

PinnBrook Capital Management LP

**437 Madison Avenue, 27th Floor
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This “**Brochure**” provides information about the qualifications and business practices of PinnBrook Capital Management LP (hereinafter “**PinnBrook**”, “**we**”, “**us**”, “**our**” or the “**Firm**”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“**CCO**”), Thomas Dwan, by email at tdwan@pinnbrook.com. 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.

PinnBrook is a registered Investment Adviser with the SEC. Registration as an investment adviser does not imply that PinnBrook or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

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

Item 2: Material Changes

This Brochure is PinnBrook's Annual Amendment to Form ADV Part 2A. There have been no material changes since PinnBrook's last Annual Update in March 2023. Routine updates and enhancements to PinnBrook's disclosures were made during this Form ADV Annual Amendment. In the future, if the Brochure contains material changes from our last update, we will identify and discuss those changes in this section. Please review this section in its entirety for all future material updates.

Item 3: Table of Contents

Item 2: Material Changes	2
Item 3: Table of Contents	3
Item 4: Advisory Business.....	4
Item 5: Fees and Compensation	5
Item 6: Performance-Based Fees and Side-By-Side Management.....	6
Item 7: Types of Clients	6
Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss	6
Item 9: Disciplinary Information.....	14
Item 10: Other Financial Industry Activities and Affiliations.....	14
Item 11: Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading	15
Item 12: Brokerage Practices.....	15
Item 13: Review of Accounts	16
Item 14: Client Referrals and Other Compensation	17
Item 15: Custody	17
Item 16: Investment Discretion	17
Item 17: Voting Client Securities	17
Item 18: Financial Information.....	17

Item 4: Advisory Business

PinnBrook Capital Management LP (hereinafter “**PinnBrook**”, “**we**”, “**us**”, “**our**”, or the “**Firm**”) is organized as a Delaware limited partnership. The Firm was founded in January 2021 with a principal place of business New York, New York. PinnBrook is principally owned by Zach Kurz (the “**Principal**” or “**Managing Partner**”).

PinnBrook provides discretionary investment management services to qualified investors through its private funds: PinnBrook Partners LP; PinnBrook Offshore Fund Ltd.; PinnBrook Offshore Fund (AUD) Ltd., and PinnBrook Master Fund LP.

We serve as the investment adviser, with discretionary trading authority, to private, pooled investment vehicles, the securities of which are offered through a private placement memorandum to accredited investors, as defined under the Securities Act of 1933, as amended, and qualified purchasers, as defined under the Investment Company Act of 1940, as amended. We do not tailor our advisory services to the individual needs of any particular investor.

PinnBrook currently manages the following private, pooled investment vehicles:

- PinnBrook Offshore Fund Ltd., a Cayman Islands exempted company (the “**Offshore Fund**”);
- PinnBrook Offshore Fund (AUD) Ltd., a Cayman Islands exempted company (the “**AUD Offshore Fund**”)
- PinnBrook Partners LP, a Delaware limited partnership (the “**Onshore Fund**”); and
- PinnBrook Master Fund LP, a Cayman Islands exempted limited partnership (the “**Master Fund**”).

The Master Fund, the Onshore Fund, the AUD Offshore Fund and the Offshore Fund are herein each referred to as a “**Fund**” or “**Client**”, and collectively referred to as the “**Funds**” or the “**Clients**”.

The Onshore Fund, Offshore Fund, and AUD Offshore Fund will be collectively referred to as the “**Feeder Funds**.”

The Onshore Fund’s “**Limited Partners**” and the AUD Offshore Fund’s and Offshore Fund’s “**Shareholders**” are hereafter collectively referred to as the “**Investors**” where appropriate.

PinnBrook Capital LLC is the Fund “**General Partner**” for both the Onshore Fund and the Master Fund. The General Partner may also be referred to as the “**Fund General Partner**” or “**GP**”.

PinnBrook also has two “**Affiliated Entities**” located in the United Kingdom. PinnBrook Capital Management UK Ltd. is the sponsor of PinnBrook Capital Management Partners UK LLP, which provides research services to the Firm. Together, these Affiliated Entities will be referred to as the “**Affiliates**”.

