



180 Geary Street, Suite 500
San Francisco, CA 94108
(415) 392-9228

www.usqic.com

March 29, 2013

This brochure provides information about the qualifications and business practices of Union Square Investment Company (“USQ”). Although USQ is a “Registered Investment Adviser,” that registration does not imply a certain level of skill or training. Please contact USQ’s Chief Compliance Officer, Lauren Renken, if you have any questions about the contents of this brochure. 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 USQ is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2. SUMMARY OF MATERIAL CHANGES

Not applicable.

	Page
ITEM 3 TABLE OF CONTENTS	3
ITEM 4. ADVISORY BUSINESS	4
ITEM 5. FEES AND COMPENSATION	4
ITEM 6. PERFORMANCE FEES AND SIDE-BY-SIDE MANAGEMENT	5
ITEM 7. TYPES OF CLIENTS	5
ITEM 8. METHODS OF ANALYSIS, STRATEGIES AND RISK OF LOSS	7
ITEM 9. DISCIPLINARY INFORMATION	11
ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	12
ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	12
ITEM 12. BROKERAGE PRACTICES	13
ITEM 13. REVIEW OF ACCOUNTS	14
ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION	14
ITEM 15. CUSTODY	14
ITEM 16. INVESTMENT DISCRETION	15
ITEM 17. VOTING CLIENT SECURITIES	15
ITEM 18. FINANCIAL INFORMATION	15
ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS	15

ITEM 4. ADVISORY BUSINESS

Union Square Investment Company (“USQ”) was formed on February 9, 1998 to provide investment advisory and accounting services to clients. USQ is registered with the SEC as an investment adviser and registered with the National Futures Association as a commodity trading advisor. USQ’s sole owner is a grantor trust of which Leslie Tang Schilling and Alexander Hamilton Schilling are the trustees.

USQ is the investment adviser to private investment funds, in addition to separately managed accounts. USQ advises its clients regarding investments in mutual funds, exchange traded funds (ETFs), investment accounts managed by other professional investment advisers, and private investment funds, including hedge funds, venture funds and buyout funds. USQ provides advice about asset allocation and portfolio structure. USQ also advises its clients regarding cash management and recommends custodians. USQ generally does not advise its clients regarding the purchase and sale of individual securities, although it may do so on occasion if permitted under the terms of the investment management agreement with the client.

As of December 31, 2012, USQ had total discretionary regulatory assets under management of approximately \$173.861 million and total non-discretionary regulatory assets under management of approximately \$6.261 million.

For individually managed accounts, USQ tailors its services to the individual needs of each account as follows:

- Manages each such account based on the client’s financial situation and investment objectives and in accordance with any restrictions that the client imposes on managing the account. USQ obtains this information from a client in a questionnaire or otherwise.
- At least annually, contacts each client (either in person or by telephone) to ask about any changes in the client’s financial situation or investment objectives and whether the client desires to impose or modify any restrictions on managing the account.
- Notifies each client quarterly in writing to contact USQ if there are any changes in the client’s financial situation or investment objectives, or if the client desires to impose or modify any restrictions on managing the account.
- USQ makes itself reasonably available to clients for consultation.

Separately from its investment advisory services, USQ provides accounting, tax planning and compliance and related services to individual clients, pursuant to professional services agreements.

ITEM 5. FEES AND COMPENSATION

USQ typically charges its investment advisory clients an annual fee of 1.0% of assets under management, which amount is payable monthly or quarterly at the end of each such period based on the net market value of each client’s account on the last day of the period. The fee for each client account is generally subject to an annual minimum of \$3,000. USQ’s investment advisory fees are

not negotiated individually with each client. USQ typically deducts its investment advisory fees directly from client accounts but may bill a client for such amounts on request.

Accounts that invest in mutual funds, ETFs, investment funds, and accounts managed by other investment managers also pay advisory fees, and, for private funds and accounts, possibly performance-based fees, to the managers of those funds and accounts. This results in USQ's clients paying at least two levels of fees with respect to the same assets.

