

Item 1 Cover Page

PART 2A OF FORM ADV: FIRM BROCHURE



SSARIS Advisors, LLC

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This brochure provides information about the qualifications and business practices of SSARIS Advisors, LLC (“we,” “us,” or “our”). If you have any questions about the contents of this brochure, please contact us at 203-328-7200 or info@ssaris.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

We are a registered investment adviser under the Investment Advisers Act of 1940, as amended (the “**Investment Advisers Act**”). Our registration under the Investment Advisers Act does not imply any level of skill or training.

Item 2 Material Changes

On March 25, 2010, we completed the prior version of our Form ADV Part II (the “**Prior Brochure**”). Since the completion of the Prior Brochure, the United States Securities and Exchange Commission (the “**SEC**”) has amended the disclosure and delivery requirements for the Form ADV Part II and, therefore, the structure of this brochure is materially different than the Prior Brochure and includes certain new information that was not included in the Prior Brochure. This material change is summarized below.

Amendments to Form ADV

Effective October 12, 2010, the SEC amended the Form ADV Part II and the related rules promulgated under the Investment Advisers Act of 1940, as amended (the “**Investment Advisers Act**”). The amendments require expanded content, a plain English narrative, electronic filing, and delivery of “brochure supplements” containing resume-like information about advisory personnel. This Brochure has been prepared according to these new requirements and rules.

In the past, an investment adviser was only required to offer information about its qualifications and business practices to clients on an annual basis. Pursuant to the new requirements and rules, we will ensure that you receive a summary of any material changes to this brochure and subsequent brochures within 120 days of the close of our fiscal year. We will also provide ongoing disclosure about material changes as such changes may arise.

Our brochure may be requested, free of charge, by contacting our Manager-Investor Relations, Sheri Lamoreaux, at 203-328-7200 or info@ssaris.com.

Additional information about us is also available via the SEC’s website www.adviserinfo.sec.gov. The SEC’s website also provides information about any of our affiliates who may be registered as investment advisers.

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Brochure Supplement(s)

Item 4 **Advisory Business**

Background

We are a Delaware limited liability company organized on May 13, 2001. We are majority owned by State Street Global Alliance II, LLC (“**Global Alliance**”) and minority owned by RTH Partners LLC, a limited liability company owned by our executive management team. Through Global Alliance, we are an affiliate of State Street Global Advisors (“**SSgA**”), the investment management business of State Street Corporation (“**State Street**”), a provider of financial services to institutional investors. We have been in business for nearly ten years.

We have been registered as an investment adviser under the Investment Advisers Act since September 2001. We have also been registered under the Commodity Exchange Act, as amended (the “**CE Act**”), as both a commodity trading advisor and commodity pool operator since August 2001. We have been a member of the National Futures Association (the “**NFA**”) since September 2001. SSARIS Management, LLC (“**SSARIS Management**”), our wholly owned subsidiary, has been registered as a commodity pool operator and commodity trading advisor and has been registered with the NFA since October 2001. Such registrations and memberships do not imply that the SEC, the Commodity Futures Trading Commission (“**CFTC**”), or the NFA have endorsed or approved our qualifications or the qualifications of SSARIS Management to provide the advisory and management services described herein. BRC Corp. (“**BRC**”), our wholly owned subsidiary, holds voting interests in certain of our advisory clients.

Advisory Services

As an investment adviser, we provide discretionary investment management services and design, structure, and implement absolute return investment strategies for private pooled investment vehicles and separately managed accounts. We also provide advisory services to the issuers of structured notes and the companies that invest the proceeds derived from the issuances of such notes. In addition, we provide hedge fund advisory services including manager selection, risk monitoring, industry analysis, and data collection to pooled investment vehicles for which we do not serve as the primary investment adviser.

We offer advisory services pursuant to single manager and multi-manager trading strategies. We provide advisory services pursuant to these strategies to our pooled investment vehicle clients (each, a “**SSARIS Fund**” and collectively, the “**SSARIS Funds**”) and to our managed account clients (the “**Managed Accounts**”). For a detailed discussion of our single manager strategies, please see “Item 8 Methods of Analysis, Investment Strategies and Risk of Loss – Single Manager Strategies” below. For a detailed discussion of our multi-manager strategies, please see “Item 8 Methods of Analysis, Investment Strategies and Risk of Loss – Multi-Manager Strategies” below.

Pursuant to our investment advisory agreements with each of the SSARIS Funds and the Managed Accounts, we provide advisory services and manage client assets in accordance with one or more of our established investment strategies. We nonetheless may tailor our

services to the needs of each client. For instance, with respect to the SSARIS Funds, we may tailor our services to the size of the pooled investment vehicle, the number of investors, and each fund's investment objectives. With respect to the Managed Accounts, we may tailor the types of securities and futures to be traded on the client's behalf. For each of our clients, the quantity of contracts or positions we acquire on the client's behalf is based upon the assets committed to, or trading level requested, for a trading program and the trading program selected by the client. Any restrictions on investing in certain securities or types of securities will be specified in the investment advisory agreement with, or offering and organizational documents of, the relevant client.

In addition, we, our principals, and our respective affiliates may solicit, from time to time, futures funds for participation in our trading programs. The exact nature of the advisory services we provide to such future funds are the subject of negotiation and may differ from the terms of the investment advisory agreements entered into with, and the services provided to, the SSARIS Funds and Managed Accounts.

As noted above, we provide advisory services to issuers of structured notes (the "**Note Issuers**") and the companies that invest the proceeds of the issuances of such notes (the "**Trading Companies**"). With respect to the Note Issuers, we provide advisory services to assist the Note Issuers in implementing our single strategy and multi-strategy hedge fund programs (also referred to as individual hedge fund strategies or internal strategies, respectively) and our multi-manager programs, which are style specific and fully diversified hedge fund of funds programs (also referred to as hedge fund of funds strategies), including investing a portion of the Note Issuers' assets with the Trading Companies. With respect to the Trading Companies, which are a subset of the SSARIS Funds, we manage and invest a certain portion of their assets pursuant to our proprietary single manager and multi-manager strategies. We tailor our advisory services to the individual needs of the Note Issuers by assisting the Note Issuers in effecting the offering of the notes pursuant to the specific terms and conditions negotiated with investors. With respect to the Trading Companies, we allocate an agreed upon portion of the assets of the Trading Companies to different types of securities and/or to different independent investment managers. For a detailed discussion of our single and multi-manager strategies, please see "Item 8 Methods of Analysis, Investment Strategies and Risk of Loss – Multi-Manager Strategies" below.

Finally, we also provide sub-advisory services such as manager selection, risk monitoring, industry analysis, and data collection to pooled investment vehicles for which we do not serve as the primary investment adviser (each, an "**Advisory Services Account**" and collectively, the "**Advisory Services Accounts**"). These advisory services do not necessarily relate to our single manager strategies or our multi-manager strategies and are tailored to the information, analysis, or monitoring needs of each of the Advisory Services Accounts. Pursuant to the terms of their investment advisory agreements, the Advisory Services Accounts may impose restrictions on investing in certain securities or types of securities.

We refer to the SSARIS Funds, the Managed Accounts, the Advisory Services Accounts, the Note Issuers, and the Trading Companies collectively as our “**Client Accounts**,” or more generally, with other potential clients, as our “**clients**.”

Wrap Fee Programs

We do not participate in wrap fee programs.

Management of Client Assets

As of December 31, 2010, we had \$856,276,000 assets under management on a discretionary basis and \$856,000,000 assets under management on a non-discretionary basis.