PinnBrook and its Funds, have entered into an agreement (the “**Strategic Relationship Agreement**”) with a strategic investor in the Funds (the “**Strategic Investor**”). The Strategic Investor has received certain other rights, including, without limitation, consent, notice, and transparency rights. The Strategic Investor has no ownership or other interest in the Firm or the General Partner, and has no obligations or responsibilities to, and will not be involved in the management of the Funds. However, the Strategic Investor is entitled to a share of the Firm’s revenues, i.e. the Management Fee (defined below) and performance-based fees noted in Item 5.

Our investment decisions and advice with respect to the Funds are subject to each Fund's investment objectives and guidelines, as set forth in its respective **"Offering Documents."**

We do not currently participate in any Wrap Fee Programs.

As of December 31, 2023, PinnBrook managed Regulatory Assets under Management ("RAUM") of approximately \$1,134,528,348 on a discretionary basis.

Item 5: Fees and Compensation

The fees applicable to each of the Funds are set forth in detail in the corresponding Offering Documents. A brief summary of such fees is provided below.

Management Fee

PinnBrook is paid an investment management fee ("**Management Fee**") based upon the net asset value of the Funds. The Management Fee is paid quarterly in advance, prorated for subscriptions into or withdrawals or redemptions from the Funds, as applicable. The Firm, in its sole discretion, may waive or modify the Management Fee for any Investor.

Other Types of Fees or Expenses

PinnBrook is authorized to incur and pay in the name and on behalf of the Funds all expenses which they deem necessary or advisable.

The Firm shall render its services to the Funds at its own expense and will be responsible for its overhead expenses including: office rent; furniture and fixtures; stationery; secretarial/internal administrative services; salaries and bonuses; entertainment expenses; employee insurance and payroll taxes.

All other expenses shall be paid by the Feeder Funds (or by the Master Fund and allocated to the Feeder Funds) and shall include, but are not limited to: the Management Fee; legal, compliance (including consultants' fees), risk management expenses (including software licensing and consultants' fees), administrator (including, but not limited to, middle and back office services and software necessary for trade capture and portfolio management), audit and tax preparation (including third-party tax preparation) and accounting expenses (including third party accounting services and accounting software); Organizational Expenses (as defined below); execution and order management system fees and expenses; investment expenses such as commissions, research fees and expenses (including Bloomberg and similar subscriptions and data services and reasonable research-related travel expenses (including meals and lodging)); interest on margin accounts and other indebtedness; borrowing charges on securities sold short; custodial fees; bank service fees; Fund-related insurance costs (including no more than 75% of D&O and E&O insurance for the Firm and the General Partner and members of the Governance Committee); independent Master Fund Governance Committee members' fees and expenses; expenses of regulatory compliance (including compliance with AIFMD and AEOI), filings and reporting (including but not limited to Section 13, Section 16 and Form PF filings); directors' fees; pricing service fees; portfolio valuation expenses (including data feeds and third-party valuation agents); and any other expenses related to the purchase, sale or transmittal of Fund assets. Each Feeder Fund will bear its pro rata share of the Master Fund's expenses. To the extent that an expense relates only to the Onshore Feeder, the Offshore Feeder, the AUD Offshore Feeder or any other investment vehicle that invests in the Fund, generally it will be allocated to and solely paid by such vehicle. The organizational expenses of the Funds (including expenses of the initial offer and sale of limited partnership interests in the Onshore Feeder and common shares of the Offshore Feeder and the AUD Offshore Feeder) (the "**Organizational Expenses**") will be paid by the Funds. Organizational Expenses, for net asset

value purposes and in the sole discretion of the General Partner, will be amortized over a period of up to 60 months from the date the Funds commence operations unless to do so would result in a qualification of the Funds' financial statements, although, if the Funds deem appropriate, such amounts may be accelerated (for example, if a Fund terminates within 60 months of its commencement).

In general, each Investor bears its proportionate share of the Fund expenses on a pro rata basis with respect to the size of such Investor's capital account(s) or with respect to the relative net asset value of the shares held by such Investor, as applicable.

