

Treesdale Partners, LLC

Part 2A of Form ADV (the
“Brochure”)

March 25, 2019

Office Location:

1325 Avenue of the Americas Suite
2302
New York, NY 10019

Contact:

Yung Lim
Managing Member
(212) 397-7539
YLim@treesdalellc.com

Website Address:

www.treesdalellc.com

This *brochure* provides information about the qualifications and business practices of Treesdale Partners, LLC. If you have any questions about the contents of this *brochure*, please contact us at (212) 397-7539 and/or ylim@treesdalellc.com. The information in this *brochure* has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Treesdale Partners, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

TREEDALE PARTNERS, LLC
1325 Avenue of the Americas, Suite 2302
New York, NY 10019

03/25/2019

Re: Annual Disclosures

Dear Investors,

Treesdale Partners, LLC is required to provide certain disclosure information to each of our clients on an annual basis. Pursuant to meeting our disclosure requirements, the purpose of this letter is to notify you of any material changes to our Form ADV Part 1 and 2A Disclosure Brochure ("Disclosure Brochure") since the last annual update of the Disclosure Brochure and to notify you that a complete copy of our Disclosure Brochure is available upon request. If you would like a current copy of the Disclosure Brochure, you may contact us at via e-mail address (finance@treesdalellc.com), or at telephone number (212) 246-4234. Please note that you may obtain information about our firm and our individual investment adviser representatives at the Investment Adviser Public Disclosure (IAPD) website address (<http://www.adviserinfo.sec.gov/>).

The Disclosure Brochure provides information about our firm, including a description of our programs, fees, conflicts of interests, and other business activities. We last provided you with a copy of our Disclosure Brochure on March 20, 2018. Since that time, there have been no material changes to the Disclosure Brochure.

Enclosed please also find a copy of our firm's Privacy Policy Notice, which describes our commitment to protecting the privacy of our clients' confidential information.

You are welcome to contact me if you have any questions regarding any of the changes made to the annual disclosure provided within this letter.

Sincerely,

Yung Lim
Treesdale Partners, LLC | Managing Partner
1325 Avenue of the Americas, Suite 2302
New York, NY 10019
Phone: (212) 397-7539
Mobile: (917) 892-9075

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Item 4 Managing Members

Yung Lim

Managing Partner

Yung Lim, born 1961, is Co-Founder and sole Managing Member of Treesdale Partners, LLC, where he sits on the Executive Investment Committee of the multi-manager funds and direct investment funds. He has over thirty one years of experience in the fixed income and related markets serving in various roles, including investment management, risk advisory and development of new businesses. During the past sixteen years, he has managed and sub-advised fixed income focused alternative assets with emphasis on relative value and structured product strategies at Treesdale. More recently, he has overseen the management of direct investment vehicles involving fixed income, currency and commodity products.

Early in his career, Mr. Lim spent six years at Merrill Lynch and was the vice president in charge of risk management for their mortgage desk, typically handling \$5 billion in inventory. Prior to this, he served as the key senior portfolio strategist in the mortgage department responsible for providing investment advice to major institutional clients. After Merrill Lynch, Mr. Lim was a senior consultant at Andrew Davidson & Co., Inc., a premier consulting firm specializing in structured products, where he performed advisory work for major financial institutions and developed and marketed advanced analytical tools for mortgage securities. Mr. Lim also founded Pedestal in early 1997 to provide a comprehensive electronic platform serving the mortgage market, funded by Reuters, Deutsche Bank, and Battery Ventures. Mr. Lim has co-authored a book on advanced valuation and analysis techniques for mortgage securities titled *Collateralized Mortgage Obligations*, by Davidson, Ho, and Lim. He has also published various articles in major fixed-income publications, including *Bond and Mortgage Markets*, edited by Frank Fabozzi. Mr. Lim has an M.B.A. from the University of Chicago and a B.S. in Electrical Engineering from the California Institute of Technology.

Item 5 Advisory Business

Treesdale Partners, LLC (the “Adviser” or the “firm”) is a limited liability company formed under the laws of the State of Delaware on August 2, 2002. The principal owner of the firm is Yung Lim. The Adviser provides investment advisory services with respect to private and public, pooled investment vehicles, including investment funds and managed accounts (each a “Fund”; together, the “Funds”). In particular, the Adviser manages and sub-advises funds of hedge funds, exchange traded funds and mutual funds. The Adviser’s fund of hedge fund platform generally focuses on relative value and macro strategies primarily in fixed income and currency sectors.

