

Part 2A of Form ADV: Firm Brochure

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This brochure provides information about the qualifications and business practices of JGE Capital Management, LLC (“JGE”). If you have any questions about the contents of this brochure, please contact us at (415) 675-3200. 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.

JGE is registered as an investment adviser with the SEC. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

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

Item 2: Material Changes

Item 2 discusses only the material changes since the last update of this brochure. This brochure was last updated on March 25, 2014.

Item 13 on page 17, Douglas K. Edwards is removed as a reviewer of East Peak daily reports and MA monthly custodial brokerage statements.

Item 3: Table of Contents

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Item 4: Advisory Business

A. General Description of Advisory Firm

JGE, a California limited liability company, is an investment adviser founded in 1996 by Mr. Jeffrey G. Edwards. Mr. Edwards and Victoria J. Edwards are the principal owners (“Principal Owners”) through individual ownership and through their revocable trust, The Edwards Family Trust of 10/13/1995. Jeffrey G. Edwards is the sole manager of JGE (“Manager”).

B. Advisory Services

JGE provides administrative services and discretionary investment management services to East Peak Partners, L.P. (“East Peak”), the securities of which are offered to investors through private placement, and provides discretionary investment management services to individual managed accounts (“MAs”).

JGE serves as the general partner of East Peak. JGE may serve as investment adviser and/or general partner for other entities in the future.

JGE Capital Partners, LLC (“JGE Capital”), a California limited liability company which is a related person of JGE, serves as the management company for East Peak and the MAs. References herein to JGE will include JGE Capital, in each case, unless the context suggests otherwise.

JGE has a broad mandate for East Peak’s investment parameters with flexibility to invest in global opportunities, regardless of industry, market capitalization, public or private status or asset class (equity or debt). MA investment parameters are determined by the investment guidelines of each individual MA. Generally, MA investment parameters seek capital preservation with investments focusing on fixed income and debt securities.

C. Availability of Customized Services

JGE’s advice with respect to East Peak is subject to its own investment program, which may differ from MAs due to, among other reasons, various investment restrictions and types of investors. The investment mandate and restrictions for East Peak are set forth in its partnership agreement and operating documents. MA investment mandates and restrictions are set forth in individual MA investment guidelines.

Although JGE typically does not tailor its services to individual MAs, in certain circumstances, MA clients may impose restrictions on investing in certain securities or types of securities.

D. Wrap Fee Program

JGE does not participate in any wrap fee programs.

E. Client Assets

As of December 31, 2013, JGE managed approximately \$102,703,273 on a discretionary basis. This number is based on 2013 audited financial statements of East Peak and the unaudited MA client custodial brokerage statements.

Item 5: Fees and Compensation

A. Compensation and Payment of Fees

Management fees payable to JGE Capital by East Peak are established pursuant to East Peak's partnership agreement and are non-negotiable. Management fees charged to East Peak are calculated at 1.0% per annum of capital and are payable and deducted from the assets of East Peak quarterly in advance.

Management fees will generally be pro rated for any subscriptions or withdrawals by an investor that are effective other than as of the last day of the quarter. In the event of a distribution or withdrawal prior to the end of a quarter, JGE Capital will reimburse East Peak a pro rata share of the management fee charged with respect to the distributed or withdrawn amount.

All management fees for MAs are subject to negotiation and established pursuant to each account's investment management agreement. These fees are paid quarterly at the end of the quarter and are based on assets under management.

As disclosed in Item 6 below, JGE accepts performance-based allocations from East Peak

B. Additional Fees and Expenses

To the extent permitted under East Peak's partnership agreement and MA investment management agreements, East Peak and MA are obligated to pay as applicable for all legal, auditing and accounting fees, tax preparation expenses, investment expenses and all other expenses of East Peak and MAs, including, without limitation, custodian fees, taxes on securities transactions, brokerage fees and commissions and any other similar fees, clearing expenses, government registration fees, entity-level taxes, organizational expenses and other similar or extraordinary expenses related to the operation of East Peak. See Item 12 for further discussion with respect to fees associated with brokerage practices.

C. Additional Compensation

Not applicable.

