



**Form ADV Part 2A: Firm Brochure**

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This brochure provides information about the qualifications and business practices of Cedarview Capital Management, LP ("Cedarview"). If you have any questions about the contents of this brochure, please contact Stephen Wind, Chief Compliance Officer, at 212-375-6006. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Cedarview is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Please note that registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

**Item 3. Table of Contents**

Item No.	Item Name	Page No.
Item 4.	Advisory Business	3
Item 5.	Fees and Compensation	3
Item 6.	Performance Based Fees and Side-by-Side Management	5
Item 7.	Types of Clients	5
Item 8.	Methods of Analysis, Investment Strategies, and Risk of Loss	6
Item 9.	Disciplinary Information	8
Item 10.	Other Financial Industry Activities and Affiliations	8
Item 11.	Code of Ethics, Interest in Client Transactions and Personal Trading	9
Item 12.	Brokerage Practices	9
Item 13.	Review of Accounts	15
Item 14.	Client Referrals and Other Compensation	15
Item 15.	Custody	16
Item 16.	Investment Discretion	16
Item 17.	Proxy Voting	17
Item 18.	Financial Information	17

#### **Item 4. Advisory Business**

Cedarview Capital Management, LP (“Cedarview”) is a limited partnership formed under Delaware law and registered as an investment adviser with the U.S. Securities and Exchange Commission (the “SEC”) under Section 203 of the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Cedarview was founded in August 2004. The managing partner and principal owner of Cedarview is Burton Weinstein.

Cedarview serves as the investment manager of privately-offered alternative investment funds (the “Funds”) and separately managed accounts (including separate vehicles to manage assets of a single investor) for clients (such separately managed accounts, together with the Funds, collectively referred to herein as “Clients”). Cedarview provides advice to Clients regarding core asset classes, which include high-yield bonds, bank loans, distressed securities, equity of debt-laden companies and certain other investments and instruments. Funds may be managed using a “master-feeder” structure, through which feeder funds invest their assets in a single company.

Burton Weinstein serves portfolio manager for the Funds and certain Clients that are separately managed accounts. Irving Bodner (together with Mr. Weinstein, the “Portfolio Managers”) serves as portfolio manager for certain other Clients that are separately-managed accounts. Each of the Portfolio Managers has sole responsibility for the portfolio management and operations of the particular Client accounts for which they are responsible.

Cedarview’s advisory services may be tailored to meet the individual investment needs of Clients that are separately managed accounts, such as by imposing restrictions on particular types of investments held in the account. Cedarview generally permits Clients that are separately managed accounts to impose restrictions with respect to: (1) the specific types of investments or asset classes that Cedarview will or will not purchase for the account; (2) the nature of the issuers of securities that Cedarview will or will not purchase for the account (*e.g.*, specific industries or sectors); and/or (3) the risk profile of instruments Cedarview will or will not purchase for the account, or the risk profile of the account as a whole. Cedarview does not tailor its advisory services to meet the particular investment needs of individual investors in a Fund.

As of May 31, 2011, Cedarview managed approximately \$183,900,000 in assets, all on a discretionary basis.

#### **Item 5. Fees and Compensation**

With respect to all types of Clients, Cedarview receives a management fee based on the Client’s assets under management. Cedarview is also entitled to receive from Clients performance-based fees, which are described in Item 6 below.

##### Funds

Each Fund pays Cedarview an annual management fee of 1.5% of the net asset value of the Fund. The management fee is paid monthly in advance based on the value of the capital account of each Fund investor as of the first day of each calendar month (adjusted for

contributions made during the month). The management fee will be prorated for any period that is less than a full fiscal month and will be deducted in calculating the net profit or net loss of the Fund. Cedarview's fees are generally deducted from each Fund's account by the qualified custodian upon Cedarview's instructions.

Management fees charged to the Funds are calculated based on the terms set forth in each Fund's offering documents. The Adviser, or an affiliate of the Adviser, may, in its sole discretion, waive or modify the management fee for certain investors, as described in the Fund's offering documents. To a limited extent, Cedarview may negotiate with certain prospective Fund investors specific investment terms that will differ from the terms applicable to other investors. However, Cedarview will not negotiate with any prospective Fund investor certain terms, including those relating to the types of instruments or securities in which the Fund will invest.

