

INVESTMENT ADVISER BROCHURE



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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Findell Capital Management LLC. If you have any questions about the contents of this Brochure, please contact us at brian.finn@fincap.us. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

Findell Capital Management LLC is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information regarding Findell Capital Management LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 Material Changes

Findell Capital Management LLC is a newly registered investment advisor, and this is Findell Capital Management LLC's initial narrative Brochure prepared in accordance with Part 2A of Form ADV. There are no material changes to report in this initial Item 2.

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Item 4 Advisory Business

Findell Capital Management LLC (the “Adviser”) is an investment adviser with its principal place of business in New York, New York. The Adviser commenced operations as an investment adviser on April 5th, 2019 and is submitting its registration documents with the Securities and Exchange Commission of the United States in 1Q2024.

The Adviser’s principal investment objective is to generate risk-adjusted returns that outperform various benchmark indices (the “Strategy”). The Adviser seeks to achieve this objective through the application of the Adviser’s Key Investment Factors (“KIF”) framework primarily on small cap equities (less than \$5 billion in market value). The Adviser manages a US master fund in a “mini-master” fund structure with an exempted company organized under the laws of the Cayman Islands (the “Offshore Fund”), which invests substantially all of its assets in the master fund. Other investment entities also may be formed in the future to invest in the master fund.

Finn Management GP LLC, a limited liability company organized under the laws of Delaware, serves as the general partner (the “General Partner”) of the fund structure. Under the Limited Partnership Agreement (as the same may be amended, supplemented or revised from time to time, the “Partnership Agreement”), the General Partner is primarily responsible for the management of the Strategy. As the Adviser to the Strategy is responsible for the formulation and implementation of the Strategy, evaluating and monitoring investments by the Strategy and makes all investment decisions for the Strategy. The Adviser was formerly known as FIN Capital Management LLC. Both the General Partner and the Adviser are controlled by Brian Finn.

Item 5 Fees

Investors in the Strategy will generally be subject to (i) a quarterly management fee, payable in advance equal to 1/4th of 1.50% (1.50% per annum) of such investor’s capital account balance as of the beginning of each quarter; and (ii) an annual performance allocation equal to 20% of each investor’s ratable share of the fund’s profits for such year, but only to the extent that such profits exceed such investor’s “high water mark.”

Item 6 Performance Based Fees

The Adviser and its investment personnel extend investment management services across portfolios for multiple Clients. The Adviser is eligible for performance-based compensation, as detailed the Strategy’s private placement memoranda. Certain Client accounts may feature higher asset-based fees or more favorable performance-based compensation arrangements than others, potentially creating a situation where one account is prioritized over another. This scenario arises

because the Adviser may have a greater incentive to favor accounts that yield more favorable compensation or higher fees, either directly or indirectly.

Given that the Adviser oversees multiple Client accounts with varying fee arrangements, potential conflicts of interest may emerge. To address these concerns, the Adviser has instituted policies and procedures designed to manage conflicts stemming from the simultaneous management of Client accounts. The Adviser ensures equitable treatment of accounts with substantially similar investment objectives, subject to any specific investment restrictions. Regular performance comparisons among similarly managed Client accounts are conducted to identify and address any unexplained significant discrepancies.

The Adviser is not obligated to purchase or sell a security for any Client solely because it does so for another Client if, in its reasonable judgment, the security is not deemed suitable, practical, or desirable for the specific Client. In instances where orders are aggregated, the Adviser ensures price averaging for Client orders. Moreover, the Adviser's procedures include objective allocation for limited opportunities, such as initial public offerings and private placements, to guarantee fair and equitable distribution among eligible accounts.

Item 7 Types of Clients

The Adviser's Clients are private pooled investment vehicles. With respect to a Client that is a pooled investment vehicle, initial and additional subscription minimums are disclosed in the pooled investment vehicle's Memorandum. Additionally, the Adviser may provide investment advisory services to SMAs, provided such SMAs meet certain size and other appropriate criteria as determined by the Adviser in its sole discretion on a case-by-case basis.

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

Investment Objective

The Adviser's investment objective is to seek to generate risk-adjusted returns that outperform various benchmark indices in a concentrated equity portfolio with a long bias that focuses largely on special situations within smaller cap equities (less than \$5 billion in market cap). Special situations include not just corporate actions (e.g. spin-offs and lawsuits) but all complex situations where information asymmetries can lead to valuation discrepancies.

The Adviser analyzes these opportunities through the key investment factors rubric ("KIF"). KIF is an analytical framework that reduces investment decision making to a few key drivers and then exhaustively diligences those drivers. The KIF framework's goal is to produce a concentrated portfolio of long and short positions where there is a catalyst map for bridging these valuation discrepancies.

Controlling risk is accomplished through holding cash, limiting exposures and cutting losses at certain percentage levels as well as alpha shorts. The industry focus is relatively agnostic and driven by top-down views.

Limits of Description of Investment Program

The development of an investment program is a continuous process, and the Adviser is not limited by the above discussion of the investment program. The Adviser is constantly researching, developing, and implementing new methods and techniques to be utilized as part of the overall investment program. The Adviser has wide latitude to invest or trade the Strategy's assets, to pursue any particular strategy or tactic.

The investment program imposes no significant limits on the types of instruments in which the Adviser may take positions, the types of positions it may take, its ability to borrow money, or the concentration of investments. Prospective investors must recognize that there are inherent limitations in all descriptions of investment processes due to the complexity, confidentiality, and subjectivity of such processes. The investment Strategy used for any fund may differ from those used by the Adviser with respect to other accounts we manage.

General Investment Risks.

- The Partnership's success depends on the Adviser's ability to implement its investment strategy. Any factor that would make it more difficult to execute timely trades, such as a significant lessening of liquidity in a particular market, may also be detrimental to profitability.
- No assurance can be given that the investment Strategy to be used by the Adviser will be successful under all or any market conditions.
- The Adviser may increase its cash position when the Adviser deems it prudent or when a defensive position is warranted in light of market conditions. During such times, interest income will increase and may constitute a large portion of the return and the Adviser will not participate in market advances or declines to the extent that it would have if it had been more fully invested.
- A potential investor in the Adviser should note that the prices of the securities and other instruments in which the Adviser invests may be unavailable.
- Market movements are difficult to predict and are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the inherent volatility of the marketplace.
- Governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument and currency markets, and such intervention (as well as other factors) may cause these markets and

related investments to move rapidly.

Investment and Trading Risks.

All investments involve the risk of a loss of capital. No guarantee or representation is made that the Adviser's investment program will be successful, and investment results may vary substantially over time.

Instruments Traded

Equity Securities. The value of the equity securities held by the Strategy is subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and riskier than some other forms of investment.

Debt and Other Income Securities. The Strategy may invest in fixed-income and adjustable-rate securities. Income securities are subject to interest rate, market and credit risk. Interest rate risk relates to changes in a security's value as a result of changes in interest rates generally. Even though such instruments are investments that may promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. In general, the values of fixed income securities increase when prevailing interest rates fall and decrease when interest rates rise. Because of the resetting of interest rates, adjustable-rate securities are less likely than non-adjustable rate securities of comparable quality and maturity to increase or decrease significantly in value when market interest rates fall or rise, respectively. Market risk relates to the changes in the risk or perceived risk of an issuer, industry, country or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. The values of income securities may be affected by changes in the credit rating or financial condition of the issuing entities. Income securities denominated in non-U.S. currencies are also subject to the risk of a decline in the value of the denominating currency relative to the U.S. dollar.