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

JGE accepts performance-based allocations from East Peak. Incentive allocations allocable to JGE by East Peak are established pursuant to East Peak's partnership agreement. Incentive allocations are charged at year end to investors' capital accounts. The incentive allocation charged at year end to each investor is a summation of three separate years of the investors' profits or losses each multiplied by 20%. For this purpose, profits and losses generally include both realized gains and losses and unrealized appreciation and depreciation of securities held by East Peak.

The summation of the three years' profits and losses is as follows: For a given year, (1) 50% of the current year profit or loss multiplied by 20% plus (2) 25% of the previous year profit or loss multiplied by 20% plus (3) 25% of the penultimate year profit or loss multiplied by 20%. If that summation is zero or less, there is no incentive allocation.

If an investor makes a withdrawal during the year, a portion of profit and losses multiplied by 20% that are to be used in the three year summation for future years is generally accelerated and added to the current year incentive allocation. The accelerated portion is determined based on the withdrawal amount relative to the overall investor capital account value at the end of the year.

Incentive fees and allocations are not paid by MAs.

The payment of incentive fees and allocation by East Peak may involve certain conflicts of interest. Because JGE only charges management fees and not performance fees/allocations to MAs, there can be an incentive for JGE to favor East Peak, through, for example, its allocation of investment opportunities. To address this potential conflict, JGE has implemented allocation policies and procedures (discussed more fully in Item 11) which seek to ensure that investments are allocated between East Peak and MAs on what JGE deems to be an equitable basis. JGE may also be deemed to have an incentive to make investments that are riskier or more speculative than would be the case without such performance-based allocations.

In addition, because JGE may exercise discretion in assigning values to the East Peak's investments (in particular certain private investments) and the value assigned to an investment will affect the incentive fees and allocations owing to JGE, JGE, in order to increase the value of its account, may have an incentive to value an investment at a higher price than that which East Peak ultimately is able to realize. In order to address these potential conflicts of interest, JGE has adopted asset valuation policies and procedures that require JGE to value East Peak's investments in good faith based upon available market information.

Item 7: Types of Clients

JGE provides investment advice to East Peak and beneficial owners of MAs, as described above in Item 4. The investors of East Peak and the beneficial owners of MAs may include some or all of the following types of investors: endowments, foundations, charitable organizations, high net worth individuals, pension plans, or corporations. Generally, an investor must be an “accredited investor” as defined under the Securities Act of 1933, as amended (“Securities Act”) and a “qualified client” as defined under the Investment Advisers Act of 1940, as amended (“Investment Adviser's Act”).

The operating agreement for East Peak sets a minimum amount for investment by prospective limited partners at \$10 million. JGE has waived, and reserves the right to modify or waive, the minimum new investment commitment for East Peak from time to time. Minimum investment amounts for MAs will be determined on a case by case basis.

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

A. Methods of Analysis and Investment Strategies

East Peak

A disciplined approach and a focus on capital preservation are the core elements of JGE’s investment philosophy. JGE seeks to build a concentrated portfolio of public and private investments that generate superior risk-adjusted returns. JGE seeks out businesses selling at a discount to their intrinsic value and invests with a long-term and, at times, contrarian view.

JGE has a broad investment mandate and the flexibility to invest in opportunities regardless of industry, market capitalization, public or private status or asset class (equity or debt).

JGE seeks to invest in quality enterprises that exhibit the following characteristics:

- A clear and understandable business model;
- Proven management with significant financial interest in the enterprise;
- Attractive growth potential;
- Significant and sustainable competitive advantages;
- The ability to generate substantial cash flow and high returns on capital; and
- Durable financial condition

JGE may identify investment opportunities in companies that have experienced a period of indifference or turmoil. These companies often provide substantial information gaps and do not offer near-term profit opportunities or exit options, which can lead to indiscriminate selling. As a result, such situations frequently offer

attractive downside protection and create compelling investment opportunities for patient capital.

JGE believes in managing a portfolio of concentrated investments, since doing so requires deeper insight into portfolio companies and provides a higher degree of management interaction. A concentrated portfolio also allows for a manageable knowledge base and enables JGE to allocate a substantial portion of its time to ensuring the success of its clients' investments. In making concentrated investments and as minority investors, it is critical that JGE develop strong relationships with proven managers to ensure all parties' interests are aligned. These working relationships allow for appropriate access and, often, some degree of influence.

When analyzing an opportunity, JGE's investment focus is on achieving its return objectives over a two- to five-year period.