Notwithstanding the foregoing, the Fund General Partner and/or the Firm, as applicable, may specially allocate the expenses described herein in any other manner, including by allocating certain expenses to certain (but not all) Investors, if the Fund General Partner and/or the Firm, as applicable, reasonably determines, in its discretion, that it is more equitable to do so.

To the extent that expenses to be borne by the Funds are paid by the Firm or its affiliates, the Funds will reimburse the Firm or its affiliates for such expenses. We may waive any such reimbursement with respect to any Fund expenses. Any waiver by us for reimbursement of any Fund expenses shall not serve as a waiver of reimbursement for any future Fund expenses to be paid by us or our affiliates.

Neither the Firm nor its employees accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

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

We and our affiliates are entitled to a performance-based compensation. As a result, we and our affiliates do not face certain conflicts of interest that may arise when an investment adviser accepts performance-based fees from some clients, but not from other clients.

Performance-based allocation arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which we would recommend under a different arrangement.

Item 7: Types of Clients

Our clients are the Funds, as described in Item 4 above, and the Funds are generally open to, among others, institutions, pension plans, endowments, high net-worth individuals, financially sophisticated individuals, and other sophisticated investors.

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

The descriptions set forth in this Brochure of specific advisory services that we offer to Clients, and investment strategies pursued and investments made by us on behalf of our Clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each Client's investment objectives and guidelines as set forth in the Offering Documents. The investment strategies we pursue are speculative and entail substantial risks. Clients should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

Investment Objective

The Firm's investment objective is to generate attractive risk adjusted returns primarily in liquid global markets by creating a multi-asset class, discretionary, global macro trading fund. The Firm seeks to achieve this goal through in-house fundamental research, portfolio construction, and experience and market knowledge, combined with effective risk management. The investment strategy focuses on the sequencing of market paths and narratives, identifying catalysts via rigorous organization and accumulated market experience.

There can be no assurance that the Funds will realize its investment objective.

Risk Management

The Funds' investment program is speculative and entails substantial risks. There can be no assurance that the investment objectives of the Funds will be achieved or that the Funds will be profitable, and results may vary substantially over time. The Firm focuses on managing risk through the quality of its investment process and monitoring of investments. The Firm may not broadly diversify the portfolio, and, in such event, the Funds will bear greater risk with respect to each investment than would be the case with respect to a diversified portfolio.

Risk of Loss Factors

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the clients advised by us. These risk factors include only those risks we believe to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by us.

An investment involves significant risks, and is suitable only for those persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment, and who have met the conditions set forth in the Offering Documents. There can be no assurances that we will achieve our investment objectives. An investment carries with it the inherent risks associated with investments in publicly-traded stocks and bonds, options, and related instruments, including, without limitation, the risks described below. Each prospective investor should carefully review the Offering Documents and the documents referred to herein before deciding to invest with the Funds.

Market Risks:

The profitability of a significant portion of the Funds' investment program depends to a great extent upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that the Firm will be able to predict accurately these price movements. Although the Firm may attempt to mitigate market risk through the use of long and short positions or other methods, a significant degree of market risk can be expected to remain.

Nature of Investments:

The Firm has broad discretion in making investments for the Funds. Investments generally consist of equities, equity-related securities, options, credit-related securities, commodity instruments and derivatives and other assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that the Firm will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Funds' activities and the value of its investments. In addition, the value of the Funds' portfolio may fluctuate as the general level of interest rates

fluctuates. No guarantee or representation is made that the Funds' investment objective will be achieved.

Equity-Related Instruments in General:

The Firm may use equity-related instruments in its investment program. Certain options and other equity-related instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.

Short Sales:

Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase. There is also the risk that the securities borrowed by the Funds in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, and the Funds may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short. From time to time regulatory or legislative action taken by U.S. or Non-U.S. regulators may restrict the ability of the Funds to engage in short selling, which could impact that Funds' ability to carry out its investment program.

Options:

The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security, commodity or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium. Additionally, the premium paid for an option is based, in part, on the time to expiration, and with the passage of time, the premium associated with an option declines, assuming all other factors being equal. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received (which could result in a potentially unlimited loss). Over-the-counter options also involve counterparty solvency risk.