The debt securities in which the Strategy may invest are not required to satisfy any minimum credit rating standard and may include instruments that are considered to be of relatively poor standing and have predominantly speculative characteristics with respect to capacity to pay interest and repay principal. The Strategy may invest in bonds rated lower than investment grade, which may be considered speculative. The Strategy may also invest a substantial portion of its assets in high-risk instruments that are low rated, unrated or in default.

High-Yield Securities. The Strategy may invest in high-yield securities. Such securities are generally not exchange traded and, as a result, these instruments trade in a smaller secondary market than exchange-traded bonds. In addition, the Strategy may invest in bonds of issuers that do not have publicly traded equity securities, making it more difficult to hedge the risks associated with such investments. (The Strategy is not required to hedge and may choose not to do so.) High-yield securities that are below investment grade or unrated face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to

meet timely interest and principal payments. The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities, which react primarily to fluctuations in the general level of interest rates and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities are often highly leveraged and may not have available to them more traditional methods of financing. It is possible that a major economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is possible that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default of such securities.

Small- and Medium-Capitalization Stocks. The Strategy may invest its assets in stocks of companies with smaller market capitalizations. Small- and medium-capitalization companies may be of a less seasoned nature or have securities that may be traded in the over-the-counter market. These “secondary” securities often involve significantly greater risks than the securities of larger, better-known companies. In addition to being subject to the general market risk that stock prices may decline over short or even extended periods, such companies may not be well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. Additionally, stocks of such companies may be more volatile in price and have lower trading volumes than larger capitalized companies, which results in greater sensitivity of the market price to individual transactions. Accordingly, investors in the Strategy should have a long-term investment horizon.

Small- and medium-capitalization securities may be followed by relatively few securities analysts with the result that there is generally less publicly available information concerning these securities compared to exchange-listed securities of larger companies. The securities of these companies have more limited trading volumes than those of larger issuers and may be subject to more abrupt or erratic market movements than the securities of larger, more established companies or the market averages in general, and the Strategy may be required to deal with only a few market makers when purchasing and selling these securities. Transaction costs in small- and medium-capitalization stocks may be higher than those involving larger capitalized companies. Companies in which the Strategy may invest may also have limited product lines, markets or financial resources, may lack management depth and may be more vulnerable to adverse business or market developments.

New Issues. The Strategy may invest in “New Issues” as that term is defined in the New Issues Rules (as defined herein). Such investments offer the opportunity for significant appreciation; however, they are speculative and involve a high degree of risk. It is characteristic of the initial public offering market that certain companies may be extremely successful, while a much higher percentage of new public companies fail. Thus, the risk of investing in initial public offerings is substantially greater than investing in the stock market as a whole. Restricted Partners and Covered Partners may be precluded from participating, in whole or in part, in the Strategy’s investments in New Issues, subject to the “de minimis” exception under the New Issues Rules. To the extent that a potential Partner is “restricted” or a “covered person,” an investment in the Strategy may not

yield the performance results that may be achieved by those investors that are entitled to receive all allocations with respect to New Issues. Any Partner who does not provide the Strategy with sufficient information to show that such Partner is not a restricted person or a covered person will be presumed to be a restricted person or a covered person and may receive reduced allocations with respect to New Issues and any profit therefrom.

Exchange Traded Funds. The Strategy may invest in a type of investment company called an exchange-traded fund (“ETF”). ETFs are a type of investment security representing an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual Strategy, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they may trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. As a relatively new type of security, the trading characteristics of ETFs may not yet be fully developed or understood by potential investors. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETFs performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end Strategy and other investment companies bear a proportionate share of the expenses of those Strategy, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed- end fund shares also entails payment of brokerage commissions and other transaction costs.

Exchange-traded Notes. The Strategy may invest in exchange-traded notes (“ETN”). ETNs are senior, unsecured, unsubordinated debt securities whose returns are based on the performance of a particular market index or other reference asset minus applicable fees. ETNs are listed on an exchange and trade in the secondary market. However, an ETN can also be held until maturity, at which time the issuer pays a return linked to the performance of the market index or other reference asset to which the ETN is linked minus certain fees. ETNs do not make periodic coupon payments and principal typically is not protected.

The value of an ETN may be influenced by, among other things, time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in underlying markets, changes in applicable interest rates, the performance of the market index or other reference asset, changes in the issuer’s credit rating, and economic, legal, political or geographic events that affect the market index or other reference asset. ETNs are also subject to the counterparty credit risk of the issuer. The market value of ETNs may differ from their market index or reference asset. This difference may be due to the fact that the supply and demand in the market for an ETN at any point in time is not always identical to the supply and demand in the market for the securities underlying the index or other reference asset that the ETN seeks to track. ETNs also incur certain expenses not incurred by their applicable index or reference asset. An ETN that is tied to a specific index may not be able to replicate and maintain exactly the composition and relative weighting of securities, commodities or other components in the applicable index.

Some ETNs that use leverage in an effort to amplify the returns of an underlying index or other reference asset can, at times, be relatively illiquid and, therefore, may be difficult to purchase or sell at a fair price. Leveraged ETNs are subject to the same risk as other instruments that use leverage in any form. While leverage allows for greater potential return, the potential for loss is also greater.

Convertible Securities. The Strategy may invest in convertible securities (“Convertibles”), which are generally debt securities or preferred stocks that may be converted into common stock. Convertibles typically pay current income as either interest (debt security convertibles) or dividends (preferred stocks). A Convertible’s value usually reflects both the stream of current income payments and the value of the underlying common stock. The market value of a Convertible performs like that of a regular debt security; that is, if market interest rates rise, the value of a Convertible usually falls. Since it is convertible into common stock, the Convertible generally has the same types of market and issuer risk as the underlying common stock. Convertibles that are debt securities are also subject to the normal risks associated with debt securities, such as interest rate risks, credit spread expansion and ultimately default risk, as discussed below. Convertibles are also prone to liquidity risk as demand can dry up periodically, and bid/ask spreads on bonds can widen significantly.

An issuer may be more likely to fail to make regular payments on a Convertible than on its other debt because other debt securities may have a prior claim on the issuer’s assets, particularly if the Convertible is preferred stock. However, Convertibles usually have a claim prior to the issuer’s common stock.

In addition, for some Convertibles, the issuer can choose when to convert to common stock, or can “call” (redeem) the Convertible. An issuer may convert or call a Convertible when it is disadvantageous for the Strategy, causing the Strategy to lose an opportunity for gain. For other Convertibles, the Strategy can choose when to convert the security to common stock or to put (sell) the Convertible back to the issuer.

Because Convertible arbitrage also involves the short sale of underlying common stock, this strategy is also subject to stock-borrow risk, which is the risk that the Strategy will be unable to sustain the short position in the underlying common shares.