#### Separately Managed Accounts

Clients that are separately managed accounts generally have fee arrangements that are similar to those of the Funds (described above). However, in respect of such Clients that are separately managed accounts, Cedarview may negotiate terms and conditions (including different fee and redemption arrangements) that differ from the terms and conditions that apply to any of the Funds. Cedarview generally bills Clients that are separately managed accounts for fees incurred at such times and in such manner as agreed upon with each account.

#### Additional Expenses

In addition to paying investment management fees and any applicable performance-based fees, the Funds may also be subject to other investment-related expenses such as legal, compliance, administrative, audit and accounting expenses (including third party accounting services); organizational expenses; investment expenses such as commissions, research fees and expenses (including research-related travel expenses); interest on margin accounts and other indebtedness; borrowing charges on securities sold short; custodial fees; and any other expenses related to the purchase, sale or transmittal of assets. As noted in Item 4, Fund assets may be invested using a master-feeder structure. Feeder funds bear a pro rata share of the expenses associated with the related master fund. The Funds will also incur brokerage and other transaction costs. Please see Item 12 of this brochure for a discussion of Cedarview's brokerage practices.

Clients that are separately managed accounts may authorize the custodian to debit accounts for payment of fees. In such instances, Cedarview sends a bill for the relevant fees to the client and the custodian (if applicable) that sets forth the amount of the fee for the relevant period, how it was calculated and the value of assets on which the determination of the fee was based. Cedarview is not authorized to debit Client accounts directly. In the event that an advisory relationship with a client terminates prior to the end of a quarter, the management fee will be prorated accordingly.

## **Item 6. Performance-Based Fees and Side-by-Side Management**

### **Funds**

Cedarview, or an affiliate of Cedarview, may receive performance-based compensation, which is compensation based on a share of capital gains on or capital appreciation of the assets in a Client's account at the end of a fiscal year. In the case of each Fund, Cedarview, or an affiliate of Cedarview, typically receives such performance-based compensation based on the net capital appreciation allocated to each investor in the Fund, subject to certain adjustments and limitations. Performance-based compensation is calculated based on the terms set forth in each Fund's offering documents. Subject to a "loss carryforward," if for any fiscal year a Fund investor has a net profit, an amount equal to 20% of such net profit (including realized and unrealized gains) will be deducted from the investor's capital account at the end of such fiscal year and allocated to the capital account of the Adviser or an affiliate of the Adviser. The Adviser, or an affiliate of the Adviser, may, in its sole discretion, waive or modify the performance-based fees for certain investors, as described in the relevant Fund's offering documents.

### **Separately Managed Accounts**

In the case of Clients that are separately managed accounts, Cedarview generally receives performance-based compensation of 15%, with a 10% hurdle rate, based on the net capital appreciation allocated to such separately managed account and subject to certain limitations.

As described above, all Clients pay a fixed asset-based management fee and are subject to a performance-based fee. Cedarview and its investment personnel have a greater incentive to favor those Clients that pay Cedarview (and indirectly, the Portfolio Managers) higher fees. Cedarview has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts, including accounts with different fee arrangements. Cedarview reviews investment decisions for Clients on a regular basis to ensure that all accounts with substantially similar investment objectives are treated equitably. In addition, Cedarview has implemented an investment allocation policy and regularly reviews its trade allocations to ensure that trades are made in a manner that is fair and equitable to all Clients. In considering a Client's participation in appropriate investment opportunities that are within the purpose and scope of the Client's objectives, Cedarview will evaluate factors that it considers relevant in determining whether a particular situation or strategy is suitable and feasible for each Client. Such factors may include the Client's investment objectives and restrictions, relative size, available cash flow, other positions at the time, risk tolerance and liquidity requirements.