Fixed Income Securities:

The Funds invest in fixed income securities and other debt securities. Certain of these securities may be unrated by a recognized credit-rating agency or below investment grade, which are subject to greater risk of loss of principal and interest than higher-rated debt securities. Accordingly, these securities tend to be more sensitive to economic conditions and tend to reflect individual corporate developments to a greater extent than do higher-rated securities, which primarily react to fluctuations in the general level of interest rates. Issuers of lower-rated debt securities are often highly leveraged and may not have access to more traditional methods of financing. Furthermore, trading in these types of securities may be limited or disrupted by an economic recession, resulting in an adverse impact on the value of such securities. Moreover, it is likely that an economic downturn could affect the ability of the issuers to repay principal and pay interest thereon resulting in a high potential of default.

Additionally, the Funds may invest in debt securities that rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Funds may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The Funds are therefore subject to credit and liquidity risks. In addition, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments. An investment in a debt instrument normally involves the assumption of interest rate risk.

Credit Risk:

The issuers of debt instruments may face significant ongoing uncertainties and exposure to adverse conditions that may undermine each issuer's ability to make timely payment of interest and principal. In addition, major economic downturns and financial market swings have adversely affected, and could in the future adversely affect, the ability of some issuers to repay principal and pay interest and may increase the incidence of default for debt instruments. Changes in the financial condition of an issuer, changes in general economic conditions, and changes in specific economic conditions that affect a particular type of issuer can impact the credit quality of an issuer and the value of an issuer's outstanding debt. Lower quality instruments are often considered to be speculative in nature and involve greater risk of default and tend to be more sensitive to these changes than higher quality instruments.

Interest Rate Risk:

A change in interest rates can have a significant effect on any portfolio of fixed income assets. To the extent that the cash flow from a fixed income security is known in advance, the present value (i.e., discounted value) of that cash flow decreases as interest rates increase; to the extent that the cash flow is contingent, the dollar value of the payment may be linked to then-prevailing interest rates. The Funds may attempt to minimize the exposure of the portfolio to interest rate changes through the use of interest rate swaps, interest rate futures and/or interest rate options. However, there can be no guarantee that PinnBrook will be successful in fully mitigating the impact of interest rate changes on the portfolio.

Use of Leverage:

The Funds may utilize leverage. This results in the Funds controlling substantially more assets than the Funds has equity. Leverage increases the Funds' returns if the Funds earn a greater return on investments purchased with borrowed funds than the Funds' cost of borrowing such funds. However, the use of leverage exposes the Funds to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had the Funds not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Funds' cost of borrowing such funds. In the event of a sudden, precipitous drop in value of the Funds' assets, the Funds might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying its losses.

In an unsettled credit environment, the Firm may find it difficult or impossible to obtain leverage for the Funds. In such event, the Funds could find it difficult to implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in the Firm being forced to unwind the Funds' positions quickly and at prices below what the Firm deems to be fair value for such positions.

Hedging Transactions:

The Funds may utilize a variety of financial instruments such as derivatives, options, swaps, caps and floors, forward contracts for both risk management and general investment and speculation purposes. With respect to the Funds' risk management and hedging transactions, there can be no assurances that a particular hedge is appropriate, or that a certain risk is measured properly. Further, while the Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for the Funds than if it did not engage in any such hedging transactions. In addition, the Funds may choose not to enter into hedging transactions with respect to some or all of its positions.

Portfolio Turnover:

The investment strategy of the Funds may require the Firm to actively trade the Funds' portfolio, and as a result, turnover and brokerage commission expenses of the Funds may significantly exceed those of other investment entities of comparable size.

Non-Diversification:

While the Firm intends to seek to avoid excessive concentration in individual industries or geographies on behalf of the Funds, the Funds' portfolio could become relatively concentrated in any one issuer, market capitalization, industry, type of security and geographic area, and such concentration may increase the losses suffered by the Funds as the investment portfolio of the Funds may be subject to more rapid change in value than would be the case if the Funds were required to maintain a wider diversification among issuers, market capitalizations, industries, types of securities and geographic areas.