Derivative Investments. The Strategy may invest in derivative instruments. Derivatives are financial contracts whose value depends on, or is derived from, an underlying product, such as the value of an index. The risks generally associated with derivatives include the risks that: (1) the value of the derivative will change in a manner detrimental to the Strategy; (2) before purchasing the derivative, the Strategy will not have the opportunity to observe its performance under all market conditions; (3) another party to the derivative may fail to comply with the terms of the derivative contract; (4) the derivative may be difficult to purchase or sell; and (5) the derivative may involve indebtedness or economic leverage, such that adverse changes in the value of the underlying asset could result in a loss substantially greater than the amount invested in the derivative itself or in heightened price sensitivity to market fluctuations.

Derivatives markets can be highly volatile. The profitability of investments by the Strategy in the derivatives markets depends on the ability of the Adviser to analyze correctly these markets, which are influenced by, among other things, changing supply and demand relationships, governmental, commercial and trade programs and policies designed to influence world political and economic events, and changes in interest rates. In addition, the assets of the Strategy may be pledged as collateral in derivatives transactions. Thus, if the Strategy defaults on such an obligation, the counterparty to such transaction may be entitled to some or all of the assets of the Strategy as a result of the default.

Option Transactions. The Strategy may engage in option transactions. The purchase or sale of an option by the Strategy involves the payment or receipt of a premium payment and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying investment for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying investment does not change in price in the manner expected, so that the option expires worthless, and the investor loses its premium. Selling options, on the other hand, involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying investment in excess of the premium payment received.

Futures Contracts and Options on Futures Contracts. In entering into futures contracts and options on futures contracts, there is a credit risk that a counterparty will not be able to meet its obligations to the Strategy. The counterparty for futures contracts and options on futures contracts traded in the United States exchanges is the clearinghouse associated with such exchange. In general, clearinghouses are backed by the corporate members of the clearinghouse who are required to share any financial burden resulting from the non-performance by one of its members and, as such, should significantly reduce this credit risk. In cases where the clearinghouse is not backed by the clearing members, it is normally backed by a consortium of banks or other financial institutions. There can be no assurance that any counterparty, clearing members or clearinghouse will be able to meet its obligations to the Strategy.

In addition, under the CEA, futures commission merchants are required to maintain customers' assets in a segregated account. If the Strategy engages in futures and options contract trading and the futures commission merchants with whom the Strategy maintains accounts fail to so segregate the Strategy's assets or are not required to do so, the Strategy will be subject to a risk of loss in the event of the bankruptcy of any of its futures commission merchants. Even where customers' Strategy are properly segregated, the Strategy might be able to recover only a pro rata share of its property pursuant to a distribution of a bankrupt futures commission merchant's assets.

Futures Cash Flow. Futures contracts gains and losses are marked-to-market daily for purposes of determining margin requirements. Option positions generally are not marked-to-market, although short option positions will require additional margin if the market moves against the position. Due to these differences in margin treatment between futures and options, there may be periods in which positions on both sides must be closed down prematurely due to short-term cash flow needs. Were this to occur during an adverse move in the spread or straddle relationships, a substantial loss could occur.

Each exchange on which futures are traded and the CFTC typically have the right to suspend or limit trading in the contracts that each such exchange lists. Such a suspension or limitation could render it impossible for the Strategy to liquidate its positions and thereby expose it to losses. In addition, there is no guarantee that exchange and other secondary markets will always remain liquid enough for the Adviser to close out existing futures positions. It is also possible that an exchange or the CFTC could order the immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only.

Futures Markets May Be Illiquid. Most United States commodity exchanges limit fluctuations in commodity futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” During a single trading day, no trades may be executed at prices beyond the daily limit. Once the price of a futures contract for a particular commodity has increased or decreased by an amount equal to the daily limit, no positions in the commodity can be either taken or liquidated unless traders are willing to effect trades at or within the limit. Futures prices have moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Adviser from promptly liquidating unfavorable positions and could subject the Strategy to substantial losses, which could exceed the margin initially committed to such trades.

Futures Trading is Highly Leveraged. The margin deposit required to enter into a futures position is typically 2-10% of the total value of the contract. As a result, if the Strategy’ account is margined, a relatively small price movement in a commodity futures contract may result in a loss to the investor equal to or substantially greater than the amount of the deposit. Combined with the volatility of futures prices, the leveraged nature of futures trading can cause futures traders to sustain large and sudden losses of their capital. When the market value of a particular open position changes to a point where the margin on deposit in a participating investor’s account does not satisfy the applicable maintenance margin requirements imposed by the Strategy’ futures commission merchant (“FCM”), the Strategy, and not the Adviser, will receive a margin call from the FCM. If the Strategy does not satisfy the margin call within a reasonable time (which may be as brief as a few hours), the FCM will close out the Strategy’ position.

Possible Effects of Speculative Positions and Trading Limits. The CFTC and certain commodity exchanges have established limits referred to as “speculative position limits” on the maximum net long or short position which any person may hold or control in a particular commodity futures contract. The Adviser does not anticipate that current position limits will adversely affect the contemplated trading of the Strategy, but no assurance is given that such limits may not adversely affect such accounts in the future.

Forward Trading. The Strategy may invest in forward contracts and options thereon, which, unlike futures contracts, are not traded on exchanges, and are not standardized; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and “cash” trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. For example, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer Strategy or positions. In contrast to exchange-traded futures contracts, interbank traded instruments rely on the dealer or

counterparty being contracted with to fulfill its contract. As a result, trading in interbank non-U.S. exchange contracts may be subject to more risks than futures or options trading on regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which the Strategy has forward contracts. Although the Adviser seeks to trade with responsible counterparties, failure by a counterparty to fulfill its contractual obligation could expose the Strategy to unanticipated losses. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually widespread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by the Strategy due to unusually high or low trading volume, political intervention or other factors. The imposition of credit controls by government authorities might also limit such forward (and futures) trading to less than that which the Adviser would otherwise recommend, to the possible detriment of the Strategy. Neither the CFTC nor banking authorities regulate forward currency trading through banks. In respect of such trading, the Strategy would be subject to the risk of counterparty failure or the inability or refusal by a counterparty to perform with respect to such contracts. Market illiquidity or disruption could result in major losses to the Strategy.

Non-U.S. Exchanges and Markets. The Strategy may engage in trading on non-U.S. exchanges and markets. Trading on such exchanges and markets may involve certain risks not applicable to trading on U.S. exchanges and is frequently less regulated. For example, certain of those exchanges may not provide the same assurances of the integrity (financial and otherwise) of the marketplace and its participants, as do U.S. exchanges. There also may be less regulatory oversight and supervision by the exchanges themselves over transactions and participants in such transactions on those exchanges. Some non-U.S. exchanges, in contrast to U.S. exchanges, are “principals’ markets” in which performance is the responsibility only of the individual member with whom the trader has dealt and is not the responsibility of an exchange or clearing association. Furthermore, trading on certain non-U.S. exchanges may be conducted in such a manner that all participants are not afforded an equal opportunity to execute certain trades and may also be subject to a variety of political influences and the possibility of direct government intervention. Investment in non-U.S. markets would also be subject to the risk of fluctuations in the exchange rate between the local currency and the dollar and to the possibility of exchange controls. Foreign brokerage commissions and other fees are also generally higher than in the United States.

Currency Risk. The value of the Strategy’ assets may be affected favorably or unfavorably by changes in currency rates and exchange control regulations. Some currency exchange costs may be incurred when the Strategy changes investments from one country to another. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by the forces of supply and demand in the respective markets and the relative merits of investments in different countries, actual or perceived changes in interest rates and other

complex factors, as seen from an international perspective. Currency exchange rates can also be affected unpredictably by intervention by governments or central banks (or the failure to intervene) or by currency controls or political developments. The Strategy may invest in currencies directly and seek to mitigate the risk of currency exchange fluctuation through the active and systematic use of currency hedges.