## **Item 7. Types of Clients**

Through the management of the Funds and separately managed accounts, Cedarview generally provides investment advisory services to high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations and corporations. Cedarview has complete discretion with respect to allowing any prospective investor to open an advisory account. With respect to any Fund, any initial and additional subscription minimums, which may be substantial, are disclosed in the Fund's offering documents. The Funds typically impose minimum holding periods during which investors generally may not withdraw their

respective investment interests. Withdrawal restrictions may be modified in the sole discretion of Cedarview or its affiliate.

## **Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss**

Cedarview utilizes a variety of investment strategies and has broad discretion in making investments for Clients. The investment strategies summarized below are set forth in detail in the offering or governing documents pertaining to each Client. Cedarview may use investment strategies and investment instruments that include, but are not limited to:

- |                                   |                                 |
|-----------------------------------|---------------------------------|
| -High yield bonds                 | -Long/short; special situations |
| -Convertible/derivative arbitrage | -Capital structure arbitrage    |
| -Leveraged loans                  | -Structured credit              |
| -Single name and indices CDS      | -Public and private equities    |
| -Stressed/distressed assets       | -Listed OTC Options and futures |
| -Corporate restructuring          | -ETFs and ETNs                  |

Investments made by Cedarview are speculative and involve a substantial degree of risk, including the risk that Clients could lose some or all their investment. Prospective investors should speak with their legal, tax, and financial advisors prior to making an investment with Cedarview.

### Event-Driven Strategies

Event-driven strategies involve, among other things, investing where various corporate, legal or regulatory events would lead to a restructuring or alteration of the capital structure or operations of a corporation. This can involve investing and trading in a portfolio of debt, equity securities and other assets, including leveraged loans, high yield bonds, common stock; preferred stock; cash and cash equivalents (including money market funds); options; futures; swaps; other derivatives or any other equity-like securities.

### Small and Medium Capitalization Companies

Cedarview may invest in the securities of companies with small- to medium-sized capitalizations. While the securities of such companies often provide significant potential for appreciation, smaller-capitalization securities involve higher risks in some respects than do investments in the securities of larger companies.

### High Yield Debt Securities

Cedarview may invest in "high yield" bonds and preferred securities, which are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Securities in the lower rating categories are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominately speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions.

### Derivatives

Cedarview may invest a Client's assets in swaps (including credit default swaps), derivative or synthetic instruments, repurchase agreements or other over-the-counter transactions. Investing in derivatives involve credit risk with respect to the counterparty to the transaction, and the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries.

### Options

Cedarview may invest for speculative and/or risk management purposes in option contracts. Although option techniques can increase investment return, they can also involve a relatively higher level of risk. The expiration of unexercised long option positions effectively results in the loss of the entire cost or premium paid for the option. The writing or selling of an uncovered put or call option can involve, similar to short selling, a theoretically unlimited risk of an increase in the cost of selling or purchasing the underlying securities in the event of exercise of the option.

### Liquidity of Investments

Cedarview's strategies may involve investments in securities which are subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such securities tend to be volatile and Clients may be unable to sell them when desired, or to realize Cedarview's perceived fair value of the investments in the event of a sale. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the OTC markets. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

### Non-U.S. Securities

Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

### Uncertain Exit Strategies

Due to the illiquid nature of many of the positions in which Cedarview expects Clients to invest, Cedarview is unable to predict with certainty the ultimate exit strategy for any such investment, or that one will definitely be available. Exit strategies which appear to be viable when an investment is initially made may be unavailable at the time the investment is ready to be realized due to economic, legal, political or other factors.

### Distressed Securities

Investments in unrated or low grade debt securities of distressed companies are subject to greater risk of loss of principal and interest than higher-rated debt securities. Also, securities of distressed companies are generally more likely to become worthless than the securities of more financially stable companies. In addition, evaluating credit risk for foreign debt securities involves greater uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult.

### Arbitrage Transaction Risks

If the requisite elements of an arbitrage strategy are not properly analyzed, or unexpected events or price movements intervene, losses can occur which can be magnified to the extent Cedarview is employing leverage. Moreover, arbitrage strategies often depend upon identifying favorable “spreads,” which can also be identified, reduced or eliminated by other market participants.

### Use of Leverage

Performance may be more volatile if a Client’s account employs leverage.