Non-U.S. Securities:

The Funds invest on a global basis. Investing in securities of non-U.S. governments and companies which are generally denominated in non-U.S. currencies and utilization of options and swaps on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States government or United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Emerging Markets:

Investing in emerging market debt or equity involves certain risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include: (a) the risk of nationalization or expropriation of assets or confiscatory taxation; (b) social, economic and political uncertainty including war; (c) dependence on exports and the corresponding importance of international trade; (d) price fluctuations, less liquidity and smaller capitalization of securities markets; (e) currency exchange rate fluctuations; (f) rates of inflation; (g) controls on foreign investment and limitations on repatriation of invested capital and on the Funds' ability to exchange local currencies for U.S. dollars; (h) governmental involvement in and control over the economies; (i) that governments may decide not to continue to support economic reform programs generally and could impose centrally planned economies; (j) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (k) less extensive regulation of the securities markets; (l) longer settlement period

for securities transactions; (m) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; and (n) certain considerations regarding the maintenance of Fund portfolio securities and cash with non-U.S. sub-custodians and securities depositories.

Emerging Markets Regulatory/Legal Risks:

In emerging markets, there may be less government supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers and issuers than in other more established countries. Whatever supervision is in place may be subject to manipulation or control. While many emerging market countries have matured legal systems comparable to those of more developed countries, others do not. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments which could result in investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be a risk of conflict among local, regional and national requirements. In certain cases, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary appreciation or interpretation. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. The Funds may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in non-U.S. courts.

Counterparty Risk:

To the extent that the Fund invests in swaps, "synthetic" or derivative instruments, repurchase agreements, forward contracts, certain types of options or other customized financial instruments, or, in certain circumstances, non-U.S. securities, the Funds takes the risk of non-performance by the other party to the contract. This risk may include credit risk of the counterparty and the risk of settlement default. This risk may differ materially from those entailed in exchange-traded transactions that generally are supported by guarantees of clearing organizations, daily mark-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

Commodity and Futures Contracts:

The Funds may also invest in commodity or futures contracts. Trading in commodity and futures contracts and options thereon are highly specialized activities which while they may increase the total return in the Funds' investments, may entail greater than ordinary investment risks.

Commodity futures markets are highly volatile and are influenced by factors such as changing supply and demand relationships, governmental programs and policies, national and international political and economic events and changes in interest rates. In addition, because of the low margin deposits normally required in commodity futures trading, a high degree of leverage may be typical of a commodity futures trading account. As a result, a relatively small price movement in a commodity futures contract may result in substantial losses to the trader. Commodity futures trading may also be illiquid. Certain commodity exchanges do not permit trading in particular futures contracts at prices that represent a fluctuation in price during a single day's trading beyond certain set limits. If prices fluctuate during a single day's trading beyond those limits, the Firm could be prevented from promptly liquidating unfavorable positions and thus be subject to substantial losses.

Commodity options, like commodity futures contracts, are speculative, and their use involves risk. Specific market movements of the cash commodity or futures contract underlying an option cannot be predicted, and no assurance can be given that a liquid offset market will exist for any particular futures option at any particular time.

Derivatives:

To the extent that the Funds invest in swaps, derivative or synthetic instruments, or enters into repurchase agreements or other over-the-counter transactions, the Funds may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organization guarantees, more frequent mark-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets (directly or indirectly) of the Funds, and hence the Funds should not be exposed to a credit risk with regard to such parties. However, it may not always be possible to achieve this segregation, and there may be practical, or time problems associated with enforcing rights to its assets in the case of an insolvency of any such party.

Currency Risks:

The Funds may have exposure to fluctuations in currency exchange rates. It may, in part, seek to offset the risks associated with this exposure or enter into foreign exchange transactions to increase its returns. These transactions involve a significant degree of risk and foreign exchange markets are volatile, specialized and technical. Significant changes, including changes in liquidity and prices, can occur in these markets within very short periods of time. Changes in exchange rates over time are the result of many factors directly or indirectly affecting the economic and political conditions in the country or economic region associated with a specific currency. Exchange rates fluctuate for a number of reasons, including:

- existing and expected rates of inflation,
- existing and expected interest rate levels,
- the balance of payments between the relevant country and its major trading partners,
- political, civil or military unrest in the relevant country or economic region; and
- monetary, fiscal and trade policies of the relevant country or economic region (including pegging, de-pegging, flooring or capping an exchange rate relative to another currency).