Emerging Markets. The Strategy may invest in securities associated with emerging markets. The securities markets of emerging countries are generally smaller, less developed, less liquid, and more volatile than the securities markets of the U.S. and developed foreign markets. Disclosure and regulatory standards in many respects are less stringent than in the United States and developed foreign markets. Accounting and auditing standards in many markets are different, and sometimes significantly differ from those applicable in the United States or Europe. There is substantially less publicly available information about companies located in emerging markets than there is about companies in other more developed jurisdictions. There also may be a lower level of monitoring and regulation of securities markets in emerging market countries and the activities of investors in such markets and enforcement of existing regulations has been extremely limited.

Many emerging countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets of certain emerging countries.

Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values, and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of these countries also have been and may continue to be adversely affected by economic conditions in the countries with which they trade. The economies of countries with emerging markets may also be predominantly based on only a few industries or dependent on revenues from particular commodities. In addition, custodial services and other costs relating to investment in foreign markets may be more expensive in emerging markets than in many developed foreign markets, which could reduce the Strategy's income from such securities.

In many cases, governments of emerging countries continue to exercise significant control over their economies, and government actions relative to the economy, as well as economic developments generally, may affect the capacity of issuers of emerging country debt instruments to make payments on their debt obligations, regardless of their financial condition. In addition, there is a heightened possibility of expropriation or confiscatory taxation, imposition of withholding taxes on interest payments, or other similar developments that could affect investments in those countries. There can be no assurance that adverse political changes will not cause the Strategy to suffer a loss of any or all of its investments and, in the case of fixed-income securities, interest thereon.

Many emerging countries are undergoing important political and economic changes that are making their economies more free-market oriented. However, there could be future political and

economic changes that may return the situation to closed and centrally controlled economies with price and foreign exchange controls. Many of these countries lack the legal, structural and cultural basis for the establishment of a dynamic, orderly, market-oriented economy. Many of the promising changes that are being seen at present could be reversed, causing significant impact on the Strategy' investment returns.

Additional Risks of the Strategy

Systems Risks. The Strategy depends on the Adviser to develop and implement appropriate systems for the Strategy's activities. The Strategy relies extensively on computer programs and systems to trade, clear and settle investment transactions, to evaluate investment opportunities and positions held based on real-time trading information, to monitor its portfolio and net capital, and to generate risk management and other reports that are critical to oversight of the Strategy' activities. The ability of its systems to accommodate an increasing volume of transactions could also constrain the Adviser's ability to manage the portfolio. In addition, certain of the Strategy' and the Adviser's operations interface with or depend on systems operated by third parties, including prime brokers and market counterparties and their respective sub-custodians, and other service providers, and the Adviser may not be in a position to verify the risks or reliability of such third-party systems. These programs or systems may be subject to certain defects, failures or interruptions, including, but not limited to, those caused by worms, viruses and power failures. Any such defect or failure could have a material adverse effect on the Strategy. For example, such failures could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect the Strategy' ability to monitor its investment portfolio and its risks. Neither the General Partner nor the Adviser is liable to the Strategy for losses caused by systems failures or due to any breakdown in the means of the communication normally used to ascertain the value of the Strategy' investments or to conduct trading in such investments.

Execution of Orders. The Strategy's trading depends on the ability to establish and maintain an overall market position in a combination of financial instruments selected by the Adviser. The Strategy' trading orders may not be executed in a timely and efficient manner due to various circumstances, including, without limitation, systems failures or human error attributable to employees, brokers, agents or other service providers. In such events, the Strategy might only be able to acquire some, but not all, of the components of such position, or if the overall position were to need adjustment, the Strategy might not be able to make such adjustment. As a result, the Strategy would not be able to achieve the market position selected by the Adviser and might incur a loss in liquidating its position.

Operational Risks. The volume and complexity of the Strategy' transactions may place substantial burdens on the Adviser's operational systems and resources, including those related to trade entry and execution, position reconciliation, corporate actions, collateral and margin maintenance, marking procedures, finance, accounting, profit and loss reporting, internal management and risk reporting and Strategy transfers. Human error, system failure or other problems with any of these processes could result in material losses or costs, which will generally be borne by the Strategy.

Lack of Diversification. Although the Strategy will structure its portfolio so that investments (both individually and in the aggregate) have desirable risk/reward characteristics and so that the Strategy may be able to satisfy Limited Partners' requests for withdrawals, the Strategy is not subject to any restrictions with respect to investments in any particular issuer, industry, geography or type of investment. The Strategy may have a non-diversified portfolio and may have large amounts of Strategy assets invested in a small number of investments. Such lack of diversification substantially increases market risks and the risk of loss associated with an investment in the Strategy.

Portfolio Turnover. The Strategy may, from time to time, engage in short-term trading. Short-term trading refers to the practice of selling investments held for a short time, ranging from several months to less than a day. The objective of short-term trading is to take advantage of what the Adviser believes are changes in a market, industry or individual company. Short-term trading increases the Strategy's transaction costs, which could affect the Strategy's performance, and could result in higher levels of taxable realized gains to Limited Partners.

Short Selling. The Strategy may engage in short selling as part of its general investment strategy. Short selling involves selling securities that are not owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the Strategy to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. However, because the borrowed securities must be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed securities would result in a loss upon such repurchase. The Strategy's obligations under its short sales will be marked to market daily and collateralized by the Strategy's assets held at the broker, including its cash balance and its long securities positions. Because short sales must be marked to market daily, there may be periods when short sales must be settled prematurely, and a substantial loss could occur. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Short-selling exposes the Strategy to unlimited risk with respect to that security due to the lack of an upper limit on the price to which an instrument can rise. Short sales may be utilized to enhance returns and hedge the portfolio. The Strategy anticipates that the frequency of short sales may vary substantially in different periods. There are no prescribed limits to the amount of Strategy assets that may be subject to short sales.

Hedging. The Adviser on behalf of the Strategy will not, in general, attempt to hedge all market or other risks inherent in their respective portfolio positions, and may hedge certain risks, if at all, only partially. The Strategy may choose not, or may determine that it is economically unattractive, to hedge certain risks – either in respect of particular positions or in respect of its overall portfolio. The Strategy's portfolio composition will commonly result in various directional market risks remaining unhedged.

The Adviser on behalf of the Strategy generally may enter into hedging transactions with the intention of reducing or controlling risk. Even if the Adviser is successful in doing so, the cost of hedging may have the effect of reducing returns. Furthermore, it is possible that the Adviser's hedging Strategy will not be effective in controlling risk, due to unexpected non-correlation (or

even positive correlation) between the hedging instrument and the position being hedged, increasing rather than reducing both risk and losses.

To the extent that the Adviser hedges, its hedges may not be static but rather might need to be continually adjusted based on the Adviser's assessment of market conditions, as well as the expected degree of non-correlation between the hedges and the portfolio being hedged. The success of the Adviser's hedging strategy may depend on its ability to implement this dynamic hedging approach efficiently and cost effectively, as well as on the accuracy of the Adviser's ongoing judgments concerning the hedging positions to be acquired.