### Short Selling

Cedarview’s investment program may include short selling. Short selling transactions expose Cedarview to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by Cedarview in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a “short squeeze” can occur, wherein Cedarview might be compelled, at the most disadvantageous time, to replace the borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

### Interest Rate Risk

Generally, the value of fixed-income securities changes inversely with changes in interest rates. As interest rates rise, the market value of fixed-income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed-income securities tends to increase. This risk is greater for long-term securities than for short-term securities. Changes in interest rates may affect a number of different investment strategies Cedarview uses in managing Client accounts.

## **Item 9. Disciplinary Information**

This item is not applicable.

## **Item 10. Other Financial Industry Activities and Affiliations**

This item is not applicable.

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

Cedarview seeks to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust, and Cedarview has adopted a Code of Ethics (the “Code”) to help the firm meet these standards. The Code incorporates the following principles, among others:

- Employees must place the interests of Clients first at all times.
- All personal securities transactions must be conducted in a manner consistent with the Code.
- Any actual or potential conflicts of interest or any abuse of an employee’s position of trust and responsibility must be avoided, and employees are prohibited from taking inappropriate advantage of their positions.
- Information concerning the identity of securities and financial circumstances of Clients and, if applicable, Fund investors must be kept confidential (except in furtherance of Client investment objectives and goals).

All employees of Cedarview are subject to the Code. The Code places restrictions on personal trades by employees. Employees are required to disclose their personal securities holdings and transactions to Cedarview on a periodic basis. Employees are also required to pre-clear certain personal securities transactions. As such, provided that they comply with the Code, Cedarview’s personnel are permitted to engage in personal securities transactions (including transactions in securities currently held in Client accounts or that may be appropriate for investment in such accounts). A copy of the Code may be obtained by contacting Cedarview at the address or telephone number listed on the first page of this document.

Subject to the Code, as described above, Cedarview and its partners, principals, employees, and other affiliates may engage in investment activities for their own account or for family members and friends. These activities may involve the purchase and sale of securities that are similar to or the same as, but in different concentrations or effected at different times and prices than, those purchased or sold for Client accounts. These activities may also involve the purchase and sale of securities that are different from those purchased for Client accounts.

## **Item 12. Brokerage Practices**

Cedarview considers a number of factors in selecting a broker-dealer to execute transactions (or a series of transactions) and in determining the reasonableness of the broker-dealer’s compensation. In situations where multiple counterparties can execute a given transaction, Cedarview seeks to obtain best execution for Clients (*i.e.*, execution in a manner that the Client’s total cost or proceeds in each transaction is most favorable under the circumstances). Cedarview considers a variety of factors regarding broker-dealers in seeking best execution, including, but not limited to:

- Quality of execution
- Reputation
- Financial strength and stability
- Block trading and block positioning capabilities

- Willingness and ability to execute difficult transactions
- Willingness and ability to commit capital
- Access to underwritten offerings and secondary markets
- Ongoing reliability
- Overall cost of trade (including commissions, mark-ups, mark-downs, spreads, and other costs)
- Nature of the security and available market makers
- Desired timing of the transaction
- Desired size of the trade
- Confidentiality of trading activity
- Market intelligence
- Idea generation
- Availability of stocks to borrow
- Sourcing of investment opportunities by the broker and its affiliates
- Quality and timeliness of market information provided
- Provision of research or brokerage services
- Other similar services

Securities transactions effected on behalf of Clients will generate a substantial amount of brokerage commissions and other costs, all of which is borne by the Client – and, if applicable, indirectly by Fund investors – and not Cedarview. Unless Cedarview receives instructions from a Client that is a separately managed account to use a specific broker-dealer, Cedarview generally has complete discretion to decide what broker-dealers or other counterparties will be used in executing transactions for Clients, and Cedarview negotiates the rates of compensation that Clients will pay. Cedarview does not currently have any such instructions. Some of the broker-dealers and other counterparties that Cedarview selects have (or are affiliates of entities that have) other material business relationships with Cedarview, or its principals or affiliates.

