

Item 1: Cover Page

Lloyd Crescendo Advisors LLC

Form ADV Part 2A

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This brochure provides information about the qualifications and business practices of Lloyd Crescendo Advisors LLC. If you have questions about the contents of this Brochure, please contact us at + 1 305 850 6105 or info@lloydcrecendo.com. The information in this brochure has not been approved or verified by the Securities and Exchange Commission or by any securities authority.

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

Item 2: Summary of Material Changes

Since our last annual amendment on March 28, 2018 LCA has launched two new funds (“the PMOF Funds”) which are described in Item 4 and other relevant sections below.

We also are now offering certain family office services as described in Item 4 below.

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Item 4: Advisory Business

Introduction

Lloyd Crescendo Advisors LLC (“LCA” or “we”) is a Delaware limited liability company founded in 2016. We are based in Miami, FL and have a branch office in New York, NY. The 90% owner of LCA is FinPar Investments LLC. FinPar is an affiliate of Crescendo Advisors International Limited (“CAIL”). The other owner is Lloyd Crescendo Member LLC which is 100% owned by Philip Carey. LCA provides investment management services to individuals, high net worth individuals (“HNWIs”), their families, corporations, trusts, foundations, endowments, and pooled investment vehicles.

As of January 31, 2019, we have approximately \$359.7mm in regulatory assets under management (“RAUM”) and approximately \$119mm in assets under advisement.

Our Services

Separately Managed Accounts

LCA is dedicated to serving the long-term financial, and, where appropriate, environmental and social goals of our clients, including U.S. residents and non-U.S. residents. Our services are discretionary and non-discretionary investment management for separately managed accounts.

Discretionary or non-discretionary clients in a separately managed account choose one or more of the following strategies offered by LCA:

1. Traditional;
2. Multi Asset Class Strategy;
3. International; and
4. Sustainable and Responsible Investing incorporating Environmental Social and Governance criteria.

Discretionary separately managed account clients will grant a limited power of attorney to LCA, solely with investment power over the account. This power includes the right to manage client portfolios and effect, on a discretionary basis, transactions in securities, currencies or precious metals, mutual funds, hedge funds, time deposits and bank deposits, as well as the right to carry out any steps of administrative procedures necessary to the performance of these transactions. LCA may initiate forward foreign exchange transactions, provided they serve to hedge an existing investment and if such activity does not subject LCA to having to register with the National Futures Association under the Commodity Exchange Act as a Commodity Trading Adviser.

Under a non-discretionary mandate, we interact with the client and, at the client’s request, discuss and provide views, advice and recommendations concerning securities, currencies, financial market trends and related investment options, strategies and opportunities. We provide the client with advice and recommendations that are appropriate for it and its investment objectives.

There is no account minimum. However, LCA recommends a minimum investment amount of \$1m to provide for proper diversification. Fees are negotiable.

Separately managed account client servicing includes the following steps.

- Investment and Risk Profile: Client’s short-term and long-term needs, familiarity with capital

market history and expectations.

- Agree Objective: Propose appropriate investment strategy to be constructed and managed.
- Examine current and projected financial, economic and social conditions: short-term and intermediate-term expected conditions to use in constructing a specific portfolio.
- Implement the plan by constructing the portfolio and provide non-discretionary investment management advice or, in the exercise of discretion, trade the portfolio: Meet client needs at minimum risk levels.
- Feedback: Monitor and update investor needs, environmental conditions, evaluate portfolio performance.

Tailored Relationships

We tailor advisory services to the individual needs of our clients. Client objectives are documented in the Investment Management Agreement (“IMA”) as amended from time to time. Clients are allowed to impose restrictions on the investments in their account. We accept any reasonable limitation or restriction by the client to the extent that these restrictions do not impair our ability to effectively manage an account.