With respect to its fund of hedge fund pools, the Adviser regularly monitors primarily fixed income and currency focused hedge fund managers that employ, within prudent risk management frameworks, relative value, macro and other fixed income and currency oriented strategies. The Adviser typically monitors hedge funds which focus on certain particular investment sectors, including G-10 sovereign debt and derivatives; mortgage and asset-backed securities; corporate bonds and related derivatives; structured products, municipal bonds and emerging market debt; and currencies and commodities. The Adviser evaluates individual hedge funds and managers based on certain qualitative and quantitative criteria. In addition to investing in pooled investment vehicles, the Adviser interests are relatively illiquid and involve a high degree of risk. Interests in such investment vehicles are generally *fair valued*, and the *fair valuation* of such interests may vary substantially from any amounts actually realized upon the sale or other disposition of such interests.

The Adviser tailors advisory services to the specific investment guidelines established for each individual Fund. Prospective investors should carefully review the private placement memoranda or prospectuses of the Funds for specific information regarding investment guidelines, including scope of investment authority and any applicable investment restrictions. Treesdale does not participate in wrap fee programs.

Treesdale is also the sub-adviser to an Exchange Traded Fund (HDGB) that is registered under the Investment Company Act of 1940. The investment manager to these funds is AdvisorShares, a registered investment adviser. Additional information concerning Treesdale's sub-advisory services may be found herein.

In addition, Treesdale is working with Austin Atlantic Asset Management Co. ("Austin Atlantic"), a SEC-registered investment adviser. Treesdale serves as sub-adviser to the Austin Atlantic Asset Management Co. Fund ("AAAMCO Ultrashort Financing Fund" or "USF"). The USF is an ultrashort, open-end fixed income mutual fund that invests primarily in a portfolio of repurchase agreements collateralized by government-related securities. As sub-adviser to USF, Treesdale is also responsible for developing quantitative risk management analytics and risk oversight that will support the timely decision-making of the portfolio management team by providing AAAMCO with the necessary quantitative tools to oversee all of the Fund's investment exposures. These tools provide the ability to monitor portfolio risk by providing timely market price information for the collateral held in the USF's repurchase agreements, as well as to quantify the market risks of USF. Yung Lim is also on the Credit Committee of USF.

Treesdale manages client assets. As of December 31, 2018, Treesdale manages approximately \$14.7 million on a discretionary basis and \$376million on a non-discretionary basis.

Item 6 Fees and Compensation

The Adviser charges a range of fees based on the level of services provided. Management fees charged in connection with these services generally range between 0% and 2.0% per annum of the net assets of the sub-advised investment vehicle. Incentive compensation charged in connection with these services generally ranges between 0% and 20% of the relevant investment vehicle's net profits and may be subject to a loss carryforward or hurdle. Management fees are generally paid quarterly by way of deduction from clients' assets. If applicable, performance fees/allocations are paid annually by way of deduction from clients' assets.

In general, fees charged to investors and limited partners are not negotiable. However, pursuant to the terms of each Fund's offering documents, the general partner or directors may waive, reduce, or calculate differently management fees and/or incentive compensation in various circumstances, including for certain limited partners and shareholders who are relatives, employees or affiliates of the Adviser or its principals, for certain large or strategic investors, and in any other cases in their sole discretion.

Termination rights within the investment management agreements vary based on certain events, but optional termination rights generally range between monthly and quarterly with a prior notice period of between thirty and ninety days. In most cases, in the event that a termination event occurs, fees will be assessed on a pro-rated basis.

In addition to any compensation paid to the Adviser in connection with its advisory

services, underlying hedge funds in which certain Funds invest also generally charge incentive and management fees and allocations, which subject the investor to multiple layers of fees, i.e., the fees of the pooled investment vehicle and the fees charged by the underlying hedge funds.

Fees applicable to an investment in each Fund are set forth in detail in each Fund's offering documents. A brief summary of those fees is provided below, which summary is qualified in its entirety by reference to each Fund's offering documents.

Treesdale Fixed Income Fund, LP

Management Fee: 1% (per annum)

Incentive Fee: 10%

Treesdale Fixed Income Fund, Ltd.