In addition to using brokers as “agents” and paying resulting commissions, Cedarview sometimes causes Client accounts to buy or sell, at prices that include mark-ups or mark-downs, securities directly to or from dealers acting as principal, and may also cause Client accounts to buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers.

#### Research and Other Soft Dollar Benefits

Cedarview receives research or other products or services other than execution from broker-dealers or other third parties in connection with securities transactions effected on behalf of Client accounts (“client transactions”). This is known as a “soft dollar” relationship. Cedarview will limit the use of “soft dollars” to obtain research and brokerage services to services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934 (“Section 28(e)”). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order

execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (*i.e.*, connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self regulatory organization such as comparison services, electronic confirms or trade affirmations.

The use of commissions (or mark-ups or mark-downs) relating to client transactions to obtain research and brokerage products and services raises conflicts of interest. For example, Cedarview will not have to pay for the products and services itself. This creates an incentive for Cedarview to select or recommend a broker-dealer based on its interest in receiving those products and services.

Cedarview may cause Client accounts to pay commissions (or mark-ups or mark-downs) higher than those charged by other broker-dealers in return for soft dollar benefits, resulting in higher transaction costs for Clients.

During Cedarview's last fiscal year, as a result of Client brokerage commissions (or mark-ups or mark-downs), Cedarview acquired research reports, including market research; software providing analysis of securities portfolios; rating services; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; advice from broker-dealers certain proxy services; services related to the execution, clearing and settlement of securities transactions and functions incidental thereto; trading software; and software that provides trade analytics and trading strategies.

In determining whether to direct client transactions to particular broker-dealers, the Chief Compliance Officer, together with members of Cedarview's investment personnel, periodically review and evaluate the soft dollar practices of Cedarview and determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer.

Cedarview may participate in "client commission arrangements" pursuant to which Cedarview may execute transactions through a broker-dealer and request that the broker-dealer allocate a portion of the commissions or commission credits to another firm that provides research and other products to Cedarview. Cedarview excludes from use under these arrangements those products and services that are not eligible under Section 28(e) and applicable regulatory interpretations.

In some instances, Cedarview may obtain a product or service that is used, in part, by Cedarview for Section 28(e) eligible purposes and, in part, for other purposes. In such instances, Cedarview will make a good faith effort to determine the relative proportion of the product or service used to assist Cedarview in carrying out its investment decision-making

responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). Such determination will be based on the actual use of the product or service by Cedarview's personnel. The proportion of the product or service attributable to assisting Cedarview in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by Cedarview from its own resources. The determination of the appropriate allocation of "mixed use" products and services creates a potential conflict of interest between Cedarview and Clients.

### Trade Aggregation

When buying and selling securities for Clients, Cedarview generally aggregates multiple transactions into one order so that as many eligible Clients may participate equally over time on a fair and equitable basis, in terms of best available cost, efficiency and terms under the circumstances. Cedarview also may aggregate orders for Clients together with orders for the various pooled investment vehicles and managed accounts advised by Cedarview's affiliates.

Typically, transaction costs are shared pro rata based on each Client's participation in the transaction. In certain transactions, prices may differ as a result of differences in fees, taxes and transaction charges that are assessed on each participating Client and vary depending upon a number of factors including, but not limited to, the domicile of the Client, the size of participating Client accounts or amounts allocated. Cedarview do not earn any additional compensation as a result of aggregating orders and allocating them consistently with Cedarview's procedures.

In assembling an aggregated order in specific securities (including privately offered investments and securities and other assets for which market quotations are not readily available) Cedarview considers the appropriateness of the investment for each Client based on their risk tolerances and objectives, as well as other factors such as:

- Whether a Client has a sector or geographic regional focus
- Client-specific limitations or requirements
- Individual Client relationships and counterparties
- Availability of credit facilities (and their terms)
- Degree of leverage employed
- Tax matters
- Timing of capital contributions and withdrawals
- Available capital
- Tolerance for volatility/risk
- Liquidity needs of the Client
- Domicile of the Client
- Other relevant factors