Family Office Offering

For certain clients we provide a family service offering. It is based on a threefold solution of individual family strategy, organization and management. We first seek to define and formalize a family strategy which includes establishing the family members, key advisers and their levels of involvement, the family structure, the family’s objectives, and creating an investment policy statement (IPS). In the second step, we implement the client’s strategy and assign a manager and platform to carry out the client’s objectives. On an ongoing basis, we would oversee and manage the strategy.

Pooled Investment Vehicles:

We provide discretionary investment advice, both in an advisory and sub-advisory capacity to pooled investment vehicles.

We currently act as the primary advisor to the PMOF Funds:

1. PMOF Special Situations Private Credit Fund, LLC – this fund has a master-feeder structure. For more information about the fund, please consult the offering documents.
2. PMOF Emerging Markets Private Credit Fund, LP

We also act as a subadvisor to certain funds (“the CAIL Funds”) for which the primary advisor is an affiliate of CAIL as referenced above.

For all the funds we advise, the Firm seeks investment opportunities in private debt. Generally, the Firm’s investment strategy is to seek consistent, uncorrelated returns predominately based on current income generated from senior secured, direct originated loans and debt instruments.

Wrap Fee Programs

We do not sponsor or manage a Wrap Fee Program or manage client assets via Wrap Fee programs.

Item 5: Fees and Compensation

For discretionary and non-discretionary investment management services in a separately managed account, LCA will charge a fee based upon assets under management and will not charge a performance fee.

The fee schedule for separately managed accounts, discretionary and non-discretionary, is as follows:

Assets under management in USD or equivalent	Management Fee Marginal Rate	Effective rate (Calculated on the maximum amount in the corresponding range.)
From 0 to 2.5M	1.50%	1.50%
From 2.5 to 5M	1.25%	1.37%
From 5 to 10M	1%	1.19%
From 10 to 20M	0.85%	1.02%
From 20 to 50M	0.75%	0.86%
50M and higher	Negotiable	

Depending on the billing parameters as outlined in the IMA, quarterly fees are either payable in advance or in arrears. Fees are calculated in US Dollars and charged on the first business day of each calendar quarter based upon the fair market value of the assets under management in the client's account on the last business day of the previous quarter, as valued by the custodian. Clients are also provided the option to have their fees calculated on a quarterly average. The client authorizes the custodian, acting as the agent of the client, to withdraw from the client's account any fees that are due to LCA.

Either party may terminate the client IMA at any time and with immediate effect. LCA does not charge a termination fee. Clients remain responsible for investment advisory fees up to and including, but not after, the effective date of termination. Termination of an IMA does not affect any transaction initiated but not yet settled at the time of termination. Fees are returned pro rata for any unused portion over a quarter.

Our separately managed account clients are responsible for other fees and charges incurred as we manage their assets. These include brokerage commissions/transaction fees, custodian fees, stamp duty, taxes, exchanges and other trading- or custodial-related fees. Clients are responsible for third-party fees.

We will invest discretionary client assets in unaffiliated mutual funds and exchange-traded funds. When this happens, clients will be responsible for the fees that are disclosed in each fund's prospectus or private placement memorandum. Such fees are exclusive of and in addition to our management fee.

Fees are negotiable depending on the circumstances.

Only where appropriate, suitable and within objectives, we may exercise discretion and place client assets in the PMOF Funds or in the CAIL Funds. To address the conflicts of interest that arise from this, we obtain client consent on an investment by investment basis and do not "double charge" a fee (fees charged by the funds and a fee directly to us investment advisory services). Clients will only be charged a fee by the funds

We do not accept compensation for the sale of securities or other investments. We do not receive

transaction-based compensation, including fund subscription fees.

For the PMOF Special Situations Private Credit Fund, we charge an investment management fee of 1.5% and a performance fee of 15% of returns that exceed a hurdle of 7%. For the Emerging Markets Fund, we charge an investment management fee of 2% and a performance fee of 20%. Fees may be negotiable under certain limited circumstances. For more information, regarding fees for the funds we advise, please consult the offering documents for the respective funds.