MAs

JGE's investment philosophy for MAs is also a disciplined approach with a focus on capital preservation. MA strategies are determined by the specific guidelines of the MA. Generally the MA guidelines tend to weight investments to more fixed income/debt related securities with limitations on the amount of equity allowed in the MA. MAs will not generally hold private securities. MAs can and periodically do hold the same or similar securities as East Peak.

In pursuing East Peak and MA strategies, JGE employs the following information sources, including but not limited to financial periodicals, corporate rating services, annual reports, prospectuses and filings with the SEC and other regulators, company press releases, as well as information provided by the management and creditors of portfolio companies, brokers, dealers, analysts, professional asset managers, research services and hired consultants and advisers. When conducting due diligence and investment research, investment professionals may be required to evaluate complex business, financial, tax, accounting, environmental, and legal issues. Outside consultants, legal advisers, accountants, and investment banks may be involved in the due diligence and investment research process in varying degrees depending on the type of investment. When conducting due diligence and investment research and making an assessment regarding an investment, the investment professionals may rely on information provided by the target of the investment and, in some circumstances, third-party investigations.

B. Certain Risks Relating to Investment Strategies

The descriptions set forth in this Brochure of specific advisory services that JGE offers to East Peak and MAs, and investment strategies pursued and investments made by JGE on behalf of East Peak and MAs should not be understood to limit in any way JGE's investment activities. JGE may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this

Brochure, that JGE considers appropriate, subject to East Peak's and MAs' investment objective and guidelines. The investment strategies JGE pursues are speculative and entail substantial risks. Accordingly, such activities could result in a substantial loss of capital and clients should be prepared to bear such loss. There can be no assurance that the investment objectives of East Peak or any MA will be achieved.

The investment programs for East Peak and MAs involve a substantial degree of risk. The following risk factors do not purport to be a complete list or explanation of the risks involved with the activities of JGE, East Peak and MAs. These risk factors include only risks JGE believes to be material, significant, or unusual based on information currently available, and relate to particular investment strategies employed by JGE and investments made pursuant thereto, and do not address material, significant, or unusual risks associated with other factors, including, without limitation certain instrument types, structural risks and certain market risks.

Nature of Investment. Investment in East Peak requires a long-term commitment, with no certainty of return. Additionally, East Peak may acquire securities that cannot be sold except pursuant to a registration statement filed under the Securities Act or in accordance with Rule 144 under the Securities Act. Since East Peak may only make a limited number of investments and since many of East Peak's investments may involve a high degree of risk, poor performance by a few of the investments could significantly affect the total returns to investors.

Operating History. East Peak investors and MA clients should not evaluate their likely performance based on the results of past investments made by JGE. To the extent that JGE is responsible for the investment results of East Peak or MAs, those results are, in any event, past results and are not necessarily indicative of future results of JGE's investments.

Cash Flow. The principal investment objective of East Peak will be to make significant investments in entities with prospects for capital appreciation. It is anticipated that certain of the entities in which East Peak will invest will be leveraged and will likely not provide East Peak with any significant cash distributions.

Illiquidity. There will be no public market for certain of East Peak's investments in privately-held entities, and East Peak's ability to dispose of any such investments will in many cases be further limited by the agreements entered into by East Peak in connection with such investments. In view of such limitations on liquidity, which are illustrative and not exhaustive, East Peak will generally not be able to realize on an investment in a privately-held entity until the sale of such entity or until such entity's securities become publicly and freely tradable. Furthermore, such dispositions might delay the liquidation and winding up of the business of East Peak.

Unspecified Investments. East Peak or the MAs have not identified the particular investments it will make in the future. Accordingly, an investor in East Peak or an

MA client must rely on the ability of JGE to make investments consistent with East Peak's or the MA's investment policies and objectives. Although JGE has been successful in locating investments in the past, it may be unable to find a sufficient number of attractive opportunities to invest East Peak's or MAs' committed capital or meet its investment objectives. East Peak's investors and MA clients will not have the opportunity to evaluate personally the relevant economic, financial and other information that will be utilized by JGE in its selection of investments.

Competition for Investments. East Peak and MAs expect to encounter competition from other entities having similar investment objectives. Potential competitors include other investment partnerships and corporations, business development companies, strategic industry acquirers and other financial investors investing directly or through affiliates.

