

Uniform Application for Investment Adviser Registration

Part II - Page 1

Name of Investment Adviser: Vectors Research Management LLC				
Address: (Number and Street) 65 Bleecker Street 5th Floor	(City) New York	(State) NY	(Zip Code) 10012	Area Code: Telephone number: 212-431-0856

This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form
are not required to respond unless the form displays a currently valid OMB control number.

1. **A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service.
(See instructions below.)

Applicant:

PERCENTAGES ARE ESTIMATES

<input checked="" type="checkbox"/>	(1)	Provides investment supervisory services	5%
<input checked="" type="checkbox"/>	(2)	Manages investment advisory accounts not involving investment supervisory services	24%
<input checked="" type="checkbox"/>	(3)	Furnishes investment advice through consultations not included in either service described above	71%
<input type="checkbox"/>	(4)	Issues periodicals about securities by subscription	%
<input type="checkbox"/>	(5)	Issues special reports about securities not included in any service described above	%
<input type="checkbox"/>	(6)	Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities	%
<input type="checkbox"/>	(7)	On more than an occasional basis, furnishes advice to clients on matters not involving securities	%
<input type="checkbox"/>	(8)	Provides a timing service	%
<input type="checkbox"/>	(9)	Furnishes advice about securities in any manner not described above	%

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term?

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>

C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input checked="" type="checkbox"/> (3) Fixed Fees (not including subscription fees) | <input checked="" type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of clients** - Applicant generally provides investment advice to: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals | <input type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input checked="" type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input checked="" type="checkbox"/> G. Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input type="checkbox"/> A. Equity securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input type="checkbox"/> (1) exchange-listed securities | <input type="checkbox"/> I. Options contracts on: |
| <input type="checkbox"/> (2) securities traded over-the-counter | <input checked="" type="checkbox"/> (1) securities |
| <input type="checkbox"/> (3) foreign issuers | <input type="checkbox"/> (2) commodities |
| <input type="checkbox"/> B. Warrants | <input type="checkbox"/> J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input checked="" type="checkbox"/> (2) intangibles |
| <input type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input type="checkbox"/> F. Municipal securities | <input type="checkbox"/> (1) real estate |
| <input type="checkbox"/> G. Investment company securities: | <input type="checkbox"/> (2) oil and gas interests |
| <input type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input type="checkbox"/> (2) variable annuities | <input checked="" type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) mutual Fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.**A.** Applicant's security analysis methods include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Charting | (4) <input checked="" type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input checked="" type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|---|--|
| (1) <input checked="" type="checkbox"/> Long term purchases (securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases (securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (4) <input checked="" type="checkbox"/> Short sales | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?

Yes ☒ No ☐

(If yes, describe these standards on Schedule F.)

6. Education and Business Background

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- | | |
|-----------------|--|
| • name | • formal education after high school |
| • year of birth | • business background for the preceding five years |

7. Other Business Activities. (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☒ B. Applicant sells products or services other than investment advice to clients.
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading advisor or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked in box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? Yes ☒ No ☐

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

Applicant Vectors Research Management LLC	SEC File Number 801-64986	Date 3/12/11
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9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☒ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services and impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes No
☒ ☐

(If yes, describe on Schedule F)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Mr. Andrew Davidson and Mr. Neil Powers, Managing Members of the Adviser, monitor the Fund and separate institutional accounts on a regular basis.

Generally, portfolio holdings will be reviewed during the portfolio team's weekly investment committee meeting. The Fund and separate managed accounts are reviewed to assure that the portfolio's structure is suitable and consistent with the investment strategy of the Fund, and that all holdings in separate managed accounts are consistent with the respective investment policy and guidelines.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Investors in the Fund receive, at a minimum, monthly unaudited performance results and capital account statements. In addition, investors in the Fund will receive audited annual financial statements of the Fund.

Institutional separate account clients receive at a minimum, quarterly unaudited portfolio reviews, including performance report, portfolio analysis, and relevant market review. In addition, Institutional separate account clients receive monthly, or quarterly, account statements from their individual account Custodians.

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | Yes | No |
|--|-------------------------------------|--------------------------|
| (1) securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of the securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| (4) commission rates paid? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients?

Yes No
☐ ☒

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|---------------------------------|---|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes
<input type="checkbox"/> | No
<input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes
<input type="checkbox"/> | No
<input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client Funds or securities (unless applicant is registered or registering only with the Securities and Exchange); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet?