Aside from the fees mentioned above, the investors in the PMOF Funds, are responsible for additional fees such as legal and audit. In addition, certain investors in the offshore feeder funds will pay initial share creation fees of 2% and ongoing fees of 0.5%. These fees are paid to non-affiliated third parties. In addition, certain investors in the feeder funds will pay a service fee of 0.5% to CAIL or its affiliates. For those investors the fee paid to LCA will be only 1%.

For the CAIL Funds, LCA charges a management fee charged (typically 1-2% of assets under management) plus an incentive fee charged on profits generated (15-20%) to a fixed per cent charged on a one-off transaction (i.e. we charge the borrower a specific interest rate and deduct a portion of it for management).

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

Separately managed accounts do not pay a performance fee.

The PMOF Funds and the CAIL Funds charge a performance- based fee. As a result, there may be a conflict when the opportunity arises for us to recommend or advise our separately managed account clients to invest in the funds we manage. To address this conflict of interest, we manage our separately managed accounts based on the risk profile and suitability and any decisions or recommendations regarding a particular investment for our clients is arrived at irrespective of any fee differential that we may earn.

Item 7: Types of Clients

LCA provides separate account investment management to individuals, HNWIs and their families, corporations, trusts, foundations and endowments. As noted above, LCA acts as the primary advisor to the PMOF Funds and manages the CAIL Funds in a sub advisory capacity.

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

Investment process and strategies

Portfolio allocations and performance will differ between U.S. person clients and non-U.S. clients due to relevant tax and regulatory issues. Clients must seek their own tax and legal advice. LCA does not provide tax or legal advice.

LCA analysis includes fundamental, charting, cyclical and technical methodologies. The main sources of external information include third party research, corporate rating services, annual reports, prospectuses, financial newspapers and magazines and company press releases.

The investment strategies used to achieve investment objectives include long term purchases (securities held for at least a year), short term purchases (securities sold within a year), trading (securities sold within 30 days) and option writing, including covered options, uncovered options and spread strategies.

Macro changes may imply changes in currency and asset allocations. Market fluctuations may create buying or selling opportunities.

All investment decisions/recommendations are based on a client's profile and investment strategy to ensure that appropriate investments are made for the client within its needs. As the cornerstone of the portfolio management process, every client completes an Investment and Risk Profile ("Profile") that documents investment objectives and restrictions or sets any benchmarks (indices or otherwise) against which portfolio assets will be managed/advised. In the process of managing assets and to achieve the objectives, LCA will examine current and projected financial, economic and social conditions. We will propose an investment strategy and construct and manage the portfolio. This will be based one or more of the following "Strategies."

- **Traditional:**

- **Conservative:** For clients who seek to maintain capital in real terms. Investment returns are mainly generated in the form of interest/dividend income. This includes a below-average risk tolerance with minimum possible capital fluctuations. The Assets shall be invested in cash, bonds, money market instruments, fiduciary placements or collective investment funds whose assets are invested in aforesaid kind of financial instruments.
- **Balanced:** For clients who seek to maintain capital in real terms and achieve long-term capital gains. Investment returns are mainly generated in the form of interest/dividend income as well as capital gains. This strategy may have foreign currency exposure. This is average risk tolerance with capital fluctuations. The Assets shall be invested for about one half in cash, bonds, money market instruments, fiduciary placements and for about another half in equities and other equity securities. The investments shall likewise be carried out via collective investment funds whose assets are invested in aforesaid kind of financial instruments.
- **Growth:** For clients who seek to generate long-term growth. Investment returns are mainly generated in the form of capital gains. This strategy may have foreign currency exposure. This is above-average risk tolerance with higher capital fluctuations. A major part of the Assets shall be invested in equities and other equity securities or in collective investment funds whose assets are invested in equities and other equity securities.