Governments use a variety of techniques, such as intervention by their central banks or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Foreign exchange rates can either be fixed by sovereign governments or floating. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to the value of other currencies. However, governments do not always allow their currencies to float freely in response to economic forces. Governments use a variety of techniques, such as intervention by their central bank or imposition of regulatory controls or taxes, to affect the trading value of their respective currencies. They may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. The value of the Funds could be affected by the actions of sovereign governments, which could change or interfere with theretofore freely determined currency valuation, fluctuations in response to other market forces and the movement of currencies across borders. Additionally, market perceptions of the relative strength or cohesion

of a specific political state or monetary union can dramatically affect the value of a currency. Fluctuations in exchange rates may negatively impact the value of an investment in the Funds to the extent the Funds have currency exposure in the form of a hedge, a non-U.S. dollar denominated instrument or as a standalone position.

Exchange-Traded Funds:

The Funds may invest in shares of exchange-traded funds (“ETFs”), including for hedging purposes. As investors in ETFs, the Funds bear their ratable share of various fees, allocations, and expenses of the ETF, all of which are embedded in the net asset value of the ETF. ETFs represent shares of ownership in either funds or unit investment trusts that hold portfolios of common stocks, bonds or other instruments, which are designed to generally correspond to the price and yield performance of an underlying index. A primary risk factor relating to ETFs is that the general level of stock or bond prices may decline, thus affecting the value of an equity or fixed income ETF, respectively. An ETF may also be adversely affected by the performance of the specific sector or group of industries on which it is based. Moreover, although ETFs are designed to provide investment results that generally correspond to the price and yield performance of their underlying indices, ETFs may not be able to exactly replicate the performance of the indices because of their expenses and other factors. It should also be noted that the Investment Company Act of 1940, as amended (the “**Investment Company Act**”) places certain restrictions on the percentage of ownership that a private investment fund may have in a registered investment company (an ETF is a registered investment company).

Forward Foreign Exchange Contracts:

The Funds may enter into forward foreign exchange contracts. A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered. As a result of the US Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Dodd-Frank Act**”), the CFTC now regulates non-deliverable forwards (including deliverable forwards where the parties do not take delivery). Changes in the forward markets may entail increased costs and result in burdensome reporting requirements.

Certain of the forward foreign exchange contracts which the Funds may trade are effected through the interbank market. The interbank market is not a market with a specific location but rather a network of electronically linked participants. Central clearing is only offered in respect of certain types of forward foreign exchange contracts entered into on this market and accordingly, if the Funds wishes to “close out” any such contract before the specified date, it will be reliant upon the agreement of the relevant counterparty. There is currently no limitation on the daily price movements of forward contracts, and none of the Funds' counterparties are required to make or continue to make a market in any forward contracts. In exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward contracts or have quoted prices with an unusually widespread between the price at which the bank is prepared to buy and that at which it is prepared to sell. The imposition of credit restrictions on the dealing facilities which any counterparty may agree to provide to the Funds may subsequently limit the ability of the Funds to enter into transactions in forward foreign exchange contracts. For forward foreign exchange contracts that are not regulated as swaps by the CFTC or not yet subject to mandatory exchange trading or clearing by the CFTC, the Funds can be subject to the risk that the Funds' counterparties may be unable or refuse to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the Funds to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

Credit Default Swap Agreements:

The Funds may utilize credit default swaps. The buyer of a credit default contract is obligated to pay the seller either a lump sum payment or a periodic stream of payments over the term of the contract in return for a contingent payment upon the occurrence of a credit event with respect to an underlying reference obligation or entity. Generally, a credit event means bankruptcy, failure to pay, cross default/acceleration, obligation acceleration, repudiation/moratorium, restructuring, or rating decline. The Funds may be either the buyer or seller in a transaction. If the Funds are a buyer and no credit event occurs, the Funds will have made fixed payments and received nothing. However, if a credit event occurs, the Funds, as buyers, typically will receive full notional value for a reference obligation that may have little or no value. As a seller, the Funds receive a fixed rate of income throughout the term of the contract, which typically is between one month and five years, provided that no credit event occurs. If a credit event occurs, the seller may pay the buyer the full notional value of the reference obligation which may have little or no value.