Management Fee: 1% (per annum)

Incentive Fee: 10%

Treesdale Special Opportunities Fund, Ltd.

Management Fee:

Class A: 1.75% (per annum)

Class B: 1.50% (per annum)

Class C: 1.25% (per annum)

Class D: 0%

Incentive Fee: 10%

In general, clients will be charged for expenses related to the provision of investment advisory services, including expenses for administrator, custodian, brokerage, and applicable legal fees. The offering documents for each Fund describe types of expenses that will be charged to the Fund. *See* discussion regarding Brokerage at Item 12, *infra*

Item 7 *Performance-Based Fees and Side-By-Side Management*

Pursuant to the offering memoranda of certain of the Funds, the Adviser is eligible to receive performance-based fees, i.e., fees based on a share of the capital gains on or capital appreciation of the assets of a client. The Adviser manages certain Funds that charge an asset-based fee (i.e., management fee) and, if applicable, a performance-based fee. *See* Item 5, *supra*. Certain of the Funds charge management fees but not performance-based fees. This creates a potential conflict of interest, as the Adviser might have an incentive to favor Funds that do charge performance-based fees. The Adviser addresses this potential conflict on an individual, investment-by-investment basis. Specifically, the Adviser has developed order allocation policies and procedures which are designed to ensure that all of its Funds are treated fairly and that, to the extent possible and appropriate, all of the Funds receive equivalent treatment. The Adviser's order allocation policies and procedures are available to clients upon request.

Item 8 Types of *Clients*

The Adviser provides investment advisory services with respect to pooled investment vehicles, including funds of hedge funds. In addition, the Adviser provides investment advisory services with respect to separate managed accounts. The Adviser does not have formal requirements for opening or maintaining a separately managed account and determines eligible account sizes on a case-by-case basis. The offering memoranda of the pooled investment vehicles managed by the Adviser discuss formal requirements for investment.

Item 9 Methods of Analysis, Investment Strategies, and Risk of Loss

The Adviser relies on qualitative and quantitative criteria in constructing the Funds' portfolios. The Adviser analyzes qualitative measures, including, but not limited to, sources of excess returns, strategy types, performance in various environments, liquidity/margin risk, fat tail risk, downside risk, correlation risk, market risk, diversification risk, counterparty risk, and risk from changes in the economy and housing market.

With respect to fund of funds investments, the Adviser's analysis of portfolios takes into account, to the extent applicable, each underlying manager's processes for identifying opportunities (including, e.g., evaluation of bonds and strategies), hedging and risk management frameworks employed, models used, and analysis of risk factors. In addition, the Adviser may analyze underlying managers' risk/return factors.

The Adviser's other sources of information include newspapers, television broadcasts, market letters on fixed income strategies, publications on general economic conditions, and financial publications from sources in the investment banking industry. The Adviser also uses its contacts with members of the professional investment community to gather information relevant to its investment advisory services.

Item 10 Disciplinary Information

Not applicable.

Item 11 Other Financial Industry Activities and Affiliations

Treesdale Capital, LLC ("Treesdale Capital"), the general partner of certain Funds, is also a related person of the Adviser.

Some other clients of the Adviser invest in other pooled investment vehicles advised by the Adviser.

**Item 12 Code of Ethics, Participation of Interest in *Client* Transactions,
and Personal Trading**

The Adviser has adopted a Code of Ethics pursuant to Rule 204A-1 under the Advisers Act. Rule 204A-1 requires Adviser to establish, maintain, and enforce a written code of ethics that (i) sets the standard of business conduct that Advisor requires of its employees, (ii) requires employees to comply with applicable federal securities laws (including laws regarding insider trading and privacy), and (iii) contains provisions regulating personal securities transactions by employees.

The Adviser's Code of Ethics and Procedures to Prevent and Detect Misuse of Material Non-public Information set forth specific policies and procedures for its employees to follow regarding material, non-public information ("MNPI") and confidential information of clients and the Adviser. The Adviser requires any employee receiving MNPI to refrain from trading while in the possession of that information and to discuss the information only with Adviser's Chief Compliance Officer to determine an appropriate course of action. Procedures are also set forth to safeguard all other confidential information.