Item 5 Fees and Compensation

General

Written investment advisory agreements govern the terms of compensation and the manner in which we charge fees to each of our clients. The fees we charge for our advisory services may be negotiable depending on the circumstances of the client's account and the service levels we provide to the client. Subject to the terms of their investment advisory agreement, clients may elect to be billed directly for fees or may authorize us to directly deduct fees from the client's account. For instance, we directly deduct our fees from the accounts of the SSARIS Funds but typically bill our fees to the Managed Accounts. We generally bill our fees, or directly deduct our fees from client accounts, on a monthly, quarterly, or annual basis. Our fees are payable in arrears. For a detailed description of our fee arrangements, please see "Item 5 Fees and Compensation – Fees – Single Manager Strategies," "Item 5 Fees and Compensation – Fees – Multi-Manager Strategies," "Item 5 Fees and Compensation – Fees – Note Issuers and Trading Companies," and "Item 5 Fees and Compensation – Fees – Advisory Services Accounts" below.

Our clients are responsible for all fees and expenses incurred, directly or indirectly, by or on behalf of such client, including, without limitation:

- directors' fees and expenses, as applicable;
- administration fees and expenses;
- brokerage commissions and dealer spreads;
- NFA fees and expenses;
- transaction-related fees and expenses;
- all fees and expenses incurred in connection with any investment or potential investment (including, without limitation, consulting and other professional fees and expenses, research and diligence fees and expenses, fees and expenses attributable to any investment vehicle used in connection with any investment by the client, and all other investment-related expenses);
- continuing offering fees and expenses;
- legal, accounting, and auditing fees and expenses;
- tax audit costs, tax filing preparation costs, taxes, and assessments;
- fees to an administrator or any other service provider providing services to the client (including, without limitation, any valuation services);
- costs related to the preparation, reproduction, and mailing of reports to members or shareholders, as applicable;
- expenses associated with compliance with applicable laws and regulations;

- custodial fees and insurance expenses; and
- extraordinary fees and expenses, if any, including, without limitation, any indemnification obligations.

In addition, investments by the SSARIS Funds in other pooled investment vehicles may be subject to early redemption fees in connection with redemptions of interests. We do not receive any portion of these commissions, fees, and costs and will not receive a brokerage commission or other compensation attributable to the sale of securities or other investment products. Investments in SSARIS Funds may be subject to early redemption fees in connection with redemptions of interests. Such early redemption fees are payable to us as the investment adviser of the SSARIS Funds. We may, acting in our sole and absolute discretion, waive or reduce such early redemption fees on a case by case basis. Investments in Note Issuers may be subject to early redemption fees and/or liquidation fees (which reflects the costs actually incurred by the Notes Issuer in liquidating relevant interest bearing instruments allocated to the notes being redeemed).

The SSARIS Funds, or the underlying investors in the SSARIS Funds, may also be responsible for reimbursing us for expenses incurred in connection with the organization of the SSARIS Fund and the initial offer and sale of interests up to a stated maximum amount, typically assessed after a required minimum of assets have been raised. More detailed information about these costs will be disclosed to the SSARIS Funds and the underlying investors in the SSARIS Funds prior to the opening of an account or investment in such an entity.

Underlying investors in the SSARIS Funds and the Managed Accounts may also be subject to placement agent fees. The terms of sales and on-going compensation payable to placement agents for interests sold by them may differ among the various placement agents depending on the sales relationship established with the particular placement agent and the amount of capital contributed through the efforts of the placement agent. In accordance with Rule 206(4)-3 promulgated under the Investment Advisers Act, placement agent fees are disclosed to each of the SSARIS Funds and each underlying investor in the SSARIS Funds and to each of the Managed Accounts through a separate disclosure statement executed by the underlying investor, as applicable.

For a discussion of the factors that we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of commissions and compensation for such broker-dealers, please see “Item 12 Brokerage Practices – Selection of Broker-Dealers and Reasonableness of Compensation.”

Fees – Single Manager Strategies

As discussed in detail below, for the SSARIS Funds and Managed Accounts managed pursuant to our proprietary single manager strategies, we directly manage such clients' assets and typically do not engage Sub-Advisers (as defined below), except with regard to the Multi-Strategy Program. The fees for single manager strategies, which we also refer to as "internal strategies," are generally as follows:

Managed Accounts

- Management and performance fees vary due to account size and other factors and are typically based on the nominal account size. A typical management fee can range from 0% to 2% and the performance fee can range from 0% to 20% based on account size and other factors.
- Payable monthly, quarterly, or yearly in arrears
- Negotiable

SSARIS Funds

- 1% management fee, payable monthly in arrears
- 20% performance fee, payable monthly, quarterly, or yearly in arrears
- Early redemption fee, as applicable (currently, we charge an early redemption fee for SSARIS Active Commodity Fund LLC)
- Generally not negotiable
- May be subject to a high water mark and a hurdle rate, which is typically above the 91 day Treasury Bill Rate

Pursuant to the terms of the client's investment advisory agreement, if the investment advisory relationship is terminated as of any date other than the last business day of the applicable payment period, we typically charge a prorated management fee based on the ratio that the number of days for which investment advisory services were rendered bears to the total number of days in that payment period. In the event that the investment advisory relationship is terminated other than at the end of a performance fee calculation period, such termination date shall typically be treated as the end of a performance fee calculation period, and, if earned, we will charge such client a performance fee.

Fees – Multi-Manager Strategies

As discussed in detail below, pursuant to our multi-manager strategies, we engage third-party hedge fund managers and commodity trading advisors (each, a “**Sub-Adviser**” and collectively, the “**Sub-Advisers**”) to manage the assets of the SSARIS Funds and the Managed Accounts. The fees for multi-manager strategies, which are also referred to as “fund-of-funds strategies,” are generally as follows:

Managed Accounts

- Management and performance fees vary based on account size and other factors and are typically based on the nominal account size.
- Payable monthly, quarterly, or yearly in arrears
- Negotiable

In addition to the management and performance fees payable to us for our advisory services, the Managed Accounts are responsible for their pro rata portion of periodic management fees and performance fees payable to each of the Sub-Advisers. Typically, management fees for each of the Sub-Advisers range between 0% and 3% annually of the net asset value of the assets managed by such Sub-Adviser. Performance fees for each of the Sub-Advisers typically range between 0% and 27% annually of the profits (or appreciation) achieved by such Sub-Adviser, typically subject to a traditional high water mark.

These management and performance fees are paid directly by the applicable SSARIS Fund to the Sub-Adviser and, pursuant to either our investment management agreement or subscription agreement with each Sub-Adviser, are paid, in arrears or in advance, on a monthly, quarterly, or annual basis. In cases where we pay a Sub-Adviser management or performance fees in advance, upon termination of the applicable agreement, the Sub-Adviser will refund any unearned, prepaid fees and any earned, unpaid fees will remain due and payable. It is our understanding that the Sub-Advisers typically calculate the amount of the refund for unearned, prepaid fees on a pro rata basis.

In the event that a Sub-Adviser is allocated “notional” funds, the management fee paid to such Sub-Adviser may be calculated on the total allocation, including the notional funds, and not the net assets of the allocation. The exact management and performance fees and the timing of the payment of such fees, as well as the determination of net assets and profits for purposes of calculating such fees, may vary from Sub-Adviser to Sub-Adviser.

SSARIS Funds

- 0%-1.75% management fee, payable monthly in arrears
- 0%-10% performance fee, payable quarterly or annually in arrears
- Generally not negotiable

- Subject to a high water mark

In addition to the management and performance fees payable to us for our advisory services, the SSARIS Funds that participate in the multi-manager strategies are also responsible for their pro rata portion of the fees and expenses payable to each Sub-Adviser. Typically, management fees for each of the Sub-Advisers range between 0% and 3% annually of the net asset value of the assets managed by such Sub-Adviser. Typically, the performance fees for each of the Sub-Advisers range between 0% and 27% annually of the profits (or appreciation) achieved by such Sub-Adviser, typically subject to a traditional high water mark.