USQ charges its professional services (non-investment advisory) clients quarterly fixed fees, which are negotiated individually with each client and vary depending on the nature and extent of the services provided, but which typically range from \$250 to \$3,000 per quarter.

New clients may be charged one-time setup fees.

USQ believes that its fees are competitive with fees charged by other investment advisers for comparable services. Comparable services may be available, however, from other sources for lower fees.

The disclosure in this Item 5, together with the disclosure in Item 12, allow a plan that is subject to the Employee Retirement Income Security Act of 1974 and that invests in an investment limited partnership of which USQ is general partner, to use the "alternative reporting option" to report USQ's compensation as "eligible indirect compensation" on the Schedule C of the plan's Form 5500 Annual Return/Report of Employee Benefit Plan.

USQ's investment management agreements with its clients other than its investment funds are terminable on 60 days' notice by either party, except as may be otherwise negotiated in particular cases. USQ's investment management agreements with the investment funds it manages are terminable on 60 days' notice by either party. Each investor in the funds may withdraw, on specified prior written notice, at any time.

In all cases, on termination, expenses and the pro rata portion of the management fee through the date of termination are charged to the account. Any prepaid but unearned advisory fees are refunded on termination of a client's account.

Each account is responsible for its own costs and expenses, including trading costs and expenses, ongoing legal, accounting and bookkeeping fees and expenses, and the fees and expenses charged by any fund administrator for its accounting, bookkeeping and other services. USQ bears its own operating, general, administrative and overhead costs and expenses, other than the expenses described above. All or part of these costs and expenses may be paid, however, by securities brokerage firms and futures commission merchants that execute clients' securities trades, as discussed in Item 12 below.

ITEM 6. PERFORMANCE FEES AND SIDE-BY-SIDE MANAGEMENT

USQ currently does not manage accounts that pay it performance-based compensation.

ITEM 7. TYPES OF CLIENTS

USQ provides investment advice to investment funds and other accounts, which may include individuals, corporations, business entities, foundations, trusts, estates and charitable organizations.

Each investor in the funds is generally required to be an “accredited investor” as that term is defined under Rule 501 (a) of the Securities Act of 1933, and must invest a minimum of \$1,000,000 in the fund, although USQ may waive this minimum. USQ generally requires a minimum account size of \$1,000,000 for each separately managed investment advisory account.

USQ provides accounting, tax planning and compliance and related services to individuals.

ITEM 8. METHODS OF ANALYSIS, STRATEGIES AND RISK OF LOSS

USQ advises its clients on investments in mutual funds, ETFs, venture, buyout and hedge funds, partnerships, and limited liability corporations. As financial markets and products evolve, USQ may invest in other instruments or securities, whether currently existing or developed in the future, when consistent with client guidelines, objectives and policies. Because USQ does not generally recommend the purchase or sale of specific securities other than mutual funds, ETFs and private investment funds, the investment strategies used to manage clients' portfolios are those of the investment managers of the funds and accounts that USQ selects. USQ's focus is on constructing portfolios of funds and managers with complementary styles to optimize portfolio performance.

The managers and funds in which USQ invests its client assets may invest in a wide range of securities and other financial instruments including:

- Equity securities
- Exchange-listed securities
- Over-the-counter securities
- Securities of foreign issuers
- Warrants
- Corporate debt securities
- Commercial paper
- Certificates of deposit
- Municipal securities
- Investment company securities including mutual fund shares
- United States government securities
- Options contracts on securities
- Options contracts on commodities
- Interests in partnership investing in real estate, oil and gas interests.
- Private placements

USQ engages Cambridge Associates to provide USQ with investment research and recommendations regarding prospective investments. USQ also conducts its own analysis of certain prospective investments, by interviewing the managers and analyzing the investment style and investment performance of the investment vehicles and the terms and conditions of the investments. USQ's main sources of information are offering documents, manager interviews, SEC or equivalent regulatory filings, audited financial statements, additional data provided by managers and comparative data and analysis provided by industry consultants. USQ evaluates the probability that a manager will successfully pursue an investment strategy in the current and projected market environment, considering, among other factors, the manager's track record with respect to peer managers and benchmarks.