- **Multi Asset Class Strategy:** For clients, whose aims are to preserve and grow capital over the

long-term with low volatility. It seeks diversification across a wide range of asset classes, including non-traditional investments such as hedge funds, private equity, private lending and real estate. Having a portfolio exposure to these alternative asset classes provides an attractive annual return over the long-term and generates a stable recurring income. Through our network and due diligence process, LCA strives to create high quality multi-asset class portfolios represented by a careful selection of fund managers with cost-efficient investments such as ETFs or securities. This strategy is offered with the following two sub-strategies:

- **Moderate Growth:** The client is expecting their portfolio to achieve capital appreciation on a 1 to 3-year investment cycle, with strong focus on capital preservation, knowing capital losses may occur on shorter periods of time. The Assets shall be mainly invested in cash equivalent and fixed income asset classes, diversified to a lesser extent in equities, alternatives investments and real assets, as well as derivatives for hedging purposes.
- **Long-Term Growth:** The client is expecting capital appreciation on a three to eight-year investment cycle, knowing capital losses may occur on shorter periods of time. Assets are mainly invested in equities, alternatives investments and real assets, and to a lesser extent in cash equivalent and fixed income asset classes, as well as derivatives for hedging purposes.
- **International:** For clients looking for international diversification in terms of currency and geographic exposure. This mandate invests in equities and bonds outside the U.S. markets and would complement a client's domestic U.S. investment portfolio. Investment returns are mainly generated in the form of interest/dividend income as well as capital gains. The Assets shall be invested for about one half in cash, bonds, money market instruments, fiduciary placements and for about another half in equities and other equity securities. The Assets shall be invested in equities and bonds outside of the U.S. markets or through ADRs where necessary. The investments shall likewise be carried out via private funds whose assets are invested in aforesaid kind of financial instruments.
- **Sustainable, Responsible and Impact Investing ("SRI"):** incorporating Environmental, Social and Governance ("ESG") criteria. For clients wishing to invest for social as well as financial gains in situations where it is deemed possible, prudent and not too costly. While SRI investing is generally not expected to significantly detract from portfolio performance, the client recognizes this possibility. To this end, we engage in the following:
 - positive screening: proactively investing in companies with good ESG practices;
 - exclusionary screening: avoiding or divesting from companies with poor ESG practices;
 - thematic investing: targeting specific themes such as climate change, water or human rights;
 - shareholder advocacy, including actively voting proxies; and/or
 - investing a portion of cash holdings in programs for community development.
- **Discretionary private funds:** these funds will provide financing solutions by lending, secured by collateral, throughout the capital structure of the borrower. They will provide qualified investors with attractive credit-oriented investment strategies emphasizing low

volatility and preservation of capital. Targeted industries for loans will be those that are underserved by traditional sources of capital including consumer finance, litigation, trade finance, factoring, and life insurance, while continuously seeking new asset types with appropriate risk/reward profiles. Loans will be transactions that self-liquidate and do not depend on a balloon payment or refinancing at maturity.

LCA monitors account activity on a quarterly basis to ensure that investment management and trading is consistent with the objectives.

Investment Committees

The LCA Investment Committee ("IC") has overall responsibility for the management and allocation of investments and objectives. The IC meets monthly or as necessary given changes in market and economic conditions. The IC establishes medium to long-term strategic views as well as short-term tactical decisions leveraging our network and in-house multidisciplinary knowledge. The IC reviews and approves new investments to broaden client investment opportunities.

For the PMOF Funds, LCA maintains investment committees. The Investment Committee will be responsible for approving the origination of all loans issued, and the acquisition of any other investments as well as other material transactions regarding loans or other investments held by the fund.

Discretionary mandates

LCA will manage client assets on a fully discretionary basis.