Restrictions on Transfer and Withdrawal. Interests in East Peak are not generally transferable except with the consent of JGE. East Peak investors may withdraw capital from East Peak only in accordance with the terms of the partnership agreement.

Reliance on Principal. The success of East Peak and any MA is substantially dependent on Jeffrey G. Edwards. Should Mr. Edwards become incapacitated or in some other way cease to participate in the activities of JGE, East Peak's and the MAs' performance could be adversely affected.

Noncontrolling Investments. East Peak and MAs generally intend to hold noncontrolling investments in its portfolio companies and, therefore, may have a limited ability to protect its investments in any such portfolio company.

Risks Associated With Publicly Traded Securities. East Peak and MAs will invest a significant portion of its total commitments in publicly traded securities. East Peak's and MAs' investments in securities of publicly traded companies may be sensitive to movements in the stock market and trends in the overall economy.

Lack of Management Rights. East Peak investors will have no opportunity to control the day-to-day operation, including investment and disposition decisions, of East Peak. There can be no assurance that any such investment and disposition decisions will satisfy East Peak's rate of return objectives.

Conflicts. JGE intends to devote a majority of its business time to East Peak to carry out its proposed activities. However, East Peak investors should be aware that JGE has responsibilities to MA clients, though these responsibilities are not expected to interfere with management of East Peak and neither is East Peak activities expected to interfere with the management of MAs. In connection with other activities, each of the Manager, supervised persons of JGE, East Peak and MAs may invest in the same securities owned at the same time. As stated previously in Item 6, clients should be aware that East Peak performance-based allocations may be deemed to create a

conflict of interest for JGE, as there can be an incentive for JGE to make investments that are riskier or more speculative than would be the case in the absence of a performance-based allocation. See Items 6, 11 and 12 for further discussion of potential conflicts of interest.

MAs may invest in the same securities owned by East Peak or in which East Peak may invest, and East Peak may invest in the same securities owned by MAs or which MAs may invest.

Material Nonpublic Information. In connection with fulfilling its responsibilities to East Peak and MAs, JGE may acquire confidential or material nonpublic information or be restricted from initiating transactions in certain securities. JGE will not be free to act upon any such information. Due to these restrictions, East Peak or MAs may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

Risk of Leverage, Hedging and Use of Derivatives. East Peak may borrow funds, purchase securities on margin, sell securities short and purchase derivatives for certain purposes. The use of borrowed funds, margin purchases, short sales and derivatives creates the opportunity for greater total returns, but at the same time involves certain risks. Although allowed to borrow funds and purchase securities on margin, East Peak has typically not used margin or leverage historically and does not plan to use it in the future except for extraordinary circumstances as JGE does not deem margin/leverage necessary to fulfill East Peak's investment objectives. If East Peak did employ margin/leverage, East Peak generally will pay the principal and interest on its borrowings prior to making any distributions to its investors. An increase or decrease in capital or income of East Peak will have an increased effect on the returns to its investors. Because any decline in the value of East Peak's investments will be borne entirely by its investors, the effect of leverage in a declining market would result in a greater decrease in capital than if East Peak were not leveraged. Possible losses on short sales differ from losses that could be incurred on the purchase of a security. Losses from short sales may be unlimited, whereas losses on purchased securities cannot exceed the amount invested.

Foreign Investments. East Peak and MAs may make investments outside the United States. Investments in securities of foreign issuers may be restricted or controlled to varying degrees. Such investments require consideration of certain risks typically not associated with investing in U.S. securities or property. Such risks include, among other things, trade balances and imbalances and related economic policies, unfavorable currency exchange rate fluctuations, imposition of exchange control regulation by the U.S. or foreign governments, U.S. foreign withholding taxes, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalization of their industries, political difficulties, including expropriation of assets, confiscatory taxation, and economic or political instability in foreign nations.

There may be less publicly available information about certain foreign companies than would be the case for comparable companies in the United States, and certain foreign companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. companies. Certain countries require governmental approval prior to investments by foreign persons, limit the amount of investment by foreign persons in a particular company, or limit investment by foreign persons to a specific class of securities of a company that may have less advantageous terms than the classes available for purchase by nationals. Some countries require governmental approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors. East Peak and MAs could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital or earnings, as well as by the application to East Peak and MAs of restrictions on investments. In addition, because East Peak's and MAs' investments in other countries will likely be denominated in the currencies of such countries, a change in the value of these currencies against the U.S. dollar may well result in a corresponding change in the U.S. dollar value of East Peak's and MAs' assets denominated in those currencies.