The Code of Ethics also includes policies and procedures regulating personal securities transactions by employees of Adviser. All employees are required to provide initial and annual securities holdings reports as well as quarterly securities transaction reports which are reviewed by Adviser's Chief Compliance Officer or his designate. Moreover, all employees are required to clear potential personal investments in initial public offerings, limited offerings, and securities on the Adviser's Restricted Securities List with the Adviser's Chief Compliance Officer before effecting personal transactions. A copy of the Adviser's Code of Ethics is available to clients upon written request.

The Adviser and its personnel do not purchase or sell any securities for their own accounts to or from the Funds. However, from time to time, subject to applicable restrictions under ERISA as well as Fund investment guidelines and restrictions, the Adviser may direct one Fund or other investment vehicle to sell securities to another Fund or investment vehicle through an internal cross transaction in which neither the Adviser nor a related person will receive compensation. Any such transaction will be effected based on the then current independent market price and consistent with valuation procedures established by the Adviser. Such cross transactions generally will be made without brokerage commissions being charged. To the extent that any such cross transaction may be viewed as a principal transaction due to the ownership interest in a Fund or other investment vehicle by the Adviser and its personnel, the Adviser will comply with the requirements of Section 206(3) of the Advisers Act, including that the Adviser will notify the Fund or other investment vehicle (or an independent representative of the Fund or other investment vehicle) in writing of the transaction and obtain the consent of the Fund (or an independent representative of the Fund or other investment vehicle).

A principal or employee of the Adviser or a related person may, from time to time, serve as a director with respect to companies, the securities of which are purchased on behalf of clients. In the event the Adviser or a related person (i) obtains material non- public information in such capacity with respect to any such company or (ii) is subject to trading restrictions pursuant to the internal policies of the Adviser, the Adviser may be prohibited from engaging in transactions with respect to the securities or instruments of such company, which prohibition may have an adverse effect on clients of the Adviser.

The Adviser personnel may buy, sell, or hold securities or other instruments for their own accounts while entering into different investment decisions for one or more of its clients. In

addition, the Adviser's personnel may also invest in eligible Funds or other investment vehicles of its or their choosing and are not required to invest in all Funds or other investment vehicles. It is expected that, if such investments are made, the size of these investments will change over time. Neither the Adviser nor its personnel are required to keep any minimum investment in any of the Funds.

From time to time, various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of the Adviser, its affiliates, and personnel (each an "Advisory Affiliate" and, collectively, the "Advisory Affiliates"). The Adviser has established policies and procedures to monitor and resolve conflicts and will endeavor to resolve conflicts with respect to investment opportunities in a manner it deems equitable to the extent possible under the prevailing facts and circumstances. The Advisory Affiliates may invest on behalf of themselves in securities and other instruments that would be appropriate for, held by, or may fall within the investment guidelines of the Funds or other investment vehicles. The Advisory Affiliates may give advice or take action for their own accounts that may differ from, conflict with, or be adverse to advice given or action taken for the Funds or other investment vehicles.

These activities may adversely affect the prices and availability of other securities or instruments held by or potentially considered for one or more Funds or other investment vehicles. Potential conflicts also may arise due to the fact the Advisory Affiliates may have investments in some Funds or other investment vehicles but not in others or may have different levels of investments in the various Funds or other investment vehicles, and because the Funds or other investment vehicles may pay different levels of fees to Applicant.

In addition, the Adviser may give advice or take action with respect to the investments of one or more Funds or other investment vehicles that may not be given or taken with respect to other Funds or other investment vehicles with similar investment programs, objectives, and strategies. Accordingly, Funds or other investment vehicles with similar strategies may not hold the same securities or instruments or achieve the same performance. The Adviser also may advise Funds and other investment vehicles with conflicting programs, objectives or strategies. These activities also may adversely affect the prices and availability of other securities or instruments held by or potentially considered for one or more Funds or other investment vehicles. Finally, the Adviser and its personnel may have conflicts in allocating their time and services among the Funds and other investment vehicles. The Adviser will devote as much time to each Fund or other investment vehicle as the Adviser deems appropriate to perform its duties in accordance with its management agreements.