Non-discretionary mandates

Under a non-discretionary mandate, we will interact with the client and, at the client's request, discuss views, advice and recommendations concerning securities, currencies, financial market trends and related investment options, strategies and opportunities. LCA may provide the client with advice and recommendations that may be appropriate for the client and its objectives.

Risk of Loss

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

All investment programs have certain risks. Our investment approach constantly keeps the risk of loss in mind. The list below details some of the risks investors may face when investing. The factors noted below are not the only risks faced by investors, rather the risk factors determined by us to have the greatest bearing on investment performance. Depending on the strategy employed, certain factors may be more prevalent than others in an investment portfolio.

- **Market Risk** - The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Interest-rate Risk** - Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Inflation Risk** - When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

- **Currency Risk** - Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk** - This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Liquidity Risk** - Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Option Risk** - Certain investment strategies offered may make use of options. These options run the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of the underlying stock. This imbedded leverage in the option contract may compound gains and losses.
- **Credit Risk** - Excessive borrowing to finance a business's operations increases the risk to profitability and solvency, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in principal losses, bankruptcy and/or a declining market value.

Item 9: Disciplinary Information

There is nothing to report.

Item 10: Other Financial Industry Activities and Affiliations

Mr. Carey, an indirect owner of LCA, owns a Geneva-based SEC registered investment adviser, Lloyd Capital LLC (“Lloyd Cap”) whose formation predated the existence of the Firm. While Mr. Carey is affiliated with both the Firm and Lloyd Cap, any conflicts are mitigated by virtue of the fact that Lloyd Cap is closed to new clients and it is the ultimate intention for Lloyd Cap clients to become Firm clients. Any conflicts regarding limited investment opportunities are resolved in a fair and equitable manner. Any clients that migrate to us from Lloyd Cap will be managed solely by us and not by Lloyd Cap.

As noted above, Crescendo Advisors International Limited (“CAIL”) is an affiliate of LCA.

The following affiliated entities act as General Partner, Managing Member or Manager of the PMOF Funds (including its feeder funds):

1. PMOF Special Situations Private Credit GP Limited is the General Partner of PMOF Special Situations Private Credit Fund TE, LP
2. PMOF Special Situations Private Credit Fund Manager, LLC is the Managing Member of PMOF Special Situations Private Credit Fund, LLC and PMOF Special Situations Private Credit Fund, Parent LLC

PMOF Emerging Markets Private Credit Fund GP, LLC is the General Partner of PMOF Emerging Markets Private Credit Fund, LP. From time to time, CAIL will provide the Firm with market insight into the European markets and persons at the Firm will provide similar information regarding the US markets to CAIL. No fees are exchanged for these services and such activities by the Firm are incidental to the Firm’s business and information regarding the Firm’s clients is kept strictly confidential.

We require all officers, LLC managers and employees, and anyone associated with us in a related person capacity, to declare all conflicts of interest and outside interests and activities and we take steps to address the conflicts arising from these activities. Outside interests or activities may be subject to compliance clearance and may have conditions imposed, or may not be approved.

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

Code of Ethics

We have a Code of Ethics (“Code”) that defines our fiduciary commitment to each client and as a means to prevent the misuse of “confidential client information”. This Code applies to all persons associated with us – “supervised persons” (defined in Code, as are other terms used in this Item). Supervised persons must acknowledge receipt of the Code (when joining us, annually and for Code amendments) and comply with its requirements, including standards of behavior the requirement to report Code violations. Our “access persons” and their “connected persons” (defined in our Code) must comply with the Code’s personal securities transaction requirements (pre-clearance, holdings reporting and transactions reporting). Any individual not in compliance with the Code of Ethics may be subject to discipline up to and including termination.