Risks

Investing in securities involves risk of loss that clients should be prepared to bear. Below are some of the risks that investors should consider before investing in any account or fund that USQ manages. Any or all of such risks could materially and adversely affect investment performance, the value of any account or any security held in an account, and could cause investors to lose substantial amounts of money. Below is only a brief summary of some of the risks that a USQ client or an investor in a fund managed by USQ may encounter. Potential investors in a fund managed by USQ should review such fund's offering circular or private offering memorandum carefully and in its entirety, and consult with their professional advisers before deciding whether to invest. A potential USQ separate account client should discuss with USQ's representatives any questions that such person may have before opening an account.

- Client accounts may not achieve their investment objectives. A strategy may not be successful and investors may lose some or all of their investment.
- Investor sentiment on the market, an industry or an individual stock, fixed income or other security is not predictable and can adversely affect an account's investments.
- Funds in which a USQ client accounts invest may hold stocks that disappoint earnings expectations and decline, and may short stocks that beat earnings expectations and rise.
- USQ and Cambridge Associates may not be able to obtain complete or accurate information about an investment and may misinterpret the information that they do receive.
- Funds in which USQ client accounts invest may take positions in securities of small, unseasoned companies that are less actively traded and more volatile than those of larger companies.
- Funds in which USQ client accounts invest may engage in hedging, which may reduce profits, increase expenses and cause losses. Price movement in a hedging instrument and the security hedged do not always correlate, resulting in losses on both the hedged security and the hedging instrument. Funds in which USQ client accounts invest are not obligated to hedge their portfolio positions and frequently may not do so.
- Funds in which USQ client accounts invest may have higher portfolio turnover and transaction costs than other similar accounts.
- Funds in which USQ client accounts invest may sell securities short, resulting in a theoretically unlimited risk of loss if the prices of the securities sold short increase.
- Management and stockholders of an issuer may sue short sellers to prevent short sales of the issuer's securities. Funds in which USQ client accounts invest could be subject to such actions, even if they are baseless, and could incur substantial costs defending them.

- Funds in which USQ client accounts invest may use leverage by borrowing on margin, selling securities short and trading futures, other commodity interests and derivatives, which increases volatility and risk of loss. These instruments can be difficult to value. An incorrect valuation could result in losses for USQ clients.
- Funds in which USQ client accounts invest may sell covered and uncovered options on securities. The sale of uncovered options could result in unlimited losses.
- Counterparties such as brokers, dealers, futures commission merchants, custodians and administrators with which USQ and managers and funds it engages do business on behalf of clients may default on their obligations. For example, a client may lose its assets on deposit with a broker if the broker, its clearing broker or an exchange clearing house becomes bankrupt.
- Funds in which USQ client accounts invest may enter into repurchase agreements or reverse repurchase agreements. These instruments can have effects similar to margin trading and leveraging strategies.
- Funds in which USQ client accounts invest may invest in securities of non-U.S., private and government issuers. The risks of these investments include political risks; economic conditions of the country in which the issuer is located; limitations on foreign investment in any such country; currency exchange risks; withholding taxes; limited information about the issuer; limited liquidity; and limited regulatory oversight.
- Changes in economic conditions can adversely affect investment performance. At times, economic conditions in the U.S. and elsewhere have deteriorated significantly, resulting in volatile securities markets and large investment losses. Government actions responding to these conditions could lead to inflation and other negative consequences to investors.
- Funds in which USQ client accounts invest may acquire a large position in an issuer's securities but are unlikely to have any control over the issuer's management. In addition, if such a fund holds a large position in an issuer's securities, it could depress the market for those securities.
- Some positions in the account of a USQ client or in a fund in which USQ invests may be or become illiquid, in which case they may not be able to be sold at opportune times.
- A USQ client account or a fund in which it invests may invest in restricted securities that are subject to long holding periods or that are not traded in public markets. These securities are difficult or impossible to sell at prices comparable to the market prices of similar publicly-traded securities and may never become publicly traded.
- A USQ client account may not be diversified. Therefore, a loss in any one position, industry or sector may cause significant losses.