As with the Managed Accounts, these management and performance fees are paid directly by the applicable SSARIS Fund to the Sub-Adviser and, pursuant to our agreement with each Sub-Adviser, are paid, in arrears or in advance, on a monthly, quarterly, or annual basis. In cases where we pay a Sub-Adviser management or performance fees in advance, upon termination of the applicable agreement, the Sub-Adviser will refund any unearned, prepaid fees and any earned, unpaid fees will remain due and payable. It is our understanding that the Sub-Advisers typically calculate the amount of the refund for unearned, prepaid fees on a pro rata basis.

The exact management and performance fees and the timing of the payment of such fees, as well as the determination of net assets and profits for purposes of calculating such fees, may vary from Sub-Adviser to Sub-Adviser.

Fees – Note Issuers and Trading Companies

As discussed above, we provide investment advisory services to the Note Issuers and to the Trading Companies. For our services we will receive a monthly management fee, payable in arrears, in an amount equal to either a percentage of the net asset value of the notes outstanding in each series or in an amount equal to the trading level of the Trading Company, as set forth in the relevant pricing statement for each note issuance. These fees are generally negotiable. Generally, the Trading Company will pay the management fees out of its assets, so long as it has sufficient assets. We provide our investment advisory services to the Note Issuers and the Trading Companies pursuant to investment advisory agreements. In the event that the applicable investment advisory agreement is terminated or shares of the Trading Company are redeemed by the Note Issuers for any reason (including to fund redemptions of notes) as of any date other than the last day of a month, the management fee will be prorated based on the ratio that the number of days in the month through such date bears to the total number of days in the month. The management fee may vary but is generally 1%-2% of the net asset value of the notes outstanding in each series or the trading level of the Trading Company.

The Trading Companies will also pay us a quarterly or annual incentive fee equal to a percentage of the net new appreciation achieved on the shares in each series of notes as set forth in the relevant pricing statement. In the event that the applicable investment advisory agreement is terminated or shares of the Trading Company are redeemed by the Note Issuers for any reason (including to fund redemptions of notes) as of any date other

than the end of a quarter or year, we shall be entitled to incentive fees, if earned, as though the termination or redemption date was the end of the then current quarter or year. The incentive fee may vary, and is negotiable, but is generally 20% of the net new appreciation achieved on the shares in each series of notes.

To the extent that a noteholder redeems a note prior to the maturity date, such noteholder may be charged a liquidation fee and additional transaction costs caused by the redemption, in an amount set forth in the relevant pricing statement. The liquidation fee will reflect costs actually incurred by the Note Issuers in liquidating the relevant interest bearing instrument(s), including, without limitation, an early payment penalty imposed by the relevant interest bearing instrument(s) and/or a deduction reflecting the marked-to-market value or accreted value of the relevant interest bearing instrument(s) allocable to the notes being redeemed.

To the extent that a noteholder redeems notes prior to the maturity date, the noteholder may be responsible for paying us an early redemption fee and additional transaction costs caused by the redemption, as set forth in the relevant pricing statement, which may be paid out of the proceeds of the interest bearing instrument(s), the shares of the Trading Company related to the notes, or the reserve account allocable to the notes being redeemed. The early redemption fee may vary but is generally 0%-4% of the net asset value of the notes being redeemed.

The Note Issuers will be responsible for all other fees and expenses incurred by us on their behalf.

SSARIS Management acts as the Note Issuers' and the Trading Companies' commodity pool operator. SSARIS Management will not receive any fees for serving in this role.

Fees – Advisory Service Accounts

In return for the advisory services we provide, we typically charge the Advisory Services Accounts a fixed fee that varies based on the scope of the work to be performed. These fees are negotiable and typically payable monthly in arrears. Typically such fees are based on the scope of the work involved and can range from .35% to 1% on the assets such services are provided for or some negotiated fixed payment, and paid monthly.

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

In some cases, including pursuant to our investment advisory agreements with the SSARIS Funds, the Managed Accounts, and Note Issuers, we will enter into performance or incentive fee arrangements with eligible clients. The terms and conditions of such fees are subject to individualized negotiations with each client. We will structure any performance or incentive fee arrangement in accordance with Section 205(a)(1) of the Investment Advisers Act and the rules and regulations thereunder, including the exemption set forth in Rule 205-3 promulgated under the Investment Advisers Act permitting performance fee arrangements with “qualified clients.” For a more detailed discussion of the calculation of the incentive fees paid by the SSARIS Funds, Managed Accounts, and Note Issuers, please see “Item 5 Fees and Compensation – Fees – Single Manager Strategies,” “Item 5 Fees and Compensation – Fees – Multi-Manager Strategies,” and “Item 5 Fees and Compensation – Fees – Note Issuers and Trading Companies.”

Performance-based fee arrangements may create an incentive for us to recommend investments that may be riskier or more speculative than those that we may recommend under a different fee arrangement. In the allocation of investment opportunities, performance-based fee arrangements may also create an incentive for us to favor accounts with performance or incentive fee arrangements over accounts that are not charged a performance fee. Nevertheless, we strive to ensure that all of our clients are treated fairly and equally and to prevent this form of conflict from influencing the allocation of investment opportunities among our clients.

With respect to our single manager strategies, we currently use two programs to allocate multiple price allocations fairly. The first is the Average Price System (“A.P.S.”), which is used by some of the major futures exchanges. The exchange-method A.P.S. calculates a weighted average. The weighted average price is given to every account along with a residual dollar amount based on the size of the transaction. Buy trades are rounded up and sell trades are rounded down. Each account receives only one price fill. The second program is a system that calculates a weighted average of all the prices that are received from broker-dealers or futures commission merchants, as applicable. The program then allocates those prices to each account based on that weighted average. No account is given preference over another regarding the price of the purchased security. The allocation process is automated and removed from the trader’s control. We employ both methods depending upon the stock or futures exchange on which the business trade is executed.

For multi-manager strategies, allocations to the Sub-Advisers are based on our portfolio managers’ recommendations and are subject to the approval of our investment committee.

We will offer clients the right to participate in all investment opportunities that we determine are appropriate for each client in view of its investment objective, policies, strategies, and other relevant factors. In accordance with our policies and procedures, while each of our clients may not participate in each individual investment opportunity, on an overall basis, each client will be entitled to participate equitably with our other clients.

Item 7 Types of Clients

We provide investment advisory services to a wide range of clients (and underlying investors) including pooled investment vehicles, bank or thrift institutions, pension and profit sharing plans, partnerships, corporations, other business entities, endowments, sovereign wealth accounts, and individuals.

The minimum account size necessary to open and maintain a separately managed account with us is based on the trading strategy employed. The minimum initial investments for our single manager strategies and for our multi-manager strategies are as follows:

<u>Single Manager Strategies</u>	<u>Minimum Initial Investment</u>
Multi-Strategy Program	\$25,000,000
Diversified Trading Program	\$25,000,000
Alpha Enhanced Equity Strategy	\$25,000,000
Active Commodity Strategy	\$25,000,000
Multi-Strategy Participating Note Strategy	\$25,000,000
Short Term Momentum Strategy	\$25,000,000
<u>Multi-Manager Strategies</u>	<u>Minimum Initial Investment</u>
Multi Manager Absolute Return Strategy	\$25,000,000
Multi Manager Relative Value Strategy	\$25,000,000
Multi Manager Japan Equity Strategy	\$25,000,000
Multi Manager Participating Note Strategy	\$25,000,000
Multi Manager Global Long/Short Equity Strategy	\$25,000,000
Multi Manager Global Macro and CTA Strategy	\$25,000,000
SSARIS Equity Plus (SSARIS Portable Alpha Strategy)	\$25,000,000

We may, in our sole discretion, waive any of these minimum account requirements.

Investors in the SSARIS Funds must make minimum initial subscriptions ranging from \$250,000 to \$5,000,000 and any additional subscriptions must also be made according to established minimums. In addition, investors in the SSARIS Funds must meet certain criteria, including, as applicable, being an “accredited investor,” as defined in Rule 501(a) of Regulation D promulgated under Section 4(2) of the Securities Act of 1933, as amended, a “qualified purchaser,” as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended, and a “qualified client,” as defined in Rule 205-3 promulgated under the Investment Advisers Act. Such minimum investment amounts and investor criteria are set forth in the offering documents of each SSARIS Fund and are typically subject to waiver or reduction.