Absence of Regulatory Oversight. While East Peak may, in some respects, be considered to be similar to an investment company, it is not registered and does not intend to register as an investment company under the Investment Company Act, or the laws of any other country or jurisdiction. Accordingly, the provisions of the Investment Company Act (which, among other matters, require investment companies to have a majority of disinterested directors, require securities held in custody to be individually segregated at all times from securities of any other person and to be clearly marked to identify such securities as the property of such investment company, and regulate the relationship between the adviser and the investment company) will not be applicable to East Peak.

Tax Considerations. An investment in East Peak may involve complex federal income tax considerations that will differ for each investor.

Liabilities Upon Disposition. In connection with the disposition of an investment in a portfolio company, East Peak may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of any business and may be responsible for the content of disclosure documents under the applicable securities laws. It may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents turn out to be inaccurate.

Indemnification. East Peak and MAs will be required to indemnify JGE and persons acting on its behalf for liabilities incurred in connection with the affairs of East Peak and MAs. Such liabilities may be material and have an adverse effect on the returns to investors.

Item 9: Disciplinary Information

JGE is required to disclose whether there are legal or disciplinary events that are material to a client's or prospective client's evaluation of JGE's advisory business or integrity of JGE's management. JGE does not have any legal or disciplinary information to disclose.

Item 10: Other Financial Industry Activities and Affiliations

Not applicable.

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

A. Code of Ethics

Pursuant to Rule 204A-1 under the Investment Advisers Act, JGE's written code of ethics contains JGE's standard of business conduct, including that:

- JGE and its "supervised persons" must consider the interests of JGE's clients before their own;
- "supervised persons" must comply with federal securities laws;
- "access persons" must report personal securities transactions and holdings at the time they become access persons and on at least an annual basis thereafter;
- "supervised persons" must report violations of the code of ethics promptly to the chief compliance officer; and
- JGE must provide a copy of the code of ethics, as it may be amended, to all supervised persons, with a requirement that they provide to JGE a written acknowledgment that they have received the code of ethics.

JGE's "supervised persons" consist of the Manager; JGE's employees; and any other person who provides advice on behalf of JGE and is subject to JGE's supervision and control. Under SEC requirements, certain provisions of the code of ethics apply only to JGE's "access persons." For purposes of compliance with the code of ethics, JGE treats all its "supervised persons" as if they were "access persons."

In addition to the elements required by Rule 204A-1, JGE's code of ethics includes: restrictions that prohibit its access persons from trading in certain instruments for their personal accounts without first obtaining pre-clearance; or receiving or offering gifts or entertainment worth a substantial monetary value from or to persons doing business with JGE.

Clients may obtain a copy of JGE's code of ethics by contacting JGE.

B. Securities in Which JGE or a Related Person Has a Material Financial Interest

It is not currently the general practice of JGE or its related persons, acting as principal, to purchase securities or other instruments from (or sell to) any client.

C. Investing in Securities That JGE or a Related Person Recommends to Clients

JGE and its related persons may from time to time invest for their personal accounts in securities or instruments in which East Peak or MA clients are also invested. JGE may also recommend to East Peak and its MA clients securities or instruments in which it or its related persons are already invested. Conflicts of interest may arise if JGE or its related persons recommend a particular transaction because of a financial interest held by any such person in such securities. To address the potential conflict that could arise from such activity, JGE has implemented policies, relating to personal account trading by its related persons, designed to reduce, monitor and resolve conflicts of interest presented by such trading activities and to ensure such trading activities are carried out in accordance with applicable law and regulatory requirements. In particular, JGE's code of ethics requires (i) the interests of JGE's clients to come before JGE's and its related persons, and (ii) the pre-clearance and reporting of personal securities transactions, as described above.

D. Contemporaneous Trading

Participation in specific investment acquisition or disposition opportunities may be appropriate for East Peak and one or more MAs. JGE's current investment allocation policies provide that in such cases, participation in acquisition or disposition opportunities will be allocated on what JGE deems an equitable basis, taking into account factors which include, but are not limited to, the relative amounts of available capital for new investments, existing portfolio positions and investment programs and the accounts for which participation is appropriate, and applicable tax, regulatory and administrative considerations.