Yes No
☐ ☒

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:

Vectors Research Management LLC

SEC File Number:

801-64986

Date:

3/12/11

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Vectors Research Management LLC	IRS Empl. Ident. No.: 04-3809539
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Item of Form (identify)	Answer
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Item 1.D	<p>Vectors Research Management LLC (the "Adviser") provides investment advisory services on a discretionary basis to Vectors Research Opportunities Fund, LP (The "Partnership" or The "Fund") This is a private investment fund offered to high net-worth, financially sophisticated individuals and institutional investors.</p> <p>In September 2006, the Advisor began providing separate account investment advisory services on a discretionary basis to Institutional Investors such as Pension, Endowment and Foundation, Banks, and Insurance Companies (the "Accounts").</p> <p>In December 2007 the Advisor began providing independent asset valuation consulting services.</p> <p>The basic fee schedule for the Funds is as follows: the Adviser receives a management fee from the Fund based on net assets under management of 1.5% annually (the "Management Fee"). The Management Fee is paid quarterly, in advance, based on the net assets of the Fund as of the beginning of each quarter adjusted for the current month's subscriptions and redemptions. The Management Fee will be prorated for any period that is less than a full fiscal quarter.</p> <p>In addition, the Adviser (or its affiliate) receives performance compensation equal to 20% of the Funds net profits, if any, subject to a "loss carryforward" provision (the "Performance Fee"). The Performance Fee is charged by the Adviser (or its affiliate) in compliance with Rule 205-3 under the Investment Advisers Act of 1940. The Management Fee and Performance Fee are negotiable. The Adviser, in its sole discretion, may waive or reduce the Management Fee and/or the Performance Fee with regard to investors that are employees or affiliates of the Adviser, relatives of such persons, and for certain strategic investors.</p> <p>For Institutional Accounts the basic fee schedule is as follows:</p> <table><tr><td>First \$10,000,000 in assets</td><td>.35%</td></tr><tr><td>Next \$10,000,000 in assets</td><td>.30%</td></tr><tr><td>Next \$10,000,000 in assets</td><td>.25%</td></tr><tr><td>Next \$20,000,000 in assets</td><td>.20%</td></tr><tr><td>Next \$20,000,000 in assets</td><td>.15%</td></tr><tr><td>Next \$30,000,000 in assets</td><td>.10%</td></tr><tr><td>Over \$100,000,000 in assets</td><td>.08%</td></tr></table> <p>The fee is paid in arrears based on total account value at the end of each quarter. The Management Fee will be prorated for any period that is less than a full fiscal quarter.</p> <p>The fees on asset valuation consulting services to financial institutions is an hourly rate on a negotiated basis.</p> <p>An investor in the Funds may, upon at least 45 days' prior written notice, withdraw all or any portion of its capital account as of the last day of each calendar quarter</p>	First \$10,000,000 in assets	.35%	Next \$10,000,000 in assets	.30%	Next \$10,000,000 in assets	.25%	Next \$20,000,000 in assets	.20%	Next \$20,000,000 in assets	.15%	Next \$30,000,000 in assets	.10%	Over \$100,000,000 in assets	.08%
First \$10,000,000 in assets	.35%														
Next \$10,000,000 in assets	.30%														
Next \$10,000,000 in assets	.25%														
Next \$20,000,000 in assets	.20%														
Next \$20,000,000 in assets	.15%														
Next \$30,000,000 in assets	.10%														
Over \$100,000,000 in assets	.08%														

