



BROCHURE SUPPLEMENTS (ADV PART II)

March 31, 2011

Coast Asset Management
2450 Colorado Avenue Suite 100 East Tower
Santa Monica, CA 90404
Telephone 310-576-3500 Fax 310-576-3512

BROCHURE SUPPLEMENTS
(ADV PART II)
David Ellison Smith

March 31, 2011

Coast Asset Management
2450 Colorado Avenue Suite 100 East Tower
Santa Monica, CA 90404
Telephone 310-576-3500 Fax 310-576-3512

This brochure supplement provides information about David Ellison Smith that supplements the Coast Asset Management Brochure (ADV Part II). You should have received a copy of that Brochure. Please contact Mr. Seth Berman Coast's CCO at (310) 576-3500 or at investorrelations@coastasset.com if you did not receive Coast Asset Management's Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Smith is available on the SEC's website at www.advisorinfo.sec.gov.

BROCHURE (ADV PART II)

David Ellison Smith

Item 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

David Ellison Smith was born 1946. He attended San Francisco State University, earning a B.A. degree in 1969. He earned his M.B.A. from the University of California at Berkeley in 1971.

Mr. Smith is the President, Chief Executive Officer and Member of the Board of Managers of CAM. He is also a member of the multimanager fund-of-hedge-funds Investment Committee. His past experience includes Security Pacific Bank (1973-1983), where for the last several years of his employment at that bank he was a Vice President and supervised the sales and arbitrage trading activities of the Investment Department. In March 1983, Mr. Smith joined Oppenheimer and Company as a bond arbitrageur trading that firm's proprietary capital account. In 1986, Mr. Smith was appointed a Senior Vice President at Oppenheimer, a position he held until he left that firm in November 1990 to create Coast.

Item 3: DISCIPLINARY INFORMATION

None.

Item 4: OTHER BUSINESS ACTIVITIES

None.

Item 5: ADDITIONAL COMPENSATION

None.

Item 6: SUPERVISION

Mr. Smith reports to Coast Board of Managers, whose members are David Ellison Smith, Lori Edwards, Peter Chung, Edward Lyman, Peter Hanelt and Madhav Misra. The Board can be reached through Coast at (310) 576-3500. Mr. Smith's activities are also monitored by Coast's compliance personnel and supervisory structure. In addition, Coast's Investment Committee and Valuation Committee monitor the management of Coast's portfolios.

Item 7: REQUIREMENTS FOR STATE REGISTERED ADVISORS

Not applicable.

BROCHURE SUPPLEMENTS
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Kevin J. Engl

March 31, 2011

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Additional information about Mr. Engl is available on the SEC's website at www.advisorinfo.sec.gov.

BROCHURE (ADV PART II)

Kevin J. Engl

Item 2: **EDUCATIONAL BACKGROUND AND
BUSINESS EXPERIENCE**

Mr. Kevin J. Engl was born 1959. Mr. Engl completed both his Ph.D course work in Finance and his M.S. in Economics at the University of Illinois. He received his B.A. in Economics and Political Science from the University of Delaware in 1980.

Mr. Engl joined CAM in August 2000. He is a member of the multi-manager fund-of-hedge-funds Investment Committee and co-heads the team that is responsible for manager research, due diligence and quantitative analysis for CAM's multi-manager fund-of-hedge-fund products. Prior to joining Coast, Mr. Engl spent four years as an asset allocator and risk manager for a large private family portfolio. Much of his early career was focused on the foreign exchange and commodity markets. He was a foreign exchange and commodity derivatives specialist with The Citibank Private Bank. Preceding this, Mr. Engl was with Cathcart Associates, a commodity trading advisor, where he designed hedging strategies for corporate and high-net-worth clients and traded foreign exchange and energy futures. He began his career with Citibank, first as an international economist and then as a research associate in the Foreign Exchange Options Unit.

Item 3: **DISCIPLINARY INFORMATION**

None.

Item 4: **OTHER BUSINESS ACTIVITIES**

None.

Item 5: **ADDITIONAL COMPENSATION**

None.

Item 6: **SUPERVISION**

Mr. Engl reports to Mr. David Ellison Smith, President of Coast. Mr. Smith can be reached at (310) 576-3500. Mr. Engl's activities are also monitored by Coast's compliance personnel and supervisory structure. In addition, Coast's Investment Committee and Valuation Committee monitor the management of Coast's portfolios.