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

Our two categories of investment strategies are our proprietary single manager trading strategies and our proprietary multi-manager trading strategies. When formulating investment advice and managing the assets of the SSARIS Funds and the Managed Accounts, we perform both quantitative and qualitative analyses prior to making investment decisions. For single manager strategies we use electronic price data and news feeds from third party providers (e.g., Bloomberg, CSI, etc.) and a variety of macroeconomic indicators. In addition, we heavily rely on the use of proprietary systematic, computer-based strategies and models to determine a substantial portion of our investment decisions. With respect to the multi-manager strategies, we also review materials provided by hedge fund managers, commodity trading advisors, and commodity pool operators such as offering memoranda, due diligence questionnaires, performance data, and financial statements.

Single Manager Strategies

With respect to assets managed pursuant to our single manager strategies, we serve as the sole investment adviser, with the exception of the Multi-Strategy Program where an affiliate sub-advises a portion of the portfolio. Each of our single manager strategies has a specified investment type, market focus, strategic focus, and targeted time frame.

Our proprietary single manager strategies include:

- | | |
|-----------------------------|--|
| Multi-Strategy Program | <ul style="list-style-type: none">• Seeks to diversify investments primarily among equity, fixed income, and systemic global macro investment strategies. |
| Diversified Trading Program | <ul style="list-style-type: none">• A systematic, computer-based strategy that uses price series and momentum analysis to actively manage a portfolio of global futures, options, and forward markets, including foreign currency, interest rate, stock index, and commodity sectors. |
| Active Commodity Strategy | <ul style="list-style-type: none">• A systematic, quantitative strategy, which uses price series, volatility, and momentum analysis to actively manage a portfolio of commodity futures contracts.• Seeks to provide a value added or “alpha” above passive long-only commodity benchmarks while being statistically non-correlated to the passive indexes. |

Multi-Strategy Participating Note Strategy

- Seeks to diversify portfolio exposure among long/short equity, relative value fixed income, fundamental, momentum, statistical arbitrage, trend following, and pattern recognition.

Short Term Momentum Strategy

- A systematic, quantitatively based strategy that uses price series and momentum analysis to actively manage a portfolio of global futures, options, and forward markets, including foreign currency and interest rate, stock index, and commodity sectors.

Risks of Investing in Single Manager Strategies

Investing in securities involves risk of loss that clients should be prepared to bear. More specifically, investing in assets managed pursuant to our single manager strategies involves, but is not limited to, the following material risks:

- our strategies may not produce profitable results;
- our strategies may involve significantly more risk than traditional investment methods and may result in higher transactions costs;
- trading in futures involves volatility and rapid fluctuation in market prices;
- leveraged investments may result in immediate and substantial loss;
- we may expand, revise, or alter our trading strategies without the prior approval of, or notice to, our clients; and
- an entire investment strategy may fail or deteriorate because of excessive concentration in the same investment or because broad events adversely affect the strategy.

The foregoing is not an exhaustive list of risks and is only intended to highlight certain material risks of such investments. For a more complete list of the risks and risk factors related to investing in our single manager strategies, clients, prospective clients, investors, and prospective investors should refer to the organizational and offering documents that we will provide or have provided to them.

Multi-Manager Strategies

With respect to assets managed pursuant to our multi-manager strategies, we allocate such assets, directly or indirectly, among one or more funds or accounts managed by us or managed by the Sub-Advisers that we select. Each of our multi-manager strategies has a specified investment type, market focus, strategic focus, and targeted time frame.

Our proprietary multi-manager strategies include:

- | | |
|---|--|
| Multi-Manager Absolute Return Strategy | <ul style="list-style-type: none">• Seeks to diversify portfolio exposure among long/short equity, relative value fixed income, fundamental, momentum, statistical arbitrage, trend following, pattern recognition, and other strategies that seek to generate absolute returns. |
| Multi-Manager Relative Value Strategy | <ul style="list-style-type: none">• Seeks capital appreciation through investment in convergent or value seeking strategies that trade multiple asset classes in an effort to produce positive returns with low volatility and correlation to traditional asset classes. |
| Multi-Manager Japan Equity Strategy | <ul style="list-style-type: none">• Focuses on Japanese equity securities and will divide assets among market neutral equity managers, managers who use a value approach to investing, and managers who are opportunistic or theme based. |
| Multi-Manager Participating Note Strategy | <ul style="list-style-type: none">• Seeks to diversify portfolio exposure among long/short equity, relative value fixed income, fundamental, momentum, statistical arbitrage, trend following, pattern recognition, and other strategies that seek to generate absolute returns. |

Multi-Manager Global Long/Short Equity Strategy	<ul style="list-style-type: none"> • Seeks to make allocations to a diversified group of long/short and market neutral equity managers focused mainly on the United States, Europe, and Asia. • Employs a top down approach to asset allocation by weighting the exposure to strategies that may benefit from the current global macroeconomic environment.
Multi-Manager Global Macro and CTA Strategy	<ul style="list-style-type: none"> • Seeks to invest in strategies that attempt to profit from macro-derived market price dislocations and rising volatility environments.
SSARIS Equity Plus (SSARIS Portable Alpha Strategy)	<ul style="list-style-type: none"> • Seeks to invest in S&P 500 Index futures contracts, and invest in a series of hedge fund portfolios managed by either us directly or by third party hedge fund managers.
Multi-Manager Portfolio Program	<ul style="list-style-type: none"> • Diversifies portfolio exposure among U.S. equities and fixed-income holdings, global assets (non-U.S. stocks and bonds and their related currencies), and tangible assets (precious metals as well as agricultural and energy products).

Risks of Investing in Multi-Manager Strategies

Investing in securities involves risk of loss that clients should be prepared to bear. More specifically, investing in assets managed pursuant to our multi-manager strategies involves the following material risks:

- our strategies and the strategies of the Sub-Advisers may not produce profitable results;
- our strategies may involve significantly more risk than traditional investment methods and may result in higher transactions costs;
- an entire investment strategy may fail or deteriorate because of excessive concentration in the same investment or because broad events adversely affect the strategy;

- use of multiple Sub-Advisers may result in the overall losses generated by one Sub-Adviser exceeding the profits achieved by another Sub-Adviser;
- Sub-Advisers may compete with each other for the same investment positions or may take opposite positions in the same investment;
- Sub-Advisers may have a limited track record or may be offering new, niche, or specialty products with unfamiliar or unknown risks;
- the rates and terms of engagement for Sub-Advisers may vary from time to time;
- we may not control the Sub-Advisers and their trading vehicles;
- use of Sub-Advisors may cause additional fees to be charged along with other costs associated with making investments in their pooled investments; and
- certain of our strategies involve the frequent trading of securities, which may affect investment performance by, for instance, creating increased brokerage and other transaction costs and taxes.

The foregoing is not an exhaustive list of risks and is only intended to highlight certain material risks of such investments. For a more complete list of the risks and risk factors related to investing in our multi-manager strategies, clients, prospective clients, investors, and prospective investors should refer to the organizational and offering documents that we will provide or have provided to them.

Item 9 Disciplinary Information

To the best of our knowledge as of the date of this Brochure, there are no disciplinary events that we believe would be material to our clients' or our prospective clients' evaluation of our advisory business or the integrity of our management.