The Advisory Affiliates may also have ongoing relationships with companies whose securities are in or are being considered for the Funds or other investment vehicles. From time to time, the Adviser may acquire securities or other financial instruments of an issuer for one Fund or other investment vehicle which are senior or junior to securities or financial instruments of the same issuer that are held by, or acquired for, another Fund or other investment vehicle (e.g., one Fund may acquire senior debt while another Fund may acquire subordinated debt). The Adviser recognizes that conflicts may arise under such circumstances and will endeavor to treat all clients fairly and equitably. Potential conflicts of interest also may arise due to the fact that (i) sub-advisers appointed by the Adviser to manage all or a portion of a Fund's assets and (ii) investment managers of underlying investment vehicles in which a Fund invests, may be investors either directly or through an affiliate in one or more Funds. For example, in such a situation, the Adviser may have an incentive to offer more favorable terms to such investor.

Additionally, service providers and counterparties and/or their affiliates, including leverage providers, custodians, broker-dealers and prime brokers utilized by the Funds may invest

directly or indirectly in one or more Funds. Accordingly, the Adviser may have a conflict of interest when selecting service providers and counterparties that are (or whose affiliates are) also investors in one or more Funds and in negotiating the level of fees and other compensation to be paid to such service providers and counterparties. The Adviser selects service providers and counterparties that the Adviser determines are in the best interest of the Fund and negotiates arm's length terms rates of compensation.

Item 13 Brokerage Practices

The Adviser has adopted guidelines for evaluating brokerage services when determining whether it has obtained best execution for Fund account transactions. These guidelines are designed to enable the Firm to fairly evaluate the overall quality and costs of a broker- dealer's execution services, including factors other than prices, commissions and other expenses paid in connection with account transactions.

If the Firm uses a broker-dealer, it will place trades for execution only with approved brokers or dealers. Factors to be considered in selecting and approving brokers-dealers that may be used to execute trades for Fund accounts include, but are not limited to:

- Quality of execution — accurate and timely execution, clearance and error/dispute resolution
- Reputation, financial strength and stability
- Block trading and block positioning capabilities
- Willingness to execute difficult transactions
- Willingness and ability to commit capital
- Access to underwritten offerings and secondary markets
- Ongoing reliability
- Overall costs of a trade (*i.e.*, net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of the Firm's knowledge of negotiated commission rates currently available and other current transaction costs
- Nature of the security and the available market makers
- Desired timing of the transaction and size of trade
- Confidentiality of trading activity
- Market intelligence regarding trading activity

The Adviser does not engage in "soft dollaring" or receive "soft dollar benefits" from a broker-dealer or a third party in connection with *client* securities transactions.

Item 14 Review of Accounts

The Adviser reviews client accounts on a regular basis, supervised by the firm's principal, Yung Lim.

The Adviser provides regular reporting to clients, including estimated portfolio performance emails on a monthly basis, NAV reporting on a monthly basis, as well as a written monthly market review. In addition, the Adviser provides quarterly estimates in compliance with CFTC regulations, and annual audited financial statements.

The Adviser utilizes a team approach to the process of reviewing and monitoring accounts. The Adviser's hedge fund & fund of hedge fund team, conducts performance monitoring and evaluation functions for fund of hedge fund accounts. The fund of hedge fund investment team includes Yung Lim, and Wesley Huber.

Item 15 Client Referrals and Other Compensation

Not Applicable

Item 16 Custody

The Adviser has custody of client funds and takes reasonable steps to complete and deliver audited financial statements to hedge fund and fund of hedge fund investors within 90 days and 180 days of the end of the fiscal year, respectively. In addition, the qualified custodians will send fund of hedge fund investors quarterly account statements, which clients should carefully review. Clients should carefully compare account statements sent by qualified custodians with those sent to investors by the Adviser.

Item 17 Investment Discretion

The Adviser accepts discretionary authority to manage securities accounts on behalf of clients subject to limitations expressly provided in relevant investment management agreements, confidential private offering memoranda, and/or other applicable agreements. In general, the Adviser will assume this authority by executing a power of attorney provided in an investment management agreement or similar agreement.

Item 18 Voting Client Securities

When the Adviser has discretion to vote the proxies of its clients, it will do so in the best interest of the clients and in accordance with the Adviser's written Proxy Voting Policies and Procedures, which were designed to ensure that the Firm votes proxies in the best interest of the Funds and addresses how the Firm will resolve any conflict of interest that may arise when voting proxies. The Adviser will make copies of its Proxy Voting Policies and Procedures available to investors upon request.

Item 19

Not applicable

Item 20 Requirements for State-Registered Advisers

Not Applicable.