Item 7: **REQUIREMENTS FOR
STATE REGISTERED ADVISORS**

Not applicable.

BROCHURE SUPPLEMENTS
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Roy Callahan

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Additional information about Mr. Callahan is available on the SEC's website at www.advisorinfo.sec.gov.

BROCHURE (ADV PART II)

Roy Callahan

Item 2: **EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE**

Mr. Roy Callahan was born in 1954. Mr. Callahan holds a B.A. in Economics for the University of California at San Diego and an M.A. in Economics from the University of California at Santa Barbara

Mr. Callahan rejoined CAM in June 2009 and is a member of the Managing Member's fund of hedge funds investment committee. Mr. Callahan's capital markets and investment experience began at Citibank where he was a Vice President working in all aspects of interest rate derivative products (1982-1988). From 1988 to 1990, Mr. Callahan was a proprietary trader for GNP Commodities in Chicago. Mr. Callahan then moved to the asset management side (managed futures) and was Director of Research for Monmouth Capital (1990-1994). In July 1994, Mr. Callahan joined CAM as Director of Research where he spent six years working alongside Mr. Smith to start and build the original Coast Diversified Fund. In 2000, Mr. Callahan left CAM and formed Stratos Advisers. During the period 2001-2006, Mr. Callahan was also employed by Financial Risk Management ("FRM") as a Managing Director. At FRM, Mr. Callahan's responsibilities included being an active member of the Investment and Portfolio Management Committees as well as the

training/mentoring of many of the FRM investment analyst groups.

Item 3: **DISCIPLINARY INFORMATION**

None.

Item 4: **OTHER BUSINESS ACTIVITIES**

Mr. Callahan is also principal of Stratos Advisers, LLC, an SEC registered investment adviser ("Stratos") which is not an affiliate of Coast. He formed Stratos in 2000 and manages the Stratos Non-Directional Fund, a fund of hedge funds. Stratos, like Coast, provides investment management services to clients, which may include multi-manager funds and discretionary managed accounts, and which may follow investment programs substantially similar to that of a Coast client. At the time of the filing of this Brochure Supplement, the investment funds managed by Stratos are in liquidation and are not making new investments.

BROCHURE (ADV PART II)

Roy Callahan

Item 5: **ADDITIONAL COMPENSATION**

Stratos Non-Directional Fund is currently paying down a bank loan (leverage) to BNP. Currently, 100% of all redemption proceeds go towards BNP's loan. Stratos Non-Directional Fund is still accruing a management fee of \$100,000 annually payable to Stratos. However, the fund has not paid out any fees for over 2 years due to the loan payback. Stratos does not anticipate any payment of fees until the BNP payback is complete, which should be in approximately a year.

Item 6: **SUPERVISION**

Mr. Callahan reports to Mr. David Ellison Smith, President of Coast. Mr. Smith can be reached at (310) 576-3500. Mr. Callahan's activities are also monitored by Coast's compliance personnel and supervisory structure. In addition, Coast's Investment Committee and Valuation Committee monitor the management of Coast's portfolios.

Item 7: **REQUIREMENTS FOR STATE REGISTERED ADVISORS**

Not applicable.

BROCHURE SUPPLEMENTS
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Peter J. Fischler

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Additional information about Mr. Fischler is available on the SEC's website at www.advisorinfo.sec.gov.

BROCHURE (ADV PART II)

Peter J. Fischler

Item 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Peter J. Fischler was born in 1957. Mr. Fischler received his B.A. degree in Social Ecology from the University of California, Irvine, in 1980 and went on to the American Graduate School of International Management where he received his M.B.A. in International Business in 1983.

Mr. Fischler joined Coast Asset Management in December 1994, and is a Managing Director. From 1983 through 1985, he was employed as a bond trader at First Interstate Bank. From 1985 to 1994, Mr. Fischler was a bond trader for Kidder, Peabody Inc., in New York, London, and Tokyo. Mr. Fischler has traded sovereign, agency and corporate debt for various Coast products.

Item 3: DISCIPLINARY INFORMATION

None.

Item 4: OTHER BUSINESS ACTIVITIES

None.

Item 5: ADDITIONAL COMPENSATION

None.

Item 6: SUPERVISION

Mr. Fischler reports to Mr. David Ellison Smith, Portfolio Manager and President of Coast. Mr. Smith can be reached at (310) 576-3500. Mr. Fischler's activities are also monitored by Coast's compliance personnel and supervisory structure.