On February 4, 2010, State Street Bank and Trust Company ("**SSB&T**"), an affiliate of SSgA Funds Management, Inc. ("**SSgA FM**") announced that it had entered into settlements with the SEC, the Massachusetts Attorney General, and the Massachusetts Securities Division of the Office of the Secretary of the Commonwealth to resolve their investigations into losses incurred by, and disclosures made with respect to, certain active fixed-income strategies managed by SSgA FM, the investment management division of SSB&T, during 2007 and earlier periods. In reaching these settlements, SSB&T neither admitted nor denied the allegations made by the regulators. Under the terms of the agreements, SSB&T agreed to establish a \$313 million fair fund, which includes a fine of \$50 million and disgorgement of advisory fees and interest of approximately \$8 million. The fair fund will be distributed to affected investors in the active fixed-income strategies. Combined with approximately \$350 million in prior customer settlements, the compensation to investors will total approximately \$663 million. Under the settlements with the Commonwealth of Massachusetts, SSB&T agreed to pay \$10 million to each of the Massachusetts Secretary of State and the Massachusetts Attorney General. SSB&T previously established legal reserve will fully cover the cost of these regulatory settlements. SSB&T, SSgA FM, and SSgA are our affiliates.

Item 10 Other Financial Industry Activities and Affiliations

Registration as a Broker-Dealer

Certain of our principals and employees are also registered representatives of State Street Global Markets LLC (“SSGM”), a broker-dealer registered under the Securities and Exchange Act of 1934, as amended (the “**Exchange Act**”). SSGM is a member of the Financial Industry Regulatory Authority, the Municipal Securities Rulemaking Board, the NFA, and the Boston Stock Exchange. SSGM is a wholly-owned subsidiary of State Street and, therefore, is under common control with Global Alliance and with us.

Our relationship with SSGM is material to our advisory business. We are a branch office of SSGM. SSGM acts as an introducing broker or placement agent with respect to the sale of interests in all pooled investment vehicles for which we are the investment adviser or commodity trading advisor. We do not, however, believe that this relationship creates material conflicts of interest. First, SSGM has not, does not, and will not receive fees for acting as a placement agent. Second, SSGM is required to act on a best-efforts basis when serving as an introducing broker or placement agent for our clients or their underlying investors. Third, SSGM is one of many brokers and placement agents through which prospective investors may access the pooled investment vehicles to which we provide advisory services. In this way, there is no conflict of interest between our affiliation with SSGM and our fiduciary and contractual obligations to our clients. Nevertheless, we inform our clients and their underlying investors of our affiliation with SSGM in the offering documents provided to each prospective investor. We will also comply with the provisions of Rule 206(4)-3 promulgated under the Investment Advisers Act with respect to SSGM’s services as an introducing broker or placement agent.

Registration as a Commodity Trading Advisor and Commodity Pool Operator

We have been registered as a commodity trading advisor and a commodity pool operator pursuant to the CE Act since August 2001. We have been a member of the NFA since September 2001. Our wholly owned subsidiary, SSARIS Management, has been registered as a commodity trading advisor and a commodity pool operator, pursuant to the CE Act since October 2001. SSARIS Management has been a member of the NFA since October 2001. SSARIS Management may act as a commodity pool operator, general partner, or managing member for commodity pools or private investment funds organized for our current or prospective clients or offered to non-client investors as a means of accessing one or more of our investment programs.

In addition, we are also affiliated with SSB&T. SSB&T, doing business under the name State Street Global Advisors, is an exempted commodity pool operator and an exempted commodity trading advisor. Our relationship with SSB&T is material to our advisory business and may create material conflicts of interests with our clients. SSB&T provides investment advisory services to its clients through its global investment arm SSgA. These clients may have the same or similar investment objectives as our clients and may therefore compete with or take contrary positions to our clients. We also have mutual client relationships with SSgA and it is a Sub-Adviser to a portion of the Multi-Strategy

Program. This may create a conflict regarding whether we or SSgA will offer similar investment opportunities to these mutual clients and thereby receive the advisory fees associated with such investments. In addition, we may utilize the services of employees of SSgA. As a result, these employees may not provide our clients with the opportunity to participate in certain investments made by investment funds, accounts, or other investments vehicles managed by SSgA. We, our clients' administrators, and our clients' management have discretion to resolve such conflicts as we determine to be appropriate, consistent with our fiduciary duties to our clients. We will attempt to allocate such investments in a manner that is fair and reasonable to all parties.

Related Bank or Thrift Institution

As noted above, we are affiliated with SSB&T, a state chartered bank, which, in accordance with applicable law, provides custody, accounting, securities lending, and administrative services to registered investment companies. SSB&T acts as custodian to some of our clients and has maintained deposit accounts in favor of secured parties that have invested in secured participating notes issued by entities advised by us, SSARIS Management, and BRC. SSB&T has also issued Certificates of Deposit and other securities that we have purchased for some of our Client Accounts. Our relationship with SSB&T is material to our advisory business. We do not, however, believe this relationship creates material conflicts of interest. First, the custodian and account services SSB&T provides to our mutual clients are exclusive of, and separate from, the advisory services that we provide to our clients. We do not require or recommend that our clients engage SSB&T as their custodian or that secured parties that have invested in secured participating notes issued by our advisory clients maintain deposit accounts with SSB&T. With respect to the Certificates of Deposit, such instruments are issued at the prevailing market rate at the time of issuance, without commission.

Selection of Other Investment Advisers

We routinely select the Sub-Advisers to provide investment advisory services to our clients. We do not, however, receive compensation directly or indirectly from those advisers. We may, however, have other business relationships with the Sub-Advisers; specifically, we may engage Sub-Advisers to provide advisory services to more than one of the SSARIS Funds or Managed Accounts. In addition, we may engage our affiliates, such as SSgA, to serve as Sub-Advisers. As such, we may have an incentive to engage affiliates such as SSgA as a Sub-Adviser rather than more qualified or more reasonably compensated Sub-Advisers who are not our affiliates. In addition, as noted above, we may utilize the services of employees of SSgA. As a result, these employees may not provide our clients with the opportunity to participate in certain investments made by investment funds, accounts, or other investments vehicles managed by SSgA. As indicated above, we, our clients' administrators, and our clients' management have discretion to resolve such conflicts as we determine to be appropriate, consistent with our fiduciary duties to all of our clients. We will attempt to allocate such investments in a manner that is fair and reasonable to all parties.

Conflicts Relating to Material Relationships and Allocation of Investment Opportunities

With respect to our current clients, the SSARIS Funds and the Managed Accounts may implement similar investment strategies. Certain investment vehicles may, nevertheless, be more appropriate for certain types of investors because of tax, jurisdictional, and capitalization concerns. As a result, we may not offer some Client Accounts the opportunity to participate in certain transactions or investments. Further, our Client Accounts may participate in a transaction or investment through different investment structures or, in the case of multi-manager strategies, through different Sub-Advisers.

To address actual and apparent conflicts of interest and to fulfill our fiduciary duties to each of our clients, we allocate investment opportunities in a manner that is fair and equitable over time and is consistent with our internal policies and procedures, as well as the investment objectives of each of our clients, so that no client is disadvantaged in relation to any other client.

With respect to trading allocations, as noted above, we employ the APS program and a program that allocates prices to each client account based on weighted average so that no account is given preference over another regarding purchase price. In addition, when allocating investment opportunities among our clients, we consider, among other things, (i) the nature of the investment opportunity, taken in the context of the client's other investments, (ii) the liquidity of the investment relative to the needs of the client, (iii) legal, regulatory, or tax limitations, and (iv) in the case of Client Accounts managed pursuant to our multi-manager strategies, the attributes of the Sub-Adviser. As stated above, while each of our clients may not participate in each individual investment opportunity, on an overall basis, in accordance with our policies and procedures, each client will be entitled to participate equitably with our other clients.

Conflicts Relating to Time and Resources of Investment Professionals

There may be conflicts of interest between the Client Accounts with regard to time and resources. Our principals and investment professionals may participate in other business ventures of every kind and description, including other investment accounts (including for their own account), investment management companies, and investment funds, whether in similar capacities or not, and including ventures that may compete with the Client Accounts. For a detailed discussion of our personal trading policies, please see "Item 9 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading." Our principals and investment professionals intend to devote substantial time and attention to the business activities of the Client Accounts, but each reserves the right and is free to devote significant time and attention to other business and professional activities, including those related to investments and securities.