JGE or its related persons may invest for their own accounts or on behalf of their clients in investments as to which it is impossible or impractical to subdivide and allocate among multiple clients for tax, regulatory, or other reasons. To address potential and actual conflicts of interest, JGE will make a good faith effort to allocate participations in such investments on an equitable basis to as many of its client accounts as is practicable over time taking into account the factors described herein. JGE's access persons are also subject to JGE's personal trading pre-clearance policy, which is designed generally to prevent access persons from transacting in certain securities of issuers at or about the same time that JGE recommends the securities to East Peak and MAs.

Item 12: Brokerage Practices

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions

JGE has full discretion and authority to select broker-dealers used for client transactions. Transactions for JGE's clients are allocated to broker-dealers consistent with its fiduciary duty of best execution. The factors considered include, but are not limited to: quality of execution, reputation, financial strength and stability, ability to effect the transactions, its facilities, reliability, block trading and block trading positioning capabilities, willingness and ability to commit capital, access to underwritten offerings and secondary markets, overall cost of trade, nature of the security and the available market makers, desired timing of the transaction and size of trade, and confidentiality of trading activity.

1. Research and Other Soft Dollar Benefits

- a. JGE may also consider the receipt of research, products or other services ("soft dollar benefits"), provided JGE has determined in good faith that the amount of commission paid is reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or JGE's overall responsibilities with respect to the accounts as to which JGE exercises investment discretion as required by Section 28(e) under the Securities Exchange Act of 1934, as amended ("Section 28(e) safe harbor"). JGE receives a benefit when it uses client brokerage commissions to obtain research, products or other services because JGE does not have to produce or pay for such research, products or other services.
- b. JGE may have an incentive to select or recommend a broker-dealer based on JGE's interest in receiving research, products or other services, rather than in JGE's clients' interest in receiving the most favorable execution. As a mitigating factor, JGE is one of the largest investors of East Peak and is interested in receiving the most favorable execution for East Peak trades.
- c. The commission rates charged to East Peak and MAs may be higher than those charged by other broker-dealers who may not offer the proprietary research services, capabilities or characteristics as described above.
- d. Consistent with the Section 28(e) safe harbor, research, products or other services obtained with "soft dollars" generated by one or more clients may be used by JGE to service all client accounts, including certain accounts that have not participated in the transaction generating the commission. All accounts that participate in a trade generally pay the same commission rate for the purchase or sale of the same securities and instruments at the same time. JGE does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

e. The research and brokerage products and services provided to JGE by broker-dealers generally may include information on the economy, industries, groups of securities, technical market action, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis, analysis of corporate responsibility issues, and post-trade services or communication services related to executing, clearing and settlement of transactions. Such research services are received primarily in the form of written reports, telephone contacts, and personal meetings with security analysts. In addition, such research services may be provided in the form of access to various computer-generated data, computer software, and meetings arranged with corporate and industry spokespersons, economists, academics, and government representatives.

JGE intends that its use of commission or “soft” dollars to pay for research or brokerage products and services will fall within the Section 28(e) safe harbor. It is JGE's policy that it will not use soft dollars to pay for items not falling within the Section 28(e) safe harbor (e.g. mixed-use products such as computer hardware used to access price quotes).

Typically, brokerage firms do not charge JGE fees for research, products and other services that are separate from those charged for brokerage.

While the continued provision of research, products and other services to JGE is not conditioned on JGE directing any particular level of transactions to these brokerage firms, such services are provided without separate charge in consideration of JGE's use of such brokerage firms to execute transactions for all client accounts.

JGE's procedures to direct client transactions to broker-dealers in return for soft dollar benefits include the following: the JGE CFO distributes periodically a year-to-date commission report to investment analysts and the portfolio manager; investment analysts provide feedback to the portfolio manager with respect to broker-dealers who have provided valuable research services, including, for example, broker-dealer sponsored conferences attended, meetings and conference calls arranged. Based on this input, JGE may, but is under no obligation to, allocate client transactions to particular broker-dealers.

2. Brokerage for Client Referrals

Not applicable.