Leverage and Margin Transactions. To raise additional cash for investment, the Strategy may borrow money from banks and other sources and will pay interest thereon. Any investment gains made with the additional monies in excess of interest paid will cause the Net Asset Value of the Strategy to rise faster than would otherwise be the case. On the other hand, if the investment performance of the additional investments purchased fails to cover their cost (including any interest paid on the money borrowed) to the Strategy, the Net Asset Value of the Strategy will decrease faster than would otherwise be the case. This is the speculative factor known as "leverage." The Strategy may also purchase portfolio investments in uncovered margin transactions. In the event of adverse market movements or other factors, the Strategy may have to meet calls for substantial additional margin which may limit the Strategy's assets available for other investments at an inopportune time. In addition, a change in the general level of interest rates may adversely affect the Strategy.

Highly Volatile Instruments. The prices of financial instruments in which the Strategy may invest can be highly volatile. Price movements of forward and other derivative contracts in which the Strategy's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Strategy is subject to the risk of failure of any of the exchanges on which its positions trade or of their clearinghouses.

Failure of Broker-Dealers. Institutions, such as brokerage firms or banks, may hold certain of the Strategy's assets in "street name." Bankruptcy or fraud at one of these institutions could impair the operational capabilities or the capital position of the Strategy. In addition, as the Strategy may borrow money or securities, the Strategy will post certain of its assets as collateral securing the obligations ("Margin Securities"). The Strategy's broker generally holds the Margin Securities on a commingled basis with margin securities of its other customers and may use certain of the Margin Securities to generate cash to fund the Strategy's leverage, including pledging such Margin Securities. Some or all of the Margin Securities may be available to creditors of the Strategy's broker in the event of its insolvency. The Strategy's broker has netting and set off rights over all the assets held by it (which may indirectly include amounts held for the Strategy's benefit in the special segregated bank account) to satisfy the Strategy's obligations under its agreements with the Strategy's broker, including obligations relating to any margin or short positions.

Default of Futures Commission Merchant. The Strategy could be unable to recover assets held at any of its FCMs in the event of a bankruptcy of that FCM. Although FCMs are required to segregate customer accounts pursuant to the CEA, there is no equivalent of Securities Investors Protection Corporation insurance (applicable in the case of securities broker dealer bankruptcies) that would apply in the event of the FCM's bankruptcy. In such an event, the Strategy may suffer a total loss of all Strategy on deposit with a defaulting FCM.

Risk of Default of Exchanges. Exchange-traded futures and/or options on futures contracts may be utilized by the Adviser, and although these exchanges are highly regulated and have never defaulted in the past, there is a risk that these exchanges could fail to perform in clearing executed transactions.

The Adviser's Methodology. Trading decisions of the Adviser are on a discretionary basis using fundamental and/or technical analysis and no assurance can be given that such trading Strategy used by the Adviser will be successful, or that losses could not occur. Commodity and futures trading typically involves a much higher frequency of trading and higher turnover of positions that would be found in other types of investments. Trade duration can vary substantially from a few seconds to several months or longer. In entering orders into the Strategy' accounts, the Adviser may use market, limit, stop, and other qualified orders, if in its judgment, that appears appropriate under given market conditions. In addition, when liquidating a position, the Adviser may place a reversal order (i.e., the current position is liquidated and an opposite one is established).

FCM Margin Requirement Adjustments. Any or all of the Strategy' FCMs or brokers may, in such FCM or broker's sole discretion, raise the margin requirements applicable to the Strategy upon minimal notice or no notice at all, and such margin requirement adjustments may occur at any time, including during such periods in which the Strategy' portfolio is undergoing a significant drawdown. A direct result of such an event is that the Strategy may be forced to exit investment positions under extremely unfavorable conditions, thereby causing the Strategy to incur substantial losses.

OTC Transactions. It is possible that the Strategy may engage in transactions involving investments traded on "over the counter" ("OTC") markets. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes the Strategy to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. Therefore, to the extent that the Strategy engages in trading on OTC markets, the Strategy could be exposed to greater risk of loss through default than if it confined its trading to regulated exchanges.

Special Situations. The Strategy may invest in the securities of issuers involved in (or the targets of) acquisition attempts or tender offers or involved in or undergoing work-outs, liquidations, spin-offs, reorganizations, bankruptcies or other catalytic changes or similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the

contemplated transaction will be unsuccessful or unconsummated, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Strategy 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, the Strategy may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled issuers in which the Strategy may invest, there is a potential risk of loss by the Strategy of its entire investment in such issuers.

Strategic Agreement, Strategic Partner and Strategic Investor. The Strategic Agreement, Strategic Partner or Strategic Investors' investment in the Strategy and/or the Offshore Fund should not be construed as a recommendation of the Adviser to prospective Limited Partners. The Strategic Partner is not responsible for the performance of the Strategy, nor is it responsible for the content, accuracy or completeness of this Memorandum or any other Strategy offering materials.

Management Risks

Reliance on the General Partner and Adviser. All decisions regarding the management and affairs of the Strategy will be made exclusively by the General Partner and the Adviser. Accordingly, no person should invest in the Strategy unless such person is willing to entrust all aspects of management of the Strategy to the General Partner and the Adviser. Limited Partners will have no right or power to take part in the management of the Strategy. As a result, the success of the Strategy for the foreseeable future depends solely on the abilities of the General Partner and the Adviser.

Dependence on Key Personnel. The Adviser is dependent on the services of the manager of the Adviser (the "Principal") and there can be no assurance that it will be able to retain the Principal, whose credentials are described under the heading "Management of the Strategy." The departure or incapacity of the Principal could have a material adverse effect on the Adviser's management of the investment operations of the Strategy.

Proprietary Nature of Investment Strategy. All documents and other information concerning the Strategy' portfolio of investments will be made available to the Strategy' auditors, accountants, attorneys and other agents in connection with the duties and services performed by them on behalf of the Strategy. However, because the Adviser's investment techniques are proprietary, the Strategy Agreement will provide that neither the Strategy nor any of its auditors, accountants, attorneys or other agents will disclose to any person, including investors in the Strategy, any of the investment techniques employed by the Adviser in managing the Strategy' investments or the identity of specific investments held by the Strategy at any particular time.

Limitations of the General Partner's Liability and Indemnification. The Strategy Agreement provides that the General Partner, the Adviser, and their respective affiliates, shareholders, members, partners, managers, directors, officers and employees, including the Strategic Partner, will not be liable, responsible nor accountable in damages or otherwise to the Strategy or any Partner, or to any successor, assignee or transferee of the Strategy or of any Partner, for: (i) any acts performed or the omission to perform any acts, within the scope of the authority conferred on the General Partner by the Strategy Agreement, except by reason of acts or omissions found by a

court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct, or gross negligence; (ii) performance by the General Partner of, or the omission to perform, any acts on advice of legal counsel, accountants, or other professional advisors to the Strategy; (iii) the negligence, dishonesty, bad faith, or other misconduct of any consultant, employee, or agent of the Strategy, including, without limitation, an affiliate of the General Partner, selected or engaged by the General Partner with reasonable care and in good faith; or (iv) the negligence, dishonesty, bad faith, or other misconduct of any Person in which the Strategy invests or with which the Strategy participates as a partner, joint venturer, or in another capacity, which was selected by the General Partner with reasonable care and in good faith.