In addition, our investment personnel may from time to time serve on various industry committees, boards of futures exchanges, and the NFA to assist in making rules and policies for the investment industry (i.e. exchanges and the NFA). In such capacity, they

have a fiduciary duty to the exchanges on which they serve and the NFA and are required to act in the best interests of such organizations, even if such action may be adverse to the interests of the Client Accounts.

Conflicts Relating to Our Financial Interests in Our Clients

In many cases, we and our affiliates, including SSARIS Management and BRC, our wholly owned subsidiaries, invest in the clients advised by us. For instance, SSARIS Management and BRC are both members of SSARIS Holdings LLC and we are a special member of SSARIS Active Commodity Fund LLC. Further, as noted above, the type and amount of fees paid to us differs among clients. We and the Sub-Advisers may also trade for accounts other than the Client Accounts, including for our own accounts, and will remain free to trade for such other accounts and to utilize trading strategies and formulae in trading for such accounts that are the same as or different than the ones that we and the Sub-Advisers will utilize in making trading decisions on behalf of our clients. In addition, and if and when applicable, we, the Sub-Advisers, and our respective affiliates may take positions that are the same as, different than or opposite those taken on behalf of our clients and each may trade ahead of the positions to be taken on behalf of our Clients. These practices may result in conflicts of interest between our financial interests, the financial interests of the Sub-Advisers, and our clients.

Conflicts Relating to Client Purchases of Securities Issued by Another Client

We may buy securities for our clients that are issued by other issuers that are also advised by us or advised by a State Street affiliated investment manager. For example, the Note Issuers invest in certain of the SSARIS Funds. Where the transaction is an investment by one client in another investment vehicle advised by us, the terms of such investment may include a reduction or assignment of the management fees. Furthermore, we provide advisory services to the Managed Accounts, which may become members or shareholders, as applicable, in the SSARIS Funds. We will only recommend an investment in the SSARIS Funds to our Managed Account clients, as appropriate, based upon the investment objectives, strategies, and suitability of such clients.

Conflicts Relating to Certain Transactions with Service Providers or Clients

From time to time, in our discretion, assets of our clients may be invested with managers who are service providers to, clients of, or have other relationships with, our other clients, with us, with the directors of any of our clients, or with any of our respective affiliates; provided, however, that our internal policies and procedures require that the terms of any such investment must be agreed to on an arms-length basis and any fees will be commercially reasonable. These arrangements shall in no way be construed to limit the discretion of our clients, specifically the SSARIS Funds, with respect to establishing the terms of investment in such client by any party.

Addressing Conflicts

We have adopted various policies and procedures and a Code of Ethics, which address actual and potential conflicts of interest between us, our affiliates, and our clients. These

policies and procedures, as memorialized in our compliance manual, mandate the highest standards of ethical conduct and care from all of our employees, officers, and directors. Relevant policies and procedures for addressing conflicts with respect to a particular client may be described in greater detail in the governing documents or offering materials for that client.

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

Code of Ethics

We have adopted a Code of Ethics based on the principle that we, and each of our employees, owe a fiduciary duty to our clients and a duty to comply with federal and state securities laws and all other applicable laws. These duties include the obligation of all employees to conduct their personal securities transactions in a manner that does not interfere with the transactions of any client or otherwise to take unfair advantage of their relationship with clients. Among other things, the Code of Ethics requires regular reporting of personal securities transactions. Our employees are not permitted to purchase or sell, directly or indirectly, any futures contracts, options on any futures contract, or commodity specific exchange traded funds. Additionally, we maintain a list of service provider firms the securities of which our employees are not permitted to trade. Notwithstanding the foregoing, our employees may subscribe or redeem interests in privately placed securities that are offered through pooled investment vehicles managed by us.

We will provide a copy of our Code of Ethics, free of charge, to any client or investor and prospective client or prospective investor upon request. Our Code of Ethics may be requested by contacting our Manager-Investor Relations, Sheri Lamoreaux at 203-328-7200 or info@ssaris.com.

Participation or Interest in Client Transactions and Personal Trading

In appropriate circumstances, we may, on our clients' behalf, buy or sell securities or related securities such as warrants, options, or futures, in which we or our related persons, directly or indirectly, have a position of interest. We may also recommend that our clients or prospective clients buy or sell such securities. Further, we, or our related persons, may invest in the same securities, or related securities such as warrants, options, or futures, that we recommend to our clients.

Conflicts of interest may occur when we, or our related persons, trade in the same security at or about the same time as our clients. For example, we may seek to sell the securities we hold while simultaneously recommending that our clients maintain their position in the security. A sale by our related persons or by us may affect the liquidity, value, or trading price of the securities that our clients continue to hold. There are additional conflicts of interest with respect to the activities of the Sub-Advisers. For example, the Sub-Advisers may test new trading methodologies by taking positions in proprietary accounts that may be inconsistent or opposite those of clients. In addition, the Sub-Advisers may trade certain securities or futures for their own accounts that, by virtue of speculative position limits or perceived illiquidity, are deemed to be inappropriate for client accounts. As a result, the performance of such proprietary accounts may differ from the performance of the Sub-Adviser's Client Accounts.

In addition, we, or our related persons, may act as an investment adviser to an investment company that we recommend to our clients. For instance, we may invest our clients' assets into one or more of the SSARIS Funds. We, and our related persons, do not, however, act as a general partner in a partnership in which we solicit client investments. In addition, our principals and employees may purchase interests in the SSARIS Funds, the Advisory Accounts, and commodity pools or private investment funds for which SSARIS Management or BRC acts as an investment adviser. Our related persons may also purchase interests in entities for which we or SSARIS Management hold voting shares or act as investment adviser, commodity pool operator, or commodity trading advisor. As discussed above, our employees may buy and sell securities for their own accounts subject to the provisions of our Code of Ethics. Such purchases and sales may occur at or about the same time that we buy or sell the same security for our own account or for the Client Accounts or that our related persons buy or sell the same security for their own accounts. In addition, and if and when applicable, in their respective proprietary trading, our related persons may take positions that are the same as, different than, or opposite those taken on behalf of the Client Accounts and each may trade ahead of the positions to be taken on behalf of the Client Accounts.

Currently, our wholly owned subsidiary SSARIS Management holds the voting, non-participating, non-redeemable shares of the following Cayman Island entities: SSARIS Multi-Manager Absolute Return Fund Ltd.; Lynx Multi-Strategy Fund Ltd.; Puma Fund-of-Funds Ltd.; Catamount Diversified Managers Fund Ltd.; SSARIS Multi-Manager Fund Ltd.; Lynx Multi-Manager Fund II Ltd.; Catamount Diversified Managers Fund II Ltd.; SSARIS Mark IV Fund Ltd.; Cougar Long Short Equity Fund Ltd.; SSARIS Multi-Manager Japan Equity Fund Ltd.; DTP Trading Ltd.; and SSARIS Global Multi-Strategy Fund II Ltd. SSARIS Management is also the manager to SSARIS Equity Plus Fund LLC. Our wholly owned subsidiary, BRC holds the voting, non-participating, non-redeemable shares of SSARIS Holdings II Ltd. and the ordinary shares of SSARIS Holdings IV Ltd. SSARIS Management and BRC are both members of SSARIS Holdings LLC. We are a special member of SSARIS Active Commodity Fund LLC. In addition, we are the managing member of SSARIS Multi-Manager Absolute Return Fund LLC; SSARIS Mark V Fund LLC; SSARIS HWU Long Short Equity Fund LLC; and SSARIS Active Commodity Fund LLC. Offering documents applicable to these entities describe, among other things, the investment strategies, fees, and specific risks associated with investment in such entities.