- USQ and the funds in which its clients invest may determine the value of securities and commodities held in client accounts, whether or not a public market exists for such instruments. If those valuations are inaccurate, USQ and the funds' advisers might receive more compensation than that to which they are entitled, a new investor in a fund might receive an interest that is worth less than the investor paid and an investor that is withdrawing assets might receive more than the amount to which the investor is entitled, to the detriment of other investors.
- USQ and its affiliates and agents generally are not responsible to any client or investor for losses incurred in an account unless the conduct resulting in such loss breached USQ's fiduciary duty to the client or investor.
- There is not and will not be an active market for interests in funds managed by USQ. Investors in such funds may not be able to transfer any such interests, even in an emergency.
- Funds managed by USQ, and funds in which USQ client accounts invest, may not be able to generate cash necessary to satisfy investor withdrawals and redemptions. Substantial withdrawals and redemptions in a short period could force those funds to liquidate investments too rapidly, and may so reduce the size of a fund that it cannot generate returns or reduce losses.
- A fund managed by USQ or in which USQ clients invest may limit or suspend withdrawals or redemptions of an investor's assets from the fund.
- A fund managed by USQ or in which USQ clients invest may establish a reserve for contingencies. Investors may not withdraw or redeem assets covered by that reserve until it is lifted.
- If the assets that USQ and its affiliates manage grow too large, it may adversely affect performance, because it is more difficult for USQ to find attractive investments as the amount of assets that it must invest increases.
- The attorneys who represent USQ do not represent its clients or investors. Clients and investors must hire their own counsel for legal advice and representation.
- A fund managed by USQ or in which USQ client accounts invest may dissolve or expel any investor at any time, even if such actions adversely affect one or more investors.
- USQ, the investment adviser to funds in which USQ client accounts invest, an administrator or any government agency may freeze assets that any of them believes a client holds in violation of anti-money laundering laws or rules or on behalf of a suspected terrorist, and may transfer such assets to a government agency. None of USQ, another adviser, a fund or an administrator will be liable for losses related to actions taken in an effort to comply with anti-money laundering regulations.

- The funds managed by USQ, and the funds in which USQ client accounts invest, may not make distributions, but may instead reinvest substantially all income and gain. Therefore, an investor may have taxable income from a fund without a cash distribution to pay the related taxes.
- Federal, state and international governments may increase regulation of investment advisers, private investment funds and derivative securities, which may increase the time and resources that USQ must devote to regulatory compliance, to the detriment of investment activities.
- USQ is not registered with the SEC as a broker-dealer. The equity interests in the funds USQ manages are not registered under the Securities Act of 1933, and the funds in which USQ clients invest (except for mutual funds) are not registered investment companies under the Investment Company Act of 1940. If a regulatory authority deems that any of these registrations is required, USQ and any fund could be subject to expensive legal action and potential termination. In addition, investors in the funds do not have certain regulatory protection that they would have if these registrations were in place.
- USQ's activities, and those of funds in which USQ client accounts invest, could cause adverse tax consequences to clients and investors, including liability for interest and penalties.
- USQ's activities, and those of funds in which USQ client accounts invest, may cause an account that is subject to the Employee Retirement Income Security Act of 1974 to engage in a prohibited transaction under that Act.
- If a limited partnership client becomes insolvent, investors may be required to return with interest any distributions and forfeit any undistributed profits.
- USQ and its affiliates may spend time on activities that compete with a fund without accountability to investors, including investing for other clients and their own accounts. If USQ receives better compensation and other benefits from managing other assets or client accounts compared to managing a fund, it has incentive to allocate more time to those other activities. These factors could influence USQ not to make investments on a fund's behalf even if such investments would benefit the fund.
- USQ may provide certain investors or clients more frequent or detailed reports, special compensation arrangements and withdrawal or redemption rights that it does not provide to other investors or clients.