Cedarview considers a number of factors when allocating aggregated orders and other investment opportunities to individual Client accounts. For example, when a Client is in its investment or ramp-up phase or it has received a capital infusion or withdrawal request (including any Fund with substantial investments by Cedarview's partners, principals, employees and other affiliates), preference may be given to that Client so that it reaches its

desired position quickly. Clients may also employ different securities or different amounts of the same securities as a hedge depending upon availability of securities, timing of investments, risk tolerances and other factors Cedarview considers relevant. Due to the weight Cedarview gives to these factors and other factors Cedarview deems relevant, such as the determination of the relative ratio (as described below), Client portfolios may hold differing proportional amounts of investments. Cedarview strives to provide all Clients with equitable investment allocations over time, although each and every Client will not receive an allocation of each and every profitable investment.

Generally when determining allocations of aggregated orders, Cedarview establishes a ratio among participating accounts based on the various investment strategies employed and the factors listed above. In this regard, Cedarview may, for example, allocate a greater proportionate allocation (within reasonable risk tolerance levels) of certain types of investments to Clients with principal investment strategies that focus on specific strategies and/or geographic regions than Clients with more diverse investment programs. As noted in Item 11 above, Cedarview's allocation policies may sometimes cause Cedarview to make greater proportional allocations to certain Client accounts, even if the interests of the firm's partners, principals, and employees constitute a majority or substantial portion of such Client's assets. Allocations to all Clients are generally different than what would be the case if allocations were done on a mechanical, pro rata basis based on net assets.

When Cedarview makes an investment decision, Cedarview assesses the amount of risk Clients should bear. Risk assessment is an inherently subjective determination, and Cedarview does not follow a pre-established formula to determine or modify Client risk. Because allocation of investment opportunities is based on these risk assessments, a portion of Cedarview's allocation decision is itself subjective as a result.

From time to time, circumstances arise before settlement of a transaction that result in Cedarview's adjusting the original order to make securities settle into a different account than was called for under the original order. This is generally done to avoid a violation of Client investment restrictions or guidelines, to avoid a negative tax consequence for a Client, or for other similar reasons.

Partners, principals and employees of Cedarview and/or its affiliates may invest in the Funds, and a substantial level of proprietary ownership may continue for an indefinite period. The highest percentage of aggregate proprietary versus non-proprietary investments tends to occur in the early, start-up phase of a Fund. Cedarview may make greater allocations of investment opportunities (including limited investment opportunities) to a newer Fund to facilitate the Fund's achieving a fully invested position as quickly as possible. In making these allocations, Cedarview faces a potential conflict of interest with other Clients for which the same investments would be appropriate, because the over-allocation to a newer Fund could be viewed as favoring a Fund with more proprietary capital. The same conflict of interest may also exist with respect to more seasoned funds in which Cedarview's partners, principals, and employees have made substantial investments compared to non-proprietary investments.

The foregoing discussion summarizes Cedarview's aggregation and allocation policy. Cedarview will provide Clients and Fund investors with additional information about the

firm's aggregation and allocation policy upon request. Cedarview may revise or amend its policy at any time, without notice to Clients or Fund investors.

#### Certain Other Brokerage Practices, Issues, and Conflicts

The Portfolio Managers employ separate strategies pursuant to which they may invest and trade in the same or similar securities. These trading activities may result in Cedarview's trading desks placing simultaneous competing orders or opposite orders for the same securities which could cause the price of these securities to increase or decrease. These competing trades may cause a Client to pay a higher purchase price or receive a lower sale price than it otherwise would have paid or received, as the case may be, if competing orders had not been placed.

When Cedarview places OTC transactions, Cedarview generally employs primary market-makers, except when Cedarview believes that Cedarview can obtain better executions from other market participants. From time to time, Cedarview may execute OTC trades on an agency basis rather than on a principal basis. In these situations, the broker Cedarview selects may acquire or dispose of a security through a market-maker. The transaction may thus be subject to both a commission (from the agency broker) and a mark-up or mark-down (from the market maker) and, therefore, the net price may be greater than what might otherwise be available. Cedarview believes that the use of a broker in such instances is consistent with Cedarview's duty of obtaining best execution for Clients, in light of the factors Cedarview considers. For example, the use of a broker can provide anonymity in connection with a transaction, and a broker may, in certain cases, have greater expertise or greater capability in connection with both accessing the market and executing a transaction.