In addition to general market risks, credit default swaps are subject to liquidity risk and credit risk. Swap contracts are not traded on exchanges and are not otherwise regulated, and as a consequence investor in such contracts do not benefit from regulatory protections. The selling of credit default swaps involves greater risks than if the Funds had invested in the reference obligation directly. If a credit event were to occur, the value of the reference obligation received by the seller, coupled with the periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value. The buyer of credit default swaps will incur a loss if the seller fails to perform on its obligation should a credit event occur. In certain circumstances, the buyer can receive the notional value of a credit default swap only by delivering a physical security to the seller and is at risk if deliverable security is unavailable or illiquid.

Total Rate of Return Swaps:

Under a total rate of return swap, the Funds may be obligated to make certain periodic payments in exchange for the total rate of return on a referenced asset, such as an eligible loan or bond, and such return will include interest and the gain or loss on such asset over the term of the swap. Swap facilities often require covenants or qualifications related to referenced assets, including, but not limited to, covenants or qualifications regarding ratings and liquidity of a referenced asset or the diversification of a portfolio as a whole. The Funds may be required to maintain collateral with the total rate of return swap counterparty. If the Funds fail to fulfill their payment obligations or fails to post any required collateral under a total rate of return swap or if the Funds have a substantial decline in net asset value, the counterparty may declare an event of default and, as a result, the Funds may be required to pay swap breakage fees, suffer the loss of the amounts paid to the counterparty and forego the receipt from the counterparty of further total return swap payments.

Item 9: Disciplinary Information

To the best of our knowledge, there are no legal or disciplinary events that are material to an Investor's or prospective investor's evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

Neither we nor our management persons are registered as broker-dealers, and neither of us has any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer, respectively. The Affiliates only provide services to the Firm and are not engaging in any activities outside of providing investment research to the Firm's investment personnel.

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

Code of Ethics

PinnBrook has adopted a “**Code of Ethics**” that establishes the high standard of conduct that we expect of our employees and procedures regarding our employees’ personal trading of securities. Our employees are required to certify their adherence to the terms set forth in the Code of Ethics upon commencement of employment and annually thereafter. Employees also are required to provide quarterly certifications of compliance with certain Code of Ethics provisions.

The foundation of our Code of Ethics is based upon the following underlying fiduciary principles:

- Employees must at all times place the interests of the Funds and Investors first;
- Employees must ensure that all personal securities transactions are conducted consistent with the Code of Ethics’ Employee Personal Investment Policy (described below); and
- Employees should not take inappropriate advantage of their position at the Firm.

Employees are not permitted to maintain personal brokerage accounts for the purpose of trading single name equity securities or any of their derivatives except for the purpose of holding or liquidating any such holdings after the commencement of employment. Employees are permitted to liquidate positions held at the time of employment in Reportable Securities (a “**Liquidating Trade**”) subject to pre-clearance by the CCO. Employees may also transact in broad-based market products, such as indices, ETFs, ETNs, etc., and their derivatives. Employees are prohibited from participating in Initial Public Offerings (“**IPOs**”). Employees are also prohibited from personally, or on behalf of a Client, purchasing or selling securities that appear on the Firm’s Restricted List.

Employees must obtain pre-approval from the CCO before: (i) engaging in any outside business activities; or (ii) making any private investments.

We will provide a copy of our Code of Ethics to our Investors, or any prospective investor, upon request, to be viewed on the premises.

Item 12: Brokerage Practices

PinnBrook is authorized to determine the broker-dealer to be used for executing securities transaction for the Funds. In selecting broker-dealers to execute transactions, we do not need to solicit competitive bids and do not have an obligation to seek the lowest available commission cost. It is not our practice to negotiate “execution only” commission rates; therefore, the Funds may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate.

We shall also have the authority to select and appoint custodians of the assets of the Funds. The Firm’s authority is limited by its own internal policies and procedures and each Fund’s investment guidelines.