The above is only a brief summary of some of the important risks that a client or an investor may encounter. Before deciding to invest in a fund that USQ manages, you should consider carefully all of the risk factors and other information in the fund's offering circular or private offering memorandum.

ITEM 9. DISCIPLINARY INFORMATION

Not applicable.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

USQ is registered as a commodity trading advisor with the National Futures Association.

USQ has some clients that are investment funds that are controlled by USQ and its owners and related persons. These relationships create conflicts of interest between USQ and the funds, in that the directors and managers of those funds may have an incentive to cause those funds to engage and continue to retain USQ as the funds' investment adviser, even if doing so may not be in the best interests of the funds or the investors in those funds. These conflicts of interest have been disclosed in writing to the investors in the funds, all of whom are members of the families of the trust that owns USQ or trusts controlled by and/or benefitting such persons.

The trustees of the trust that owns USQ are the general partners of various other private investment funds. The sole investors in those other funds are members of the families of such trustees and trusts controlled by and/or benefitting such trustees and their family members. USQ, however, does not serve as the investment adviser of those funds.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

USQ has adopted a Code of Ethics in compliance with Rule 204A-1 under the Investment Advisers Act of 1940, that establishes standards of conduct for USQ's supervised persons. The Code of Ethics includes general requirements that USQ's supervised persons comply with their fiduciary obligations to clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons to comply with the personal trading restrictions described below and periodically to report their personal securities transactions and holdings to USQ's Compliance Officer, and requires the Compliance Officer to review those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to the Compliance Officer. Each supervised person of USQ receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received those materials. Annually, each supervised person must certify that he or she complied with the Code of Ethics during the preceding year. Clients and prospective clients may obtain a copy of USQ's Code of Ethics by contacting Lauren Renken.

Under USQ's Code of Ethics, USQ and its shareholders, directors, officers and employees may personally invest in securities of the same classes as USQ purchases for clients and may own securities of issuers whose securities that USQ subsequently purchases for clients. This practice creates a conflict of interest in that any of such persons can use his or her knowledge about actual or proposed securities transactions and recommendations for a client account to profit personally by the market effect of such transactions and recommendations. To address this conflict, USQ and its shareholders, directors, officers and employees must obtain pre-approval before engaging in most securities transactions. USQ and its shareholders, directors, officers and employees may also buy or sell specific securities for their own accounts based on personal investment considerations aside from company or industry fundamentals, which USQ does not believe appropriate to buy or sell for clients.

USQ solicits investors who may or may not be USQ's clients to invest in the investment limited partnership that it manages. USQ has an incentive to cause a client to invest in a limited partnership instead of an individually managed account because of the reduced expenses and administrative burdens of managing a fund compared to an individually managed account, and limited partners have

less transparency and liquidity than individual account clients. In addition, if a fund investor also has an individually managed account with USQ that uses an investment strategy that is similar to that of the fund, the investor may use knowledge of the other account's portfolio to decide if and when to make an additional investment or withdraw or redeem assets from the fund at times when other fund investors would have made similar decisions had they had similar transparency. USQ discloses these conflicts of interest to clients and investors.

Because USQ manages more than one account, there may be conflicts of interest over its time devoted to managing any one account and allocating investment opportunities among all accounts that it manages. For example, USQ selects investments for each client based solely on investment considerations for that client. Different clients may have differing investment strategies and expected levels of trading. USQ may buy or sell a security for one type of client but not for another, or may buy (or sell) a security for one type of client while simultaneously selling (or buying) the same security for another type of client. USQ attempts to resolve all such conflicts in a manner that is generally fair to all of its clients. USQ may give advice to, and take action on behalf of, any of its clients that differs from the advice that it gives or the timing or nature of action that it takes on behalf of any other client so long as it is USQ's policy, to the extent practicable, to allocate investment opportunities to its clients fairly and equitably over time. USQ is not obligated to acquire for any account any security that USQ or its shareholders, directors, officers or employees may acquire for its or their own accounts or for any other client, if in USQ's absolute discretion, it is not practical or desirable to acquire a position in such security for that account.