3. Directed Brokerage

Not applicable.

B. Order Aggregation

JGE is authorized to combine, and does combine, purchase or sale orders on behalf of JGE's clients and allocates the securities or other assets so purchased or sold, on an average price basis, among such accounts.

Item 13: Review of Accounts

JGE reviews East Peak profit and loss reports, transaction reports and position detail for each U.S. trading day generated by its prime broker. Accounts of East Peak are reconciled monthly to custodial brokerage statements.

JGE provides the following regular reports to investors of East Peak:

- (i) the annual audited financial statements of East Peak are sent to investors within 90 days after the end of each fiscal year;
- (ii) a statement of activity is sent to all East Peak investors within 45 days of the quarter end; and
- (iii) monthly performance returns are sent to East Peak investors who request them.

MA monthly custodial brokerage statements are reviewed by Jeffrey G. Edwards upon their availability to JGE. MAs receive monthly brokerage statements directly from the custodian of their account.

Certain types of portfolio information or analysis are made available upon request, on a case-by-case basis, to investors that are not generally available to all investors. Such disclosure is made on a strictly confidential basis.

Item 14: Client Referrals and Other Compensation

Not applicable.

Item 15: Custody

All assets of MAs are held at a third-party qualified custodian as required by Rule 206(4)-2 under the Investment Advisers Act, in a separate account for each client under that client's name, or in an account that contains only the client's assets under JGE's name as agent or trustee for the clients.

The custodian of each MA sends account statements at least quarterly directly to the MA client. Each MA client should carefully review those statements.

East Peak assets are typically held at a third-party qualified custodian. Since JGE is the general partner of East Peak, JGE may be deemed to have custody of East Peak's assets and is subject to Rule 206(4)-2 under the Adviser's Act (the "Custody Rule") as it relates to East Peak. East Peak is subject to audit and delivers its audited financial statements

prepared in accordance with generally accepted accounting principles by a firm registered with the Public Company Accounting Oversight Board (PCAOB) to its investors within 90 days of the applicable fiscal year-end. Therefore JGE is deemed to comply with the account statement delivery and surprise exam requirements under the Custody Rule because it complies with the “Limited Partnerships Subject to Annual Audit Exception.”

Item 16: Investment Discretion

JGE has discretionary trading authority with respect to East Peak pursuant to East Peak’s partnership agreement. JGE has discretionary trading authority with MAs pursuant to investment management agreements with each MA.

Item 17: Voting Client Securities

SEC Rule 206(4)-6 requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. In compliance with such rule, JGE has adopted proxy policies and procedures (the “Policies”). The general policy when voting proxy proposals, amendments, consents or resolutions (collectively, “proxies”) relating to all investments made by East Peak is to vote in a manner that serves the best interests of East Peak, as determined by JGE in its discretion. Although JGE generally votes all proxies that it receives for East Peak, there may be times when JGE does not vote proxies, provided JGE determines that not voting is in the best interest of East Peak. In make such determination, JGE will consider various factors, including, but not limited to: (i) the cost associated with exercising the proxy (e.g. translation or travel costs); (ii) any legal restrictions on trading resulting from the exercise of a proxy; and (iii) whether JGE has sold the underlying securities since the record date for the proxy. East Peak investors cannot direct voting of securities.

JGE has developed procedures designed to address conflicts of interest that may arise between the interests of East Peak, on the one hand, and the interests of JGE, on the other hand, including, if appropriate, delegating a voting decision to an independent third party.

Investors may obtain a copy of the Policies and the proxy voting record relating to East Peak by contacting JGE.

JGE does not vote proxies for MA clients. MA clients will typically receive proxies or other solicitations directly from their custodian or a transfer agent. All proxy materials received on behalf of an MA client by JGE are to be sent directly to the MA client or a designated representative of the MA client who is responsible for voting the proxy. JGE personnel may answer an MA client’s questions regarding proxy-voting matters in an effort to assist the client in determining how to vote the proxy. MA clients may contact JGE at (415) 675-3200. However, the final decision of how to vote the proxy rests with the MA client.

Item 18: Financial Information

JGE does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, JGE is not required to provide a balance sheet for its most recent fiscal year end. JGE is not aware of any financial commitment that would impair its ability to meet its contractual obligations and has never been the subject of a bankruptcy proceeding.