Furthermore, the Strategy, in the General Partner's sole discretion, will indemnify and hold harmless the General Partner, the Adviser, members or representatives of the Advisory Board and their respective affiliates, shareholders, members (including the Strategic Partner), partners, managers, directors, officers and employees and the legal representatives of any of them (an "Indemnified Party"), from and against any loss, liability, damage, cost or expense suffered or sustained by an Indemnified Party by reason of (i) any acts, omissions or alleged acts or omissions arising out of or in connection with the Strategy, the Strategy Agreement or any investment made or held by the Strategy, including, without limitation, any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding, or claim, provided that, such acts, omissions, or alleged acts or omissions upon which such actual or threatened action, proceeding or claim are based are not found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct, or gross negligence by such Indemnified Party, or (ii) any acts or omissions, or alleged acts or omissions, of any broker or agent of any Indemnified Party, provided that, such broker or agent was selected, engaged or retained by the Indemnified Party with reasonable care. The Strategy Agreement also provides that the Strategy will, in the sole discretion of the General Partner, advance to any Indemnified Party attorneys' fees and other costs and expenses incurred in connection with the defense of any action or proceeding which arises out of such conduct. The Investment Management Agreement contains similar protections from liability in favor of the Adviser.

Limited Reporting. The Strategy will provide monthly unaudited reports of Strategy activity. As a result, Limited Partners will not be able to evaluate the Strategy's activity at shorter intervals. Additionally, as a result of side letter arrangements, questions, due diligence requests, meetings or other communications, certain Limited Partners may receive information that is not generally available or otherwise provided to other Limited Partners, which may affect such Limited Partners' decision to request a withdrawal of their respective Capital Accounts or take other actions on the basis of such information.

Other Risks

Start-Up Periods. The Strategy may encounter start-up periods during which it will incur certain risks relating to the initial investment of newly contributed assets. Moreover, the start-up periods

also represent a special risk in that the level of diversification of the Strategy's portfolio may be lower than in a fully invested portfolio.

Risk of Loss. A Limited Partner could incur substantial, or even total, losses on an investment in the Strategy. An investment in the Strategy is only suitable for persons willing to accept this high level of risk.

Effect of Performance Allocation. The General Partner will receive a Performance Allocation based on a percentage of any net realized and unrealized profits. Performance allocations may create an incentive for the Adviser to make investments that are riskier or more speculative than would be the case in the absence of such incentive compensation arrangements. In addition, the General Partner's performance allocations will be based on unrealized as well as realized gains. There can be no assurance that such unrealized gains will, in fact, ever be recognized. Furthermore, the valuation of unrealized gain and loss may be subject to material subsequent revision.

Lack of Liquidity. The Strategy's withdrawal provisions place certain restrictions on the right of a Limited Partner to withdraw all or part of its Interest, transfer its Interest and pledge or otherwise encumber its Interest. Thus, it is unlikely that a Limited Partner will be able to liquidate its Interest in the event of an unanticipated need for cash. Interests may not be transferred or pledged except in compliance with significant restrictions on transfer as required by federal and state securities and commodities laws and as provided in the Strategy Agreement. The Strategy Agreement does not permit a Limited Partner to transfer or pledge all or any part of its Interest to any person without the prior written consent of the General Partner, the granting of which is in the General Partner's sole and absolute discretion. The Strategy also have the discretion to deliver withdrawal proceeds in investments or securities rather than cash. These limitations, taken together, will significantly limit a Limited Partner's ability to liquidate an investment in the Strategy quickly. As a result, an investment in the Strategy would not be suitable for an investor who needs liquidity.

Suspension of Withdrawals and Deferment of Withdrawal Proceeds. In certain circumstances, including during any period during which there is an extraordinary circumstance as determined in good faith by the General Partner, the General Partner, in its sole and absolute discretion, may suspend the valuation of the Strategy's property, the right or obligation to honor withdrawal requests (including the right to receive withdrawal proceeds), and/or extend the period for payment on withdrawal.

Reserves. Under certain circumstances, the Strategy may find it necessary to set up one or more reserves for contingent or future liabilities or valuation difficulties and, upon withdrawal by a Limited Partner, withhold a portion of that Limited Partner's withdrawal proceeds. This could happen, for example, if the Strategy or the issuer of portfolio securities were involved in a dispute regarding the value of its assets, in litigation, or subject to a tax audit at the time the withdrawal request would otherwise be satisfied.

Tax Considerations; Distributions to Limited Partners and Payment of Tax Liability. It is not possible to provide here a description of all potential tax risks to a person considering investing in the Strategy. Prospective investors are urged to consult their own legal counsel and tax advisors

with respect thereto. The Strategy will not seek a ruling from the Internal Revenue Service (“IRS”) with respect to any tax issues affecting the Strategy.

Accounting for Uncertainty in Income Taxes. The Financial Accounting Standards Board has released Accounting Standards Codification Topic 740 (“ASC 740”) (formerly known as “FIN 48”), to provide consistent guidance on the recognition of uncertain tax positions. ASC 740 prescribes, among other things, the minimum recognition threshold that a tax position is required to meet before being recognized in an entity’s financial statements. A prospective Limited Partner should be aware that, among other things, ASC 740 could have a material adverse effect on the periodic calculations of the net asset value of the Strategy, including reducing the net asset value of the Strategy to reflect reserves for income taxes that may be payable in respect of prior periods by the Strategy. This could adversely affect certain Limited Partners, depending upon the timing of their purchase and withdrawal of Strategy interests.

Lack of Insurance. The assets of the Strategy are not insured by any government or private insurer except to the extent portions may be deposited in bank accounts insured by the Federal Deposit Insurance Corporation or with brokers insured by the Securities Investor Protection Corporation and such deposits and securities are subject to such insurance coverage. Therefore, in the event of the insolvency of a depository or custodian, the Strategy may be unable to recover all of its Strategy or the value of its securities so deposited.

Undisclosed Investing Strategy. The Adviser’s investment strategy and the techniques it will employ to attempt to reach the Strategy’ goal are proprietary and will not be disclosed to potential investors (or to Limited Partners). As a result, a potential investor’s decision to invest in the Strategy must be made without the benefit of being able to review and analyze the Adviser’s strategy and techniques.

Side Letters. The General Partner has entered into, and may in the future enter into, agreements with certain Limited Partners that will result in different terms of an investment in the Strategy than the terms applicable to other Limited Partners. As a result of such agreements, certain Limited Partners have received, and may in the future receive, additional benefits which other Limited Partners will not receive (e.g., additional information regarding the Strategy’ portfolio, different withdrawal terms, or lower Management Fee rates or Performance Allocations). The General Partner will not be required to notify the other Limited Partners of any such agreement or any of the rights and/or terms or provisions thereof, nor will the General Partner be required to offer such additional and/or different terms or rights to any other Limited Partner. The General Partner may enter into any such agreement with any Limited Partner at any time in its sole discretion.

Regulations Under Investment Company Act of 1940. The Strategy’ operations are similar to an investment company as defined under the Investment Company Act, because the Strategy engages in the business of purchasing securities for investment. The Strategy is currently not required to register under the Investment Company Act due to an exemption for an entity that is beneficially owned by not more than one hundred (100) persons and which does not intend to make any public offering of its securities. Accordingly, the provisions and extensive regulations of the Investment Company Act, which, among other things, require that an investment company’s board of directors,

including a majority of disinterested directors, approve certain of the investment company's activities and contractual relationships, prohibit certain trading and investment activities and prohibit the investment company from engaging in certain transactions with its affiliates, will not be applicable.