Cedarview may effect "cross" transactions between Client accounts, if permitted by applicable law and Client documents. In a "cross" transaction, one Client account will purchase securities held by another Client account. Cedarview will only effect these transactions: (i) after Cedarview deems the transaction to be in the best interests of both Client accounts; and (ii) at a price and under circumstances that Cedarview has determined by reference to independent market indicators, which Cedarview believes to constitute "best execution" for both accounts.

Cedarview does not receive any compensation in connection with cross transactions. "Inadvertent" cross transactions may also occur when trades cross in the market. For example, when Cedarview periodically rebalances Client accounts, certain accounts may sell securities into the market at the same time that other accounts are purchasing the same securities in the market, resulting in an inadvertent or "deemed" market cross. In these cases, Cedarview ensure that an independent broker-dealer establishes the price for the transaction. In these situations, Cedarview does not instruct the broker to directly move positions between Clients' accounts.

Cedarview and its affiliates may enter into transactions with certain Fund investors or other Clients. The terms of these transactions are negotiated on an arm's-length basis. However, Cedarview and its affiliates are subject to a conflict of interest when determining such terms because Cedarview may ultimately benefit from retaining the investor or Client account.

Cedarview permits affiliates of broker-dealers that are selected to effect portfolio transactions for Clients, including the Funds, to invest in the Funds. Cedarview may also establish separately managed accounts for affiliates of broker-dealers. These relationships may create a conflict of interest because there is a risk that Cedarview may select a broker-dealer to perform commission-earning services for the Clients as a result of the broker dealer's (or its affiliate's) account and investment in the Funds. As described above, Cedarview selects broker-dealers to effect trades on behalf of Client accounts based on a variety of factors, but does not consider whether a broker-dealer invested assets in a Fund or established with Cedarview a separately managed account in selecting brokers for Client execution purposes.

In addition, Cedarview may invest Client assets in common stock issued by broker-dealers (or affiliates thereof) through which Client brokerage is executed, provided that Cedarview believes the investment is beneficial to Clients. Cedarview has not entered into any agreement, and does not have any arrangement or understanding, with any broker-dealer that an investment of Client assets in the publicly-traded stock of the broker-dealer, or an affiliate of the broker-dealer, represents compensation or any other remuneration for business or other services the broker-dealer provided to Cedarview or Clients.

Conflicts of interest arise from Cedarview's relationships with brokers and other counterparties and service providers. These conflicts may be exacerbated to the extent that Cedarview and its affiliates have multiple relationships, involving a variety of transactional work with the same or related entities. Cedarview's relationships with counterparties and other service providers are dynamic and evolve over time. Because of the number and nature of these relationships, conflicts of interest that arise in connection with any one transaction or relationship can be compounded when many different transactions and relationships develop at the same time.

### **Item 13. Review of Accounts**

Cedarview reviews Client accounts and portfolios daily. This review is carried out by the Portfolio Managers and/or members of Cedarview's investment personnel. Cedarview also reviews on a daily basis the transactions entered into for Clients to ensure that correct entries have been made for all Client records.

Cedarview provides separately managed account Clients with monthly reports. Cedarview typically provides Fund investors with monthly transparency reports and statements indicating the current market value of their interests, and also makes available weekly estimates of the same information. Cedarview also provides written monthly and quarterly letters and performance data for the week, month, quarter and the year to date in respect of most of the Funds.

### **Item 14. Client Referrals and Other Compensation**

Cedarview may execute Client transactions with prime brokers that sponsor events, meetings or other communications between potential investors and Cedarview or Cedarview's affiliates. These capital introduction services are provided incidental to other brokerage services. Cedarview and its affiliates are not compelled to engage broker-dealers that sponsor these capital introduction programs in order to be included at these events. However, these capital introduction events are typically sponsored by prime brokers that provide necessary

services to the Funds and they may create the appearance of using the execution services of these broker-dealers in order to be invited to their capital introduction programs.