Access persons may buy or sell securities for their own accounts but may not buy securities identical to those recommended to or held by Clients without pre-clearance and subject to compliance with controls (including monitoring and testing). The Code, described above, is designed to ensure that personal securities transactions, activities and interests of access persons will not interfere with (i) making decisions or giving advice in the best interests of clients and (ii) implementing such decisions or giving such advice while, at the same time, allowing personal investing. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not interfere with the best interest of our clients. In addition, the Code requires pre-clearance of many transactions. Nonetheless, because the Code in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Pre-clearance is designed to prevent “front-running” and “trading with” Clients. Employee trading is monitored under the Code to address conflicts of interest.

In order to monitor compliance by our personnel with the Code and applicable law, each employee is required to provide LCA with copies of the confirmation of each transaction.

We do not recommend to clients, or buy or sell for client accounts, securities in which our supervised persons, access persons or connected persons have a material financial interest.

Compliance

We do not engage in principal transactions or trade with clients.

We will send you a copy of our Code if you contact us at +1 305 850 6105 or info@lloydcrecendo.com.

Item 12: Brokerage Practices

Trading Practices

For clients with non-discretionary mandates, we only provide research, investment advice and recommendations.

We do not make referrals for brokerage or accept referrals from brokers. We do not engage in directed brokerage.

We place orders to trade with the trading desk of a custodian holding client assets or, if not required to do this, with executing brokers.

Best Execution

Best execution is seeking the best transaction available and the execution of this in such a manner that the total cost or proceeds in each transaction is the most favorable under the circumstances.

Where we are required to place orders with the trading desk of a custodian, we require that trading desk to provide us with best execution and the analysis and data that they have used to establish whether they have received best execution.

In seeking best execution and selecting brokers with which LCA will execute trades and placing orders, and seeking best execution, we consider these factors:

- price;
- transaction net costs;
- clearance and settlement practices;
- ease of execution;
- executing broker-custodian relationships and extended credit lines;
- firm commitment to regulatory compliance;
- industry reputation;
- general financial strength and stability;
- breadth of products and services;
- research capabilities; and
- other factors relevant to a specific type of trade.

Research and brokerage service received may be used to service some, or in certain circumstances, all clients, subject to compliance with applicable law.

We may affect a cross for two discretionary clients and no fee will be taken by us. Such transactions will be subject to the best execution requirement.

Research and Soft Commissions

Brokers we use for our separately managed accounts offers other services intended to help us manage and further develop our advisory services. Such services include (but are not limited to) performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third-party service providers who provide a wide array of business-related

services and technology with whom we may contract directly. Some of these services may benefit certain clients and not others.

We do not have any soft dollar arrangements

Aggregation and Allocation

With regard to discretionary mandates, we have the authority and discretion to determine the securities and the amounts of the securities to be bought or sold for Clients' accounts. We have a policy and procedures for the allocation and aggregation of orders, including IPOs. We allocate on a pre-trade basis that is fair and consistently applied, save for limiting factors such as available cash and investment overweighting. We do not change allocations after execution, save for an error made in the pre-allocation (this would be treated as a trade error). Post-trade changes to pre-trade allocations require the prior written approval of the IC.

Trade Errors

A trade error is an unintended action or omission in the course of trading. Once a trade error is recognized, the person responsible for the error, or discovering it, must immediately notify the CEO. If it is possible to cancel the trade prior to settlement, the person responsible for placing the trade should attempt to do this, in a manner to minimize risk or financial loss. If it is not possible to cancel the trade, the transaction is reversed as soon as possible. If it is not possible or not prudent in the best interests of the client to reverse the trade immediately, the CEO will determine whether the reversal of the trade should be delayed and what other course of action to take. We will correct the trade error promptly and efficiently protecting the interests of the client. Any gain will accrue solely to a client. We bear losses.

Item 13: Review of Accounts

Separately Managed Accounts

We review accounts each quarter and monitor activity on a continuous basis to help ensure, *inter alia*, that advice given or acted upon, and trading is consistent with client objectives.