Risks for Certain Benefit Plan Investors Subject to ERISA. Prospective investors that are benefit plan investors subject to ERISA and Department of Labor Regulations issued thereunder should read the section hereof entitled "ERISA Considerations" in its entirety for a discussion of certain risks related to an investment by benefit plan investors in the Strategy.

Cybersecurity Risk. As part of its business, the General Partner and the Adviser process, store and transmit large amounts of electronic information, including information relating to the transactions of the Strategy and personally identifiable information of the Limited Partners. Similarly, service providers of the General Partner, the Adviser and the Strategy, especially the Administrator, may process, store and transmit such information. With the increased use of technologies such as the Internet and the dependence on computer systems to perform necessary business functions, investment vehicles, such as the Strategy, and their service providers may be prone to operational and information security risks resulting from cyber-attacks. In general, cyber-attacks result from deliberate attacks, but unintentional events may have effects similar to those caused by cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial- of-service attacks on websites, the unauthorized release of confidential information and causing operational disruption.

Revised Regulatory Interpretations Could Make Certain Strategies Obsolete. In addition to proposed and actual accounting changes, there have recently been certain well-publicized incidents of regulators unexpectedly taking positions which prohibited trading strategies which had been implemented in a variety of formats for many years. In the current unsettled regulatory environment, it is impossible to predict if future regulatory developments might adversely affect the Strategy.

Future Regulatory Change is Impossible to Predict. The securities and derivatives markets are subject to comprehensive statutes, regulations and margin requirements. In addition, the Securities and Exchange Commission, the CFTC, and the exchanges are authorized to take extraordinary actions in the event of a market emergency, including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of securities and derivatives both inside and outside the United States is a rapidly changing area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Strategy is impossible to predict but could be substantial and adverse.

Importance of General Economic Conditions. Overall market, industry or economic conditions, which the General Partner cannot predict or control, will have a material effect on performance.

Risks Relating to Markets. The value of those securities in which the Strategy invests and that are traded on exchanges or over-the-counter and the risks associated therewith vary in response to events that affect such markets and that are beyond the control of the Strategy and the Adviser.

Market disruptions such as those that occurred during October of 1987, on September 11, 2001 and March of 2020, and following the systemic loss of confidence during the financial crisis of 2008 and 2009, could have a material effect on general economic conditions, market volatility, and market liquidity which could result in substantial losses to the Strategy.

There is no guarantee that exchanges and markets can at all times provide continuously liquid markets in which the Strategy can close out its positions in those securities that the Strategy purchases that are publicly traded. The Strategy could experience delays and may be unable to sell securities purchased through a broker or clearing member that has become insolvent due to the deterioration of industry conditions in general. In that event, positions could also be closed out fully or partially without the Strategy's consent.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Strategy. Prospective Limited Partners should read the entire Memorandum and the Strategy Agreement and consult with their own advisers before deciding whether to invest in the Strategy. In addition, as the Strategy's investment program develops and changes over time, an investment in the Strategy may be subject to additional and different risk factors.

Item 9 Disciplinary Information

We have no disciplinary information to report.

Item 10 Other Financial Industry Affiliations

Management and employees of the Adviser plan to dedicate substantially all of their professional efforts to the Adviser and currently have no significant outside business interests. Prior to engaging in any outside business activities, employees will be required to pre-clear such activities with the Adviser's Chief Compliance Officer (the "CCO") and/or manager.

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

The Adviser has instituted a Code of Ethics ("Code"), binding the Adviser, its related persons, and all Adviser Employees to prioritize the interests of our Clients over their own and to conduct themselves with honesty and fairness in all dealings with Clients. Additionally, adherence to the Adviser's policies, along with compliance with applicable federal securities laws, is mandatory for all Adviser personnel.

The Adviser and its Employees may engage in exchanges of gifts, services, or other items with entities conducting or potentially conducting business with or on behalf of the Adviser. Policies and procedures govern such exchanges, including quarterly disclosure of gifts and business entertainment exceeding certain de minimis thresholds and pre-clearance by the Chief Compliance Officer above a specified de minimis threshold.

In the course of its activities, the Adviser may come into possession of confidential or material nonpublic information about issuers. The Adviser is prohibited from improper disclosure or use of such information for its benefit or any other person's benefit, irrespective of whether that person is a Client. The Adviser maintains and enforces policies to restrict communication of such information to those with a legitimate need, ensuring compliance with applicable law.

In certain situations, the Adviser may possess confidential or material nonpublic information that, if disclosed, could impact a decision to buy, sell, or hold a security. The Adviser is prohibited from communicating such information to the Client or using it for the Client's benefit, with no responsibility or liability to the Client, as per the Adviser's policies designed to ensure compliance with applicable law.

Moreover, the Adviser or its Employees may personally acquire securities recommended to Clients, potentially leading to conflicts of interest and affecting Clients adversely. These practices may compromise the Adviser's objectivity and harm Clients by impacting the execution price of their trades.

The Adviser has also adopted a Code of Ethics obligating all partners, officers, and employees (collectively, "Adviser Employees") to prioritize the interests of Adviser's Clients over personal interests and to act honestly and fairly in all dealings. Personal account trading procedures within the Code include preclearance approval through prohibition on executing personal securities transactions in certain situations, restrictions on liquidating reportable securities held for less than 60 days, and restrictions on acquiring beneficial ownership in securities in initial public offerings.

Adviser's Employees are required to execute an annual online certificate acknowledging their receipt and compliance with the Code. The Code serves as a standard of business conduct, reflecting the Adviser's fiduciary obligations, supervisory requirements, and compliance with applicable federal securities laws, with procedures to prevent the misuse of material nonpublic information by Adviser Employees.

Item 12 Brokerage Practices

The Strategy's accounts will be maintained with such brokers and custodians as the Adviser may designate from time to time. The Adviser has complete discretion regarding the selection of such brokers and the amount of brokerage commissions and fees paid to such brokers. Brokerage fees paid by the Strategy to brokers vary and may be greater than those typical for investment Strategy similar to the Strategy if the Adviser has determined that the research, execution and other services rendered by a particular broker merit greater than typical fees.

The Adviser makes investment decisions and arranges for the placement of buy and sell orders and the execution of portfolio transactions for the Strategy. In arranging for the execution of portfolio transactions on behalf of the Strategy, the Adviser seeks to obtain best execution on behalf of the Strategy. The Adviser has discretion to execute trades, select broker-dealers and negotiate commissions. In selecting broker-dealers, the Adviser seeks those broker-dealers who can provide best execution of transactions under the circumstances. The principal factors determining this selection are: (1) a broker's ability to access markets and effectively execute transactions; and (2) the net prices for such transactions. "Best execution" is not synonymous with lowest brokerage commission. Consequently, in a particular transaction the Strategy may pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction.