Item 7: REQUIREMENTS FOR STATE REGISTERED ADVISORS

Not applicable.

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Ralph Jaime

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Additional information about Mr. Jaime is available on the SEC's website at www.advisorinfo.sec.gov.

BROCHURE (ADV PART II)

Ralph Jaime

Item 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Ralph Jaime was born 1955. Mr. Jaime joined Coast in November 2005 and is a Director specializing in trading yield curve arbitrage. Mr. Jaime has over three decades of experience in the fixed income securities business. Prior to joining Coast, Mr. Jaime traded treasury securities using proprietary and client capital at various firms including Seattle Northwest Securities, Glickenhau & Co., Daiwa Securities, Westwood Financial, First Interstate Bank and Security Pacific Bank. Mr. Jaime began his investment career in 1976 at City National Bank.

Item 3: DISCIPLINARY INFORMATION

None.

Item 4: OTHER BUSINESS ACTIVITIES

None.

Item 5: ADDITIONAL COMPENSATION

None.

Item 6: SUPERVISION

Mr. Jaime reports to Mr. David Ellison Smith, Portfolio Manager and President of Coast. Mr. Smith can be reached at (310) 576-3500. Mr. Jaime's activities are also monitored by Coast's compliance personnel and supervisory structure

Item 7: REQUIREMENTS FOR STATE REGISTERED ADVISORS

Not applicable.

**BROCHURE SUPPLEMENTS
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Marcello Frustaci**

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Additional information about Mr. Frustaci is available on the SEC's website at www.advisorinfo.sec.gov.

BROCHURE (ADV PART II)

Marcello Frustaci

Item 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Marcello Frustaci was born 1950. Mr. Frustaci joined Coast in January 2006 as a Portfolio Manager. Before joining Coast, from 2004 to 2006, Mr. Frustaci served as a Vice President of ICAP plc, where he was part of the team responsible for establishing that firm's futures trading operations. From 2000 to 2004, Mr. Frustaci was a Vice President at Fuji Securities (now Mizuho Securities), where he specialized in fixed income arbitrage and trading. Prior thereto, Mr. Frustaci had a 15 year career at Daiwa Securities, most recently serving as a Senior Vice President heading that firm's primary dealer.

Item 3: DISCIPLINARY INFORMATION

None.

Item 4: OTHER BUSINESS ACTIVITIES

None.

Item 5: ADDITIONAL COMPENSATION

None.

Item 6: SUPERVISION

Mr. Frustaci reports to Mr. David Ellison Smith, Portfolio Manager and President of Coast. Mr. Smith can be reached at (310) 576-3500. Mr. Frustaci's activities are also monitored by Coast's compliance personnel and supervisory structure. In addition, Coast's Investment Committee and Valuation Committee monitor the management of Coast's portfolios.

Item 7: REQUIREMENTS FOR STATE REGISTERED ADVISORS

Not applicable.

BROCHURE SUPPLEMENTS
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Bradford A. Diorio

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Additional information about Mr. Diorio is available on the SEC's website at www.advisorinfo.sec.gov.

BROCHURE (ADV PART II)

Bradford A. Diorio

Item 2: EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Mr. Bradford A. Diorio was born 1956. Mr. Diorio received a B.S. in Finance from Mercy College in Dobbs Ferry, NY.

Mr. Diorio is a Managing Director of Coast Asset Management. He joined Coast in February 2000 where he trades yield curve arbitrage. He was previously employed by Marc Rich & Co. to start up a financing desk, as well as trade commodities and stock index futures. From 1984 through 1992 he was an arbitrageur of government securities at Glickenhau & Co. From 1992 to 1993 he worked for Genesis Capital L.P. trading government securities. From 1993 to 1998 he was employed as a Managing Director at Tokai Securities. In 1998 he returned to Glickenhau after Tokai Securities closed their Broker/Dealer. In 1978

Item 3: DISCIPLINARY INFORMATION

None.

Item 4: OTHER BUSINESS ACTIVITIES

None.

Item 5: ADDITIONAL COMPENSATION

None.

Item 6: SUPERVISION

Mr. Diorio reports to Mr. David Ellison Smith, Portfolio Manager and President of Coast. Mr. Smith can be reached at (310) 576-3500. Mr. Diorio's activities are also monitored by Coast's compliance personnel and supervisory structure.

Item 7: REQUIREMENTS FOR STATE REGISTERED ADVISORS

Not applicable.