ITEM 12. BROKERAGE PRACTICES

USQ does not invest client accounts in individual securities, but instead invests client accounts in ETFs, mutual funds and private investment funds. USQ uses brokers only to execute transactions in ETFs and mutual funds for its client accounts.

USQ has complete discretion in selecting the broker that it uses for client transactions and the commission rates that clients pay such brokers. In selecting a broker for any transaction or series of transactions, USQ may consider a number of factors, including, for example:

- net price, clearance, settlement and reputation;
- financial strength and stability;
- efficiency of execution and error resolution;
- willingness to execute related or unrelated difficult transactions in the future;
- offering to USQ on-line access to computerized data regarding clients' accounts;

USQ annually evaluates the trade execution services that USQ receives from the brokers it uses to execute trades for clients. Such evaluation includes comparing those services to the services available from other brokers, based on the quality of execution services and the level of commission rates.

If a client directs USQ to use a specific broker, USQ has not negotiated the terms and conditions (including, among others, commission rates) relating to the services provided by such broker. USQ is not responsible for obtaining from any such broker the best prices or particular commission rates. A client that directs USQ to use a specific broker may not be able to participate in aggregate securities transactions and may trade after such aggregate transactions and receive less favorable

pricing and execution. The client may pay higher commissions and mark-ups than it would pay if USQ had discretion to select broker-dealers other than those that the client chooses.

ITEM 13. REVIEW OF ACCOUNTS

All client accounts are reviewed quarterly by Leslie Schilling, Alexander Schilling and Jeffrey Whaley. This quarterly review covers all aspects of client portfolios, including asset allocation, portfolio performance & overall account performance. In addition, sustained underperformance, change in investment style or organizational instability will trigger additional reviews during a quarter and possible reallocation of assets. Annually, the same group reviews the asset allocation in all client accounts, and accounts are rebalanced if necessary. In addition, any significant economic or political events during a year trigger an additional review of asset allocation.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

Not applicable.

ITEM 15. CUSTODY

The custodian of each individually managed account sends account statements at least quarterly to the client. The custodian of each fund also sends quarterly statements to each investor in the fund. Each client should carefully review those statements and compare them with the statements that such client receives directly from USQ, if any.

ITEM 16. INVESTMENT DISCRETION

As of December 31, 2012, USQ managed client regulatory assets of approximately \$173.861 million on a discretionary basis.

USQ has discretionary authority to manage investment accounts on behalf of clients pursuant to a grant of authority in each fund's limited partnership agreement or a limited power of attorney in each client's account agreement. Except for USQ's limited partnership client, such discretion is limited by the requirement that clients advise USQ of:

- the investment objectives and guidelines for the account;
- any changes or modifications to those objectives and guidelines; and
- any specific investment restrictions relating to the account.

A client must promptly notify USQ in writing if the client considers any investments recommended or made for the account to violate such objectives or restrictions. A client may at any time direct USQ to sell any securities or take such other lawful actions as the client may specify to cause the account to comply with the client's investment objectives. In addition, a client may notify USQ at any time not to invest any funds in the client's account in specific securities or specific categories of securities.

ITEM 17. VOTING CLIENT SECURITIES

USQ does not vote proxies on behalf of clients. All proxy voting materials received by USQ on behalf of a client are forwarded directly to the client (or their designated representative) who is responsible for voting the proxy. USQ may answer client questions regarding proxy voting matters in an effort to assist the client in determining how to vote the proxy, but the clients decide how to vote each proxy. A copy of USQ's proxy voting policy is available upon request from Lauren Renken, at (415) 392-9228.

ITEM 18. FINANCIAL INFORMATION

Not applicable.

ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Not applicable.

8167\001\CREISER\1709476.4