The Adviser may generate "soft dollars" with respect to the Strategy's trades; if it does so, the Adviser intends to comply with the safe harbor of Section 28(e) of the Securities Exchange Act of 1934, as amended. Under "soft dollar" arrangements, the brokerage firms would provide or pay the costs of certain services, equipment or other items for the benefit of the Strategy, the Adviser, or one or more of their affiliates in consideration of the allocation to the firm of brokerage transactions (with resulting commission income) made on behalf of the Strategy on both an agency and net basis. Services that may be furnished or paid for by brokers or dealers may include, without limitation (in addition to the research products and services described below) special execution capabilities, clearance, settlement, net pricing, online pricing, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, performance measurement data, consultations, financial strength and stability, efficiency of execution and error resolution, availability of stocks to borrow for short sales, custody, recordkeeping and similar services. Although these soft dollar arrangements may benefit the Strategy and the Adviser by reducing their respective expenses, the amount of the Management Fees payable to the Adviser will not be reduced. Because such services could be considered to benefit the Adviser and its affiliates, and the "soft dollars" used to acquire them are the assets of the Strategy, the Adviser could be considered to have a conflict of interest in allocating brokerage business on behalf of the Strategy. The Adviser believes, however, that to the extent it makes allocations of brokerage business and soft dollar arrangements, these would generally enhance the Strategy's ability to obtain research and optimal execution, as well as other benefits to the Strategy. Notwithstanding the foregoing, the Strategy will not necessarily benefit from all such soft dollar services. The Adviser and its affiliates and the Other Accounts they may advise may also derive substantial benefits from these services, particularly to the extent the Adviser uses soft dollars to pay for expenses it would otherwise be required to pay itself. Furthermore, because the extent of the products and services provided by these brokers will be based largely on the volume of commissions generated by the Strategy's trading activities, these soft dollar arrangements may create an incentive for the Adviser to increase the volume of the Strategy's trading activities.

Under Section 28(e) of the U.S. Securities Exchange Act of 1934, the Adviser's use of the Strategy's commission dollars to acquire "research" products and brokerage services is not a breach of the Adviser's fiduciary duty to the Strategy--even if the brokerage commissions paid are not the lowest available--as long as (among other requirements) the Adviser determines that the commissions are

reasonable in relation to the value of the brokerage services and the “research” acquired. For these purposes, “research” means services or products used to provide lawful and appropriate assistance to the Adviser in making investment decisions for all of its clients. The types of “research” the Adviser may acquire include: research reports on or other information about particular companies or industries; economic surveys and analyses; recommendations as to specific investments; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment and other computer hardware for use in running software used in investment decision making; and other products or services that may enhance the Adviser’s investment decision making. Research obtained by the use of “soft dollars” arising from the Strategy’s portfolio transactions may be used by the Adviser or its affiliates in its other investment activities and may benefit the Other Accounts, and the Strategy therefore may not, in any particular instance, be the direct or indirect beneficiary of the research provided. Where a product or service obtained with soft dollars provides assistance both within the safe harbor created by Section 28(e) and outside of the safe harbor, the Strategy will make a reasonable allocation of the cost that may be paid for with soft dollars and pay the remaining portion using the Adviser’s own hard dollars. The “safe harbor” is not available where the transactions that compensate a broker-dealer for “research” services or products are effected on a principal basis, with a markup or markdown paid to the broker-dealer (e.g., in transactions with market makers).

The Adviser intends generally to consider the amount and nature of services provided by brokers as well as the extent to which such services are relied on and will attempt to allocate a portion of the brokerage business of the Strategy and any such Other Accounts and entities on the basis of such considerations. The services received from brokers, however, may be used by the Adviser, its affiliates and principals in servicing some or all of such Other Accounts and entities, but not all such information may be used by the Adviser in connection with the Strategy. The Adviser believes that such an allocation of brokerage business will help the Strategy to obtain research and execution capabilities and provides other benefits to the Strategy.

If, in the Adviser’s reasonable judgment, the aggregation of sale and purchase orders of securities for the Strategy with similar orders for the Other Accounts is reasonably likely to result in administrative convenience or an overall economic benefit to the Strategy based on an evaluation that the Strategy is benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions or a combination of these and other factors, the Adviser may place “bunched orders” with respect to such trades. A bunched order is a group of orders for more than one client entered as one order. Bunched orders will be allocated to client accounts in a systematic non-preferential manner. If the bunched order does not fill at one price, resulting in partial fills, allocations to client accounts will be made on an average pricing basis. Average pricing amounts to adding up all the buys or sells at their particular price levels, multiplied by the number of contracts at each particular price level, and dividing by the total number of contracts to determine an average price for the whole bunched order. This is standard industry practice and the Strategy’s brokers will facilitate the process.

The Adviser is authorized to determine the brokers or dealers to be used for each securities transaction for the Strategy. Custody of the Strategy's investments will be maintained at one or more financial institutions or brokerage firms selected by the Adviser, under appropriate arrangements.

Item 13 Review of Accounts

The Adviser's investment team routinely assesses each Client portfolio to validate trades and evaluate whether current market conditions warrant maintaining specific securities positions. Simultaneously, the Middle Office conducts regular reviews of each Client's portfolio, focusing on positions, Client performance, trades, settlement accuracy, while the Compliance group ensures daily compliance with Client account guidelines, restrictions, limitations, and regulatory filing thresholds.

In response to significant market events, changes in a Client's investment objectives, or specific arrangements with particular Clients, more frequent reviews of Client accounts may be triggered. Clients provide reports to their investors as outlined in the respective Memorandum or detailed in the constituent documents.

Investors in Adviser's Hedge Funds and Long Only Funds can expect to receive weekly estimated performance, monthly capital statements detailing account information, including beginning and ending equity, transparency performance reports detailing attribution, exposure, and risk characteristics of the portfolio on a monthly basis. Additionally, Hedge Fund investors receive monthly transparency reports directly from the administrator, annual audited financial statements and K-1s (if applicable), and reports from a risk aggregator or Adviser, as agreed upon between the investor and the risk aggregator or Adviser.

Item 14 Client Referrals and Other Compensation

The Adviser is compensated exclusively by its clients and investors for providing investment advice.

From time to time, the Adviser uses an unaffiliated third-party placement agent for investor referrals.

Item 15 Custody

The Adviser intends to comply with Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended, by meeting the conditions of the pooled vehicle annual audit provision.

Item 16 Investment Discretion

The Adviser delivers investment advisory services to Clients on a discretionary basis. Before taking on the responsibility of managing a Client's assets, the Adviser establishes an investment management agreement or a similar document outlining the extent of the Adviser's discretion, including any investment restrictions specific to the Client's portfolio. In the absence of specific instructions from a discretionary Client, the Adviser is empowered to determine (a) the selection of securities to be bought or sold for the Client account, adhering to the constraints outlined in the relevant investment management agreement and any specified investment restrictions, and (b) the quantity of securities to be transacted for the Client account. Due to variations in Client investment objectives, Strategy, risk tolerances, tax statuses, and other criteria, there may be divergences in the positions and securities held among Clients.

Item 17 Proxy Voting

In cases where the Adviser holds delegated proxy voting authority on behalf of the Strategy, it adheres to established proxy voting policies and procedures. These protocols are designed to ensure that when the Adviser exercises proxy votes for Client securities, such decisions align with the best interests of the Clients. The Adviser generally votes proxies in the best interests of each individual fund, potentially leading to varying voting outcomes for proxies related to the same issuer.

Item 18 Financial Information

This Item 18 is not applicable.