Additional reviews may also be triggered by market events, political changes, changes in the economy, or changes in interest rate. Reviews could also occur at the time of new deposits, material changes in client's financial information, changes in economic cycles, market, political or economic conditions, changes in tax laws or new investment information, at our discretion, or as often as the client directs.

We encourage frequent client contact. Clients are obligated to promptly notify us of any changes in the client's financial status to ensure that investment strategies continue to meet their objectives and changing needs.

Clients receive statements from their custodians, quarterly or monthly, which include account activity, beginning and ending balances and current values. In addition, we receive trade confirmations for each position bought and sold.

Client meetings are encouraged and are scheduled quarterly, or less frequently as specific situations dictate. Supplemental written reports, with more detailed information including investment performance, may be provided to Clients upon request.

Pooled Investment Vehicles

For the PMOF funds a third-party administrator performs the accounting closing of the funds activity by recording transactions, reconciling balances, and compiling the financial performance. The LCA team performs its review process of the funds' financial balances and performance of the period and provides final approval for distribution. Investors receive a quarterly statement of their balances and fund activity along with a newsletter prepared by the LCA portfolio team that provides current updates regarding the performance of the transactions within the portfolio as well as other pertinent fund information. Annual audited financial statements are provided to investors as well. For the CAIL Funds, LCA's key persons report to the primary advisor on a regular basis regarding fund investments and performance.

Item 14: Client Referrals and Other Compensation

Other than as disclosed herein, we do not receive economic benefits or compensation from any firm or individual for providing investment advice. We are compensated exclusively by our clients.

We have solicitation agreements in place. All such arrangements are in compliance with SEC Rule 206(4)-3.

Item 15: Custody

We do not have custody of our separately managed account clients' assets.

For the two pooled investment vehicles we advise, for purposes of Rule 206(4)-2 under the Advisers Act (the "Custody Rule"), LCA is considered to have custody over the cash and marketable securities held for those vehicles, as an affiliate of the Firm acts as the general partner.

Accordingly, those two vehicles are subject to an annual audit.

LCA will ensure that the audited financials are delivered to all fund investors within 120 days of the Funds' fiscal year end.

Item 16: Investment Discretion

When we manage assets on a discretionary basis, we accept a limited power of attorney to act on a discretionary basis. This allows us to execute trades on behalf of clients. We have the authority to determine, without obtaining specific client consent, both the amount and type of securities to be bought to satisfy client objectives. Additionally, we may accept any reasonable limitation or restriction to such authority on the account placed by the client.

With regard to non-discretionary account management, we provide investment advice, formulate strategies, evaluate performance of positions taken or held and gain access to analysis, commensurate with the investment objectives and restrictions set forth in the IMA. This will involve materials being provided to the client, as well as telephone call briefings.

Item 17: Voting Client Securities

For discretionary mandates, we exercise voting authority over client securities according to our proxy voting policies and procedures.

We may vote all proxies on behalf of each client over which we have proxy voting authority, as agreed in the IMA. All proxy votes are based on our determination of such client's best interests, both in terms of their financial interest and where appropriate, in line with their values, in the discharge of our fiduciary duties.

We abstain from voting proxies when we believe that it is appropriate to do so. If a material conflict of interest over proxy voting arises between us and a client, we will vote all proxies in accordance with our policy described above. If we determine that this policy does not adequately address the conflict of interest, we will notify the client of the conflict and request that the client consent to the intended response to the proxy solicitation. If the client consents to the intended response or fails to respond to the notice within a reasonable time specified in the notice, we would vote the proxy as described in the notice. If the Client objects, we would vote the proxy as the Client directs. In these circumstances, a client's consent to a proposal will be obtained from either investors holding a majority of the interests in the client or from a committee of investors appointed by the client.

For non-discretionary mandates, we may discuss corporate actions with its clients prior to the event, but only the client takes the decision and votes or exercises the proxy.

We will provide our proxy voting policies and procedures and information on how we voted on request.

Item 18: Financial Information

We have nothing to disclose.