Cedarview does not pay to participate in these programs and does not cause Clients to execute transactions or pay higher commissions or other transaction costs in connection with these programs or services (although Clients will not necessarily pay the lowest possible commission when executing transactions through these broker-dealers). See Item 12 above for additional information. However, Cedarview does pay to attend certain conferences, seminars and other events that are attended by prospective investors, but are not specifically designed as capital introduction events. Furthermore, broker-dealers or their affiliates may introduce Cedarview to prospective investors and will continue to have business relationships with, and execute brokerage transactions on behalf of, Clients.

In addition, certain counterparties, including affiliates of broker-dealers, have established platforms to allow their clients and customers to invest in the Funds through feeder funds. Cedarview pays a portion of the management fee to platform sponsors out of the fees Cedarview receives from Funds with respect to the assets invested through each respective platform.

#### **Item 15. Custody**

All Clients that are separately managed accounts should receive, at least quarterly, account statements from the broker-dealer, bank, or other qualified custodian that maintains the Client's assets. Account statements sent directly from the qualified custodian and should be reviewed carefully.

#### **Item 16. Investment Discretion**

Cedarview generally receives and exercises discretionary authority to manage investments on behalf of Clients. As noted in Item 4 above, separately managed account Clients may impose limitations on this discretion. See Item 4 for a discussion on such limitations. Clients may also direct Cedarview to use a particular broker-dealer or broker-dealers. Separately managed accounts will be opened solely in Cedarview's discretion and will generally be subject to minimum investment amounts.

Cedarview typically assume this authority through a power of attorney or contract provision granted or entered into by a Client, or through the constituent documents of a Fund.

Cedarview has established policies and procedures regarding the handling of trading errors in Client accounts (*e.g.*, the purchase or sale of a security in the wrong amount, or contrary to Client investment guidelines). Pursuant to these policies and procedures, Cedarview tries to correct errors as soon as practicable after discovery to ensure that Clients do not incur a loss. If it appears that a trade error has occurred, Cedarview will review the relevant facts and circumstances to determine an appropriate course of action. Cedarview's error correction procedure seeks to ensure that Clients are treated fairly. In the event that an account incurs a trade error as a result of Cedarview's gross negligence, trade errors will be corrected by Cedarview as soon as practicable, in a manner such that the client incurs no loss. Where trading errors result in gains for the Client account, the account is credited with such gains. Trade errors that result other than as a result of Cedarview's gross negligence, or otherwise

specified in an agreement with a Client that is a separately managed account, are borne by the Client's account. To the extent that a Client is regulated under a different regulatory regime, Cedarview will follow that regime's policies and procedures regarding error correction.

#### **Item 17. Voting Client Securities**

Cedarview has adopted proxy voting policies and procedures. Cedarview's general policy is to vote proxy proposals, amendments, consents or resolutions relating to Client securities, including interests in private investment funds, if any (collectively, "proxies"), in a manner that serves the best interests of Client accounts. If Cedarview exercises voting authority with respect to Client securities, Cedarview is required to adopt and implement written policies and procedures that are reasonably designed to ensure that Cedarview votes client securities in a manner consistent with the best interests of such Client.

Cedarview has adopted proxy voting policies and procedures that address how it votes proxies. The policy is based on the principle that Cedarview owes a fiduciary duty to Clients, and, with respect to the Funds, Fund investors. Prior to voting any proxies, the Chief Compliance Officer will meet with the Portfolio Managers, trading or other personnel to determine if there are any material conflicts of interest related to the proxy in question. If no material conflict is identified, the Chief Compliance Officer, and other appropriate members of Cedarview personnel, will review the manner in which to vote the proxy in question in accordance with Cedarview's proxy voting guidelines. Cedarview keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions and each client request for proxy voting records and Cedarview's response for the previous five years. Cedarview does not permit Clients to direct how Cedarview will vote on specific proxies. A Client or Fund investor may request a copy of Cedarview's Proxy Policies and the proxy voting record relating to the relevant Client account by contacting Cedarview at the address or telephone number listed on the first page of this brochure.

#### **Item 18. Financial Information**

This item is not applicable.