensure that in cases where the Advisor votes proxies with respect to client securities, such proxies are voted in the best interests of such clients. In fulfilling its obligations to our clients, the Advisor endeavors to act in a manner that will enhance the economic value of the underlying securities held by each of our clients.

To assist the Advisor in its responsibilities for voting proxies, an unaffiliated, third party proxy voting services firm has been retained to assist us in the proxy voting and corporate governance area.

The Advisor will generally vote proxies based upon the recommendations of the proxy voting services firm; however, the Advisor will exercise its own judgment on a case-by-case basis and may override any recommendation of the proxy voting services firm that it does not believe is in the best interest of our clients. In the event the Advisor fails to instruct the proxy voting services firm on how to vote a proxy, the proxy voting services firm is directed to vote in accordance with its

recommendations. In addition, the Advisor's proxy voting policies and procedures include guidelines regarding: (i) the process in place to override a vote recommendation from the proxy voting services firm; (ii) responsibilities of certain parties with regard to the proxy voting process; (iii) how material conflicts of interest are resolved to ensure that all proxies are voted in the best interests of clients; and (iv) maintenance of certain books and records related to the proxy voting process

A client may obtain information about how we voted securities in the private investment fund or other account in which the client is invested by contacting us at the address set forth on the cover page of this brochure.

Item 18 - Financial Information

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

Item 19 - Requirements for State-Registered Advisers

We are not a State-Registered Adviser.