Cross-Trades

Cross-trades are transactions between two clients of the same investment adviser, regardless of whether a broker-dealer is engaged to effect the transaction. We may, subject to applicable law and investment advisory agreements, utilize cross-trades when it is advantageous to do so, in our discretion, for specific Client Accounts. Whenever we enter into any cross-trades with our clients, we do so in accordance with Section 206 of the Investment Advisers Act and the rules and regulations thereof. In addition, a cross-trade may be viewed as a principal transaction because of our or our employees' ownership interest in a client. In such a case, we either will not effect such transaction or will comply with the requirements of Section 206(3) of the Investment Advisers Act, including the requirement to provide written disclosure to a client and obtain the client's consent prior to settlement of any principal transaction. As noted below, we will also adhere to our own internal policies and procedures when conducting principal transactions. In addition, to the extent the assets of the SSARIS Funds or Managed Accounts are considered to be "plan assets," the Employment Retirement Income Security Act of 1974, as amended, may also place restrictions on or prohibit certain cross-trades.

Principal Transactions

In a principal transaction, an adviser, acting for its own account, buys a security from, or sells a security to, a client. In very limited instances, we may buy securities from, or sell securities to, our clients. Section 206(3) of the Investment Advisers Act requires an investment adviser to provide written disclosure to a client and obtain the client's consent prior to settlement of any principal transaction. In addition, to the extent the assets of the SSARIS Funds or Managed Accounts are considered to be "plan assets," the Employment Retirement Income Security Act of 1974, as amended, may also place restrictions on or prohibit certain principal transactions. Further, we adhere to our own internal policies and procedures when conducting principal transactions.

Item 12 Brokerage Practices

Selection of Broker-Dealers and Reasonableness of Compensation

We do not expect to execute transactions through any particular broker-dealer or futures commission merchant, but rather will seek to obtain the best net results for our clients under the circumstances. Our primary consideration when selecting a broker-dealer or a futures commission merchant and when evaluating the reasonableness of their compensation is obtaining the most favorable execution of transactions on behalf of our clients. We will effect transactions with those broker-dealers and futures commission merchants that we believe provide the most favorable prices and are capable of providing efficient executions and services. We take into account factors such as size of the order, difficulty of execution and operational facilities of the brokerage firm or the futures firm, whether the broker-dealer or futures commission merchant has risked its own capital in positioning a block of securities or other assets, and the prior experience of the broker-dealer or futures commission merchant in effecting the types of transactions in which we engage. Accordingly, we generally seek competitive trade execution costs but will not necessarily pay the lowest spread or commission available.

We do not receive research or other products, services, or “soft dollar” benefits from broker-dealers, futures commission merchants, or any third party, in connection with our clients’ securities transactions.

With respect to those client assets managed pursuant to multi-manager strategies, the Sub-Advisers typically choose the broker-dealer or futures commission merchant used to execute transactions on behalf of the underlying pooled investment vehicle. A Sub-Adviser may select a broker-dealer or futures commission merchant based upon brokerage or research services provided to the Sub-Adviser. Such research services include both proprietary research created or developed by the broker-dealer and research created or developed by a third party. In return for these “soft-dollars” and other benefits and services, our clients may pay a higher commission (or markup/markdown) to broker-dealers or futures commission merchants when a Sub-Adviser trades securities on our clients’ behalf. A Sub-Adviser may nevertheless choose to engage a broker-dealer charging a higher commission – a practice referred to as “paying-up” – if the Sub-Adviser determines in good faith that such commission is reasonable in relation to the services provided.

When a Sub-Adviser uses client brokerage commissions (or markups/markdowns) to obtain research or other products or services, the Sub-Adviser receives a benefit because it does not have to produce or pay for the research, products, or services. The receipt of research and other “soft-dollar” benefits from broker-dealers provides an incentive for a Sub-Adviser to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on the clients’ interest in receiving the most favorable execution. A Sub-Adviser may choose to use “soft dollars” to service all of its clients’ accounts or only those that paid for the benefits and may or may not allocate “soft dollar” benefits to client accounts proportionately to the “soft dollar” credits the accounts generate. Pursuant to our sub-advisory agreements with the Sub-

Advisers, we require that any “soft dollar” arrangements comply with Section 28(e) of the Exchange Act.

Brokerage for Client Referrals

In selecting or recommending broker-dealers, we consider whether we, or any of our affiliates, receive client or investor referrals from a broker-dealer or other third party. Because we consider client and investor referrals, we may have an incentive to select or recommend a broker-dealer based on our interest in receiving client referrals, rather than on our clients’ interest in receiving the most favorable execution.

During the last fiscal year, we have directed client transactions to a particular broker in return for client and investor referrals based on our existing business relationships with such brokers and the satisfactory and reliable past performance by such brokers.

Directed Brokerage

We do not request that our clients direct us to execute transactions through a specified broker-dealer. We have the full discretion to select the broker-dealer used and the commission rates to be paid with regard to the SSARIS Funds. The Managed Accounts may choose, or we may recommend, a particular broker-dealer. In the event a Managed Account directs us to use a particular broker-dealer, we may be unable to achieve the most favorable execution of client transactions and this practice may cost these clients more money. As a result, clients who have elected to direct brokerage may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices than would otherwise be the case. In a directed brokerage account, we may not be able to aggregate orders to reduce transaction costs and these clients may receive less favorable prices.

Additionally, the Managed Accounts may elect the futures commission merchant at which their accounts will be held. Our futures and foreign currency trading will be executed over-the-counter or with futures brokers with whom we may have an established a relationship.

Aggregation

We may aggregate the purchase and sale of securities with respect to assets managed pursuant to our single manager strategies to ensure that our clients are afforded fair and equitable treatment when aggregating and allocating client trade orders. We use independent executing brokers for exchange-traded futures transactions. Such trades are then “given up” to each client’s clearing broker. Executing brokers are chosen based on the quality of execution, creditworthiness, and services provided and are not necessarily chosen upon the lowest execution fee available. Accordingly, although we will seek competitive commission rates, we may not necessarily obtain the lowest possible commission rates for account transactions. All “give-up” fees are paid by the client. We believe that the additional cost of using execution brokers will vary from approximately 0.35% to 1.50% of an account’s net asset value annually depending on the strategy. As a

general principle, we will only aggregate transactions when we believe that such an aggregation is lawful and consistent with our duty to seek best execution for our clients.

Item 13 Review of Accounts

Our operations and risk personnel receive and review daily reports and monthly statement summaries from the administrator, custodian(s), and other service providers of the assets of the SSARIS Funds and Managed Accounts. Our personnel review these reports and statements to ensure conformity with each client's investment objective and appropriate asset allocation, and to monitor changes to performance of individual securities. At the portfolio level, we employ a value-at-risk ("**VaR**") methodology with the goal of maintaining risk within pre-determined ranges. Our proprietary risk platform provides real time valuation and exposure and VaR calculations. Trades for any proprietary accounts of the Sub-Advisers that parallel those of clients generally will be subject to the same allocation procedures.

In addition, our operations and risk personnel review all brokerage reports on a daily basis. With respect to the SSARIS Funds that invest pursuant to a multi-manager strategy, and are therefore funds-of-funds, our operations and risk personnel receive and review reports from the Sub-Advisers and outside commodity trading advisors at least once per month. The personnel responsible for these daily and monthly reviews are our Head of Operations, Senior Portfolio Managers, and Senior Risk Analyst. Our Chief Compliance Officer does not participate in, but is responsible for overseeing the conduct of, these reviews.

Further, our operations personnel review and analyze monthly net asset value statements prepared by the independent administrator of each of the SSARIS Funds before these statements are disseminated to the underlying investors in the SSARIS Funds. We are responsible for calculating the net asset value of the assets we manage on behalf of the Managed Accounts.