	<p>occurring on or after the one-year anniversary of the date of its initial investment; provided, however, that withdrawals may occur as of the last day of a calendar quarter occurring prior to the one-year anniversary of its initial investment but any such withdrawal will be subject to a withdrawal fee equal to an amount of up to 2% of the withdrawal proceeds, payable to the Funds.</p>
Item 2.G	<p>The Adviser provides investment advice to hedge funds, and to institutional investors such as corporations, endowment and foundations, banks, and insurance companies.</p>
Items 3 and 4	<p>The Adviser offers investment advice in the mortgage-backed securities (“MBS”) and asset-backed securities (“ABS”) markets. This includes securities of Agency MBS, non-Agency MBS, collateralized mortgage obligations (“CMOs”), home-equity loan securities, manufactured home loan securities, commercial mortgage-backed securities as well as other securities backed by mortgages, consumer loans and commercial loans. Additional financial instruments includes swaps, swaptions, Treasuries, Treasury options, futures contracts on financial instruments, and mortgage forward contracts known as TBAs.</p> <p>The Adviser uses proprietary analytical tools which include prepayment and option-adjusted spread (“OAS”) models and other advanced mortgage analytics and risk management tools.</p> <p>The Adviser’s strategy is to invest in MBS and ABS securities that can produce high risk adjusted returns through long term income and capital appreciation. The core strategy includes high grade MBS/ABS assets across sectors. Interest rates risks are hedged and leverage may be applied. This strategy mainly generates returns through income. The opportunity strategy takes advantage of event driven opportunities and market dislocations. These typically include assets with leveraged sensitivities to prepayments and credit. This strategy mainly generates returns through income and price appreciation.</p> <p>In separate account management, The Advisor considers the investment objectives and constraints of the Account, and considers the overall macro environment and levels of interest rate risk, credit risk, and structure risk in assessing relative value in fixed income securities. The Advisor will allocate investments in US Government, Agency, Corporate, Mortgage Backed, Asset Backed and other fixed income securities based upon a relative risk and return profile, and appropriateness of the investment depending upon investor objectives.</p> <p>In assessing relative value, the Advisor uses proprietary and nonproprietary quantitative models to determine interest rate risk and structure risk of various securities. The Advisor obtains information through internally generated research as well as research generated by the Broker/Dealer Community, as well as other public information in analyzing and evaluating credit risk of various securities. The Advisor uses market monitor and trading tools such as Bloomberg to analyze, evaluate, communicate and execute transactions.</p>
Item 5	<p>While the Adviser has no formal minimum education and business requirements, any future personnel involved in investment advisory activities generally will possess several years of experience in the areas of security analysis and corporate finance, with a demonstrated thorough understanding of mortgage and debt markets, as well as some level of relevant college and graduate school education and/or have obtained the CFA designation.</p>

Item 6	<p>Andrew Davidson – Principal</p> <p>Andrew Davidson is co-founder and CIO at Vectors Research Management, LLC. Mr. Davidson is also President and founder of AD&Co., a leading developer and provider of MBS/ABS analytical tools. AD&Co provides consulting advice on risk management, security valuation, and investment strategies for a broad range of financial institutions.</p> <p>Prior to AD&Co he worked for six years at Merrill Lynch, where he was a Managing Director in charge of a staff of 60 financial and systems analysts. In this role, he developed sophisticated analytical tools, including prepayment and option-adjusted spread models, as well as sophisticated portfolio analysis tools. He initiated a comprehensive set of investor-oriented publications and established groups of specialized analysts to advise traders, sales people and investors. He has an extensive trading desk background and experience in risk management roles. Andrew began his financial career as an analyst in Exxon’s Treasurer’s Department. He received an MBA in Finance at the University of Chicago and a BA in Mathematics and Physics at Harvard.</p> <p>Neil Powers, CFA – Principal</p> <p>Neil Powers is a co-founder and Portfolio Manager at Vectors Research Management, LLC. He has over 25 years of portfolio management experience within Fixed Income Institutional accounts and Mutual Funds. Prior to Vectors, Mr. Powers worked at Putnam Investments for 12 years, where he was a Senior Portfolio Manager for Core and Core Plus Institutional accounts and the Lead Portfolio Manager for the Putnam family of Multi-Sector Bond mutual funds. Institutional clients included Insurance Company, Corporate, Pension, State and County Government, and Financial Institution assets. He started at Putnam Investments as a quantitative analyst building yield curve and sector relative value models.</p> <p>Mr. Powers served as the Director of Fixed Income for 7 years at Crestar Asset Management Co. and Co-Head of Fixed Income at Trusco Capital Management Co. Neil managed Institutional accounts, Government, and Multi-Sector bond Mutual funds. Neil is a CFA, and graduated from West Virginia University with a BS in Finance specializing in securities and investments.</p>
Item 7.B	<p>The advisor provides consulting services providing portfolio valuation and risk profiling.</p>

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:

Vectors Research Management LLC

SEC File Number:

801-64986

Date:

3/12/11

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Vectors Research Management LLC		IRS Empl. Ident. No.: 04-3809539
Item of Form (identify)	Answer	
Item 8.D	Vectors Research Partners LLC, an affiliate of the Adviser is the General Partner of Vectors Research Opportunity Fund LP. For a discussion of what this Fund invests in, please see Part II, Item 3 of this Form ADV.	
Item 9 and Code of Conduct & Code of Ethics	<p>The Adviser and its related persons may invest their personal funds in the Funds, and, therefore, such persons may hold the same securities as other investors in the Funds. Moreover, Vectors Research Partners LLC is the General Partner of the Partnership. In addition, certain employees of the Adviser may own securities in their personal accounts that are also recommended by the Adviser to the Fund or the Institutional Investors. The Adviser has established procedures intended to limit conflicts of interest in cases where the Adviser, a related person or any of their employees, buys or sells securities recommended by the Adviser to its clients.</p> <p>The Adviser recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its clients; (ii) its long-term business interests are best served by adherence to the principle that the interests of clients come first; and (iii) it has a fiduciary duty to its clients to act solely for their benefit. All personnel of the Adviser must put the interests of the Adviser's clients before their own personal interests and must act honestly and fairly in all respects in dealings with clients. All personnel of the Adviser must also comply with all federal securities laws.</p> <p>The Adviser has adopted a Code of Ethics governing personal trading by its personnel. Among other requirements, the Code of Ethics requires personnel who have access to client portfolio information or the Adviser's non-public securities recommendations to report their personal securities transactions and holdings to the Adviser, and the Adviser is required to review such reports. Clients or prospective clients may obtain a copy of the Code of Ethics by contacting Richard B. Scott (Chief Compliance Officer) by email at rich@vectorsresearch.com, or by telephone at 212-431-0856.</p>	
Item 10	<p>Generally, the minimum initial investment in the Funds is \$250,000. The Fund reserves the right to require a different amount.</p> <p>Generally, the minimum initial investment for separate account management is \$20,000,000. The Advisor reserves the right to require a different amount.</p>	

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:

Vectors Research Management LLC

SEC File Number:

801-64986

Date:

3/12/11

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Vectors Research Management LLC		IRS Empl. Ident. No.: 04-3809539
Item of Form (identify)	Answer	
Item 12	<p>Except for the general investment guidelines set forth in the Fund's respective offering memorandum, and any specific separate account guideline restrictions, there are no limitations on the authority of the Adviser with respect to the matters discussed in Item 12. The Adviser is authorized to determine the broker or dealer to be used for each securities transaction. In placing orders, it is the Adviser's policy to obtain the best price and execution for its transactions. Where best price and execution may be obtained from more than one dealer, the Adviser may purchase and sell securities through dealers who provide research, statistical and other information, although the Fund or specific individual account may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research services provided. Research and related services furnished or paid for by brokers may include, but is not limited to: (i) written information and analyses concerning specific securities, companies or sectors; (ii) market, financial and economic studies and forecasts; (iii) financial and trade publications; (iv) statistical and pricing services; and (v) discussions with research personnel and consultants. Research and related services obtained by the use of commissions arising from transactions may be used by the Adviser in its other investment activities.</p> <p>In selecting brokers and negotiating commission rates, the Adviser will take into account the financial stability and reputation of brokerage firms and the brokerage and research services provided by such brokers, although the Fund may not, in any particular instance, be the direct or indirect beneficiary of the research services provided.</p> <p>The Adviser may also hire separate independent trading firms in order to obtain better prices and/or execution, and such trading firms will be paid through additional commissions.</p>	

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:

Vectors Research Management LLC

SEC File Number:

801-64986

Date:

3/12/11

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Vectors Research Management LLC		IRS Empl. Ident. No.: 04-3809539
Item of Form (identify)	Answer	
Item 13 Note on Proxy Voting Policy	<p>The Adviser offers investment advice in mortgage-backed securities ("MBS") and asset-backed securities ("ABS") which are typically pass-through securities or debt instruments. In general, these type of securities do not lend themselves to proxy voting. As such, the Advisor has not implemented policies and procedures for proxy voting. However, in the rare instance that the Adviser is asked to vote by proxy for a security the Adviser will determine whether the proposal is in the best interest of its clients and may take into account the following factors, among others: (i) whether the proposal was recommended by management and Adviser's opinion of management; (ii) whether the proposal acts to entrench existing management; and (iii) whether the proposal fairly compensates management for past and future performance.</p> <p>For Accounts, unless otherwise agreed to, Adviser does not vote proxies on behalf of its clients, and the voting of all such proxies remains solely the client's obligation.</p>	

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