Best Execution

In selecting an appropriate broker-dealer to effect a client trade, we seek to obtain “**Best Execution**,” meaning generally the execution of a securities transaction for a client in such a

manner that a client's total costs or proceeds in the transaction are most favorable under the circumstances. Accordingly, in seeking Best Execution, we will take into consideration the price of a security offered by the broker-dealer, as well as a broker-dealers' full range and quality of their services including, among other things, their facilities, reliability and financial responsibility, execution capability, commission rates, responsiveness to us, brokerage and research services provided to us (for example, research ideas, analysis, and investment strategies), special execution and block positioning capabilities, clearance, and settlement and custodial services.

Soft Dollars

The Firm may use "**Soft Dollars**". In such cases, Soft Dollar credits, generated by the Fund's trading activities, would be used to purchase brokerage and research services or products that would otherwise have been Fund expense. We intend to keep any such arrangements within the parameters of the safe harbor of Section 28(e) of the Exchange Act.

Neither PinnBrook nor any related person receives client referrals from any broker-dealer or third party. However, subject to best execution, we may consider, among other things, capital introduction and marketing assistance with respect to Investors in the Funds in selecting or recommending broker-dealers for the Funds.

The provision by a broker of research and other services and property to us creates an incentive for us to select such broker since we would not have to pay for such research and other services and property as opposed to solely seeking the most favorable execution for a client. Any research, services or property provided by a broker may benefit any client and such benefits may not be proportionate to commission dollars related to the provision of such research, services or property.

Trade Error Policy

PinnBrook's "**Trade Error Policy**" provides that any Trade Error should be corrected as soon as possible following discovery of the Trade Error in accordance with the principles and procedures described below. The Firm generally will seek to detect such errors prior to settlement and promptly correct and/or mitigate them.

A Trade Error may not be resolved by reallocating the trade to another Client. Soft Dollar credits, if any, may not be used to pay for correcting Trade Errors.

Item 13: Review of Accounts

Our Portfolio Manager and investment professionals continuously monitor and analyze the transactions, positions, and investment levels of the Fund to ensure that they conform with the investment objectives and guidelines that are stated in the Fund's Offering Documents. In these reviews, the Firm pays particular attention to any changes in the investment's fundamentals, overall risk management and changes in the markets that may affect price levels.

Account Reporting

We perform various periodic reviews of each client's portfolio. Such reviews are conducted by our officers.

We will distribute an audited financial report with respect to the previous fiscal year to all Investors within 120 days of fiscal year end. We may also distribute quarterly unaudited net asset value statements, quarter-end performance reports, and a quarterly investor letter to all Investors.

Item 14: Client Referrals and Other Compensation

We do not receive economic benefits from non-clients for providing investment advice and other advisory services. Neither we nor any of our related persons, directly or indirectly, compensate any person who is not a supervised person for client referrals.

Item 15: Custody

We are deemed to have custody of Client funds and securities because we have the authority to obtain Client funds or securities, for example, by deducting advisory fees from a Client's account or otherwise withdrawing funds from a Client's account. Account statements related to the Clients are sent by qualified custodians to PinnBrook.

We comply with Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”) (i.e., the “custody rule”) by meeting the conditions of the pooled vehicle annual audit approach. Upon completion of the relevant Fund’s annual audit by an independent auditor that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board (PCAOB), we will distribute the Fund’s audited financials to Investors within 120 days of such Fund’s fiscal year end.

Item 16: Investment Discretion

We have full discretionary investment authority with respect to the Funds, including authority to make decisions with respect to which securities to be bought and sold, as well as the amount and price of those securities.

Item 17: Voting Client Securities

In compliance with Rule 206(4)-6 of the Advisers Act (i.e., the “proxy voting rule”), we have adopted proxy voting policies and procedures. The general policy is to vote all proxy proposals, amendments, consents or resolutions (collectively, “**Proxies**”) in a prudent and diligent manner that serves the applicable Client’s best interests and is in line with the Client’s investment objectives.

If we decide to vote proxy, we take into account all relevant factors, as determined by us in our discretion, including, without limitation:

- the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities;
- the anticipated associated costs and benefits;
- the continued or increased availability of portfolio information; and
- industry and business practices.

Generally, clients may not direct our vote in a particular solicitation.

Clients may obtain a copy of our Proxy voting policies and our Proxy voting record upon request.

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.