We will generally provide investors in the SSARIS Funds with written monthly estimated performance results within the first ten business days of each month and with written final performance results within the first 15 business days of each month. In addition, we will provide an audited annual report of the applicable SSARIS Fund, certified by its independent auditors to each underlying investor within 90, 120, or 180 days after the end of the fiscal year, as specified in the offering documents of the applicable client. Additional information is also made available to investors upon request.

Item 14 Client Referrals and Other Compensation

We do not receive economic benefits from third parties for providing investment advice or other advisory services to our clients. Currently, our only clients are the SSARIS Funds, the Managed Accounts, the Advisory Services Accounts, the Note Issuers, and the Trading Companies.

We have, however, entered into solicitation agreements with third parties. Under the terms of the agreements, we compensate a solicitor if persons introduced by the solicitor become investors in the SSARIS Funds or become Managed Accounts. We may make cash payments or may share a portion of our management or incentive fees with these solicitors. Our affiliate SSGM serves as one of our many placement agents. SSGM has not, does not, and will not receive fees for acting as a placement agent for our clients or underlying investors in our clients.

In addition, SSgA has various internal referral programs for employees who introduce clients and investors. These programs may be extended to SSgA employees who introduce clients and investors to us. Referral awards are typically based on a percentage of management fees. Awards will only be granted for referrals that meet SSgA's program and regulatory requirements.

All payments to any person, including solicitors and employees, for client or investor referrals will be made in accordance with the provisions of Rule 206(4)-3 promulgated under the Investment Advisers Act and any other applicable laws.

Item 15 Custody

Rule 206(4)-2 of the Advisers Act (the “**Custody Rule**”) (and certain related rules and regulations under the Advisers Act) imposes certain obligations on registered investment advisers that have custody or possession of any funds or securities in which any client has any beneficial interest. An investment adviser is deemed to have custody or possession of client funds or securities if the adviser directly or indirectly holds client funds or securities or has the authority to obtain possession of them (regardless of whether the exercise of that authority or ability would be lawful).

Investment advisers are required to maintain the funds and securities (except for securities that meet the privately offered securities exemption in the Custody Rule) over which they have custody with a “qualified custodian.” Qualified custodians include banks, broker-dealers, futures commission merchants, and certain foreign financial institutions.

Rule 206(4)-2 generally requires that, upon opening an account with a qualified custodian on a client’s behalf, advisers promptly notify the client in writing of the name and address of the qualified custodian and the manner in which the funds or securities are maintained. Generally, advisers also must verify that the custodian sends quarterly account statements to the client. By rule, account statements must be sent directly to investors in a pooled investment vehicle if the adviser to the pool also acts as its general partner, managing member or in a similar capacity (or, in some cases, if an affiliate of the adviser acts as general partner, managing member or in a similar capacity). These account statements may be sent to the investors’ independent representative. Under certain circumstances, at least once each calendar year, an independent public accountant must verify the funds and securities of a client by surprise examination.

As noted above, Rule 206(4)-2 generally imposes on advisers with custody of clients’ funds or securities certain requirements concerning reports to such clients (including underlying investors in certain circumstances) and surprise examinations relating to such clients’ funds or securities. However, advisers need not comply with such requirements with respect to pooled investment vehicles if the pooled investment vehicle: (i) is audited at least annually by an independent public accountant, and (ii) distributes its audited financial statements prepared in accordance with generally accepted accounting principles to the client, or in certain circumstances, to all limited partners, members, or other beneficial owners, within 120 days (180 days in the case of a fund-of-funds adviser) of its fiscal year end. We generally rely upon this exception. In the event we do not for a particular client, the client (and, in certain circumstances, its underlying investors) will receive quarterly (or more frequent) account statements directly from the qualified custodian. Clients (and, if applicable, underlying investors) should review these statements carefully, and should compare the account statements (if any) received from qualified custodians with those they receive from us.

To the extent that any of our clients’ assets are allocated to the management of any Sub-Adviser through one or more pooled investment vehicles managed by the Sub-Advisers, portfolio assets of such pooled investment vehicles will be and are held in the custody of such pooled investment vehicles or one or more financial institutions in the name of such pooled investment vehicles. In such a case, the Sub-Advisers (rather than us) may be (and usually are) responsible for selecting the custodian of such third party pooled investment vehicle’s assets.

Item 16 Investment Discretion

At the outset of an advisory relationship, we may receive discretionary authority from a client to select the identity and amount of securities to be purchased and sold by the client. For example, we will have investment discretion to manage securities accounts on behalf of the SSARIS Funds, Managed Accounts, Note Issuers, and Trading Companies. In all cases, we exercise this investment discretion in a manner consistent with the stated investment objectives of the particular client.

When selecting securities and determining amounts of investments, we observe the investment policies, limitations, and restrictions of the clients we advise, as stated in the applicable investment advisory agreement or other applicable agreements. Our clients may, but do not customarily, place limitations on our investment authority, including, without limitation, designating types of permitted investments or prohibiting certain types of investments. More commonly, our clients choose one of our proprietary investment strategies and are therefore aware of the limited universe of securities in which we intend to invest on the client's behalf, pursuant to that strategy.

Our clients must provide us with any investment guidelines and restrictions in writing. Additionally, we require that our clients, including the SSARIS Funds and the Managed Accounts, exercise a power of attorney in our favor.

For a complete discussion of our advisory business and the services we provide to our clients, please see "Item 4 Advisory Business."

Item 17 Voting Client Securities

From time to time we may accept the authority to vote our client's securities. While we recognize that managing assets of clients consisting of equity securities includes the voting of proxies related to those securities, we do not engage in trading equities directly and only do so through our multi-manager strategies and multi-strategy program; in such case, the Sub-Advisers vote the proxies according to their own policies and procedures.

We do, however, invest the assets of the SSARIS Funds and Managed Accounts in a portfolio of hedge funds and other pooled investment vehicles, which may be formed as partnerships, limited liability companies, or other entities. From time to time, we are asked to vote on or otherwise consent to certain actions on behalf of our clients, as holders of limited partnership interests, membership interests, or similar securities. We are committed to voting proxies (i.e., exercising our client's rights as a holder of limited partnership interests, membership interests, or similar securities) in a manner consistent with the best interests of our clients and we monitor for conflicts of interest when making any decision to vote. Our clients may not direct our vote on a particular solicitation.

As applicable, we, or our designated affiliates or Sub-Advisers, keep copies of (i) each proxy statement received regarding securities held in the funds, (ii) a record of each vote cast with respect to securities held by our clients, (iii) any document created that is material to the decision on voting a proxy or that describes the basis for that decision, (iv) each written request from an investor for information about how we vote proxies, and (v) our written response to each oral or written request from an investor for such information. We may delegate to a third party the duty to keep the records identified in clauses (i) and (ii) of the preceding sentence, if that third party agrees to furnish such records to us promptly on request.

From time to time, we receive notification that one or more of the SSARIS Funds are eligible to participate in a class action lawsuit. Our objective is to ensure that our activities on behalf of the SSARIS Funds are conducted in a manner consistent, under all circumstances, with the best interest of such clients. For most matters, our policy is not to direct the SSARIS Funds to participate in class action lawsuits to avoid the unnecessary expenditure of time and the cost to review the class action materials in detail. In such circumstances, we believe that devoting our time to investment activities on behalf of the SSARIS Funds best serves such clients.

Our clients can obtain a copy of our voting policies and procedures and information on how we have voted or otherwise consented to certain actions on behalf of our clients as holders of limited partnership interests, membership interests, or similar securities, by contacting us at 203-328-7200 or info@ssaris.com.

Item 18 Financial Information

Balance Sheet

We do not require or solicit any prepayment of fees six months or more in advance and, therefore, are not required to provide a balance sheet for our most recent fiscal year.

Contractual Commitments to our Clients

We have no financial condition that is reasonably likely to impair our ability to meet contractual and fiduciary commitments to our clients.

Bankruptcy Petitions

We have never been the subject of a bankruptcy petition.