

# Uniform Application for Investment Adviser Registration

FORM ADV

Part II - Page 1

OMB APPROVAL	
OMB Number:	3235-0049
Expires:	January 31, 2008
Estimated average burden hours per response .....	9.402

Name of Investment Adviser: Statim Holdings, Inc.						
Address: 3651 Peachtree Pky, Suite E-107	(Number and Street)	(City) Suwanee	(State) GA	(Zip Code) 30024	Area Code: (678) 596-6501	Telephone Number:

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.

## Table of Contents

<u>Item Number</u>	<u>Item</u>	<u>Page</u>
1	Advisory Services and Fees .....	2
2	Types of Clients .....	2
3	Types of Investments .....	3
4	Methods of Analysis, Sources of Information and Investment Strategies .....	3
5	Education and Business Standards .....	4
6	Education and Business Background .....	4
7	Other Business Activities .....	4
8	Other Financial Industry Activities or Affiliations.....	4
9	Participation or Interest in Client Transactions .....	5
10	Conditions for Managing Accounts.....	5
11	Review of Accounts .....	5
12	Investment or Brokerage Discretion.....	6
13	Additional Compensation.....	6
14	Balance Sheet .....	6
	Continuation Sheet .....	Schedule F
	Balance Sheet, if required .....	Schedule G

(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.

Applicant:  
Statim Holdings, Inc.

SEC File Number:  
801 –

Date:  
July 3, 2007

**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 instruction below.)

Applicant:

- |                                     |   |             |
|-------------------------------------|---|-------------|
| <input checked="" type="checkbox"/> | (1) Provides investment supervisory services .....  | <b>90</b> % |
| <input type="checkbox"/>            | (2) Manages investment advisory accounts not involving investment supervisory services .....  | _____ %     |
| <input checked="" type="checkbox"/> | (3) Furnishes investment advice through consultations not included in either service described above .....  | <b>10</b> % |
| <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.)

Yes No  
☒ ☐

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

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 type="checkbox"/> (2) Hourly charges                                     | <input type="checkbox"/> (5) Commissions       |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees)       | <input 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 checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations                    |
| <input 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 |  |

Applicant:  
Statim Holdings, Inc

SEC File Number:  
801 –

Date:  
July 3, 2007

**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 checked="" type="checkbox"/> (1) exchange-listed securities                                | <input type="checkbox"/> I. Options contracts on:                          |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter                        | <input type="checkbox"/> (1) securities                                    |
| <input type="checkbox"/> (3) foreign issues   | <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<br>(other than commercial paper) | <input type="checkbox"/> (1) tangibles                                     |
| <input type="checkbox"/> D. Commercial Paper  | <input type="checkbox"/> (2) intangibles                                   |
| <input checked="" 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 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 securities analysis methods include: (check those that apply)

- |   |  |
|---|--|
| (1) <input type="checkbox"/> Charting               | (4) <input type="checkbox"/> Cyclical                      |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input 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 type="checkbox"/> Inspections of corporate activities              | (6) <input type="checkbox"/> Annual reports, prospectuses, filings with the<br>Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input type="checkbox"/> Company press releases   |
| (4) <input type="checkbox"/> Corporate rating services                        | (8) <input 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<br>held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions  |
| (2) <input checked="" type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input type="checkbox"/> Option writing, including covered options,<br>uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days)                 | (7) <input type="checkbox"/> Other (explain on Schedule F)   |
| (4) <input type="checkbox"/> Short sales   |  |

Applicant:  
Statim Holdings, Inc

SEC File Number:  
801 –

Date:  
July 3, 2007

**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 adviser 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 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.)

Applicant:  
Statim Holdings, Inc

SEC File Number:  
801 –

Date:  
July 3, 2007

**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.

Please see Schedule F.

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

Please see Schedule F.

Applicant:  
Statim Holdings, Inc

SEC File Number:  
801 –

Date:  
July 3, 2007

**12. Investment or Brokerage Discretion.**

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

- |  |  |                                |
|--|--|--------------------------------|
| (1) securities to be bought or sold? .....               | Yes<br><input checked="" type="checkbox"/> | No<br><input type="checkbox"/> |
| (2) amount of the securities to be bought or sold? ..... | Yes<br><input checked="" type="checkbox"/> | No<br><input type="checkbox"/> |
| (3) broker or dealer to be used? .....                   | Yes<br><input checked="" type="checkbox"/> | No<br><input type="checkbox"/> |
| (4) commission rates paid? .....                         | Yes<br><input checked="" type="checkbox"/> | No<br><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 products 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<br><input checked="" type="checkbox"/> | No<br><input type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes<br><input checked="" type="checkbox"/> | No<br><input 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 Commission); 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 <input type="checkbox"/>	No <input checked="" type="checkbox"/>
--	---------------------------------	---

**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Applicant:	SEC File Number:	Date:
Statim Holdings, Inc.	801-	July 3, 2007

(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: Statim Holdings, Inc.	IRS Empl. Ident. No.:
--	-----------------------

Item of Form (identify)	Answer
<b>Item 1.D</b>	<p>Statim Holdings, Inc. (the "Applicant") is an investment management firm providing investment advice to (1) individual client accounts ("Individual Accounts") and (2) Arjun, L.P., a Delaware limited partnership (the "Fund"), which invests its assets in securities.</p> <p><u>Individual Accounts</u></p> <p><i>Services Provided.</i> The Applicant provides investment supervisory services to separate account clients on a discretionary basis. The services are provided within guidelines formulated with each client, based on each client's defined investment objectives. The Applicant generally interviews clients for an understanding of such client's risk tolerance, financial goals, and time horizon. Based on that understanding, Applicant will present recommendations to such client for modifying any or all areas reviewed. Recommendations will generally reflect both tax implications and potential liability exposure.</p> <p>The Applicant's clients are advised to promptly notify the Applicant if there are ever any changes in their financial situation or investment objectives, or if they wish to impose any reasonable restriction upon Applicant's management services.</p> <p><i>Manner in which Services are Provided.</i> As a general matter, the Applicant will provide investment supervisory services by executing trades through the client's on-line brokerage account. Typically, the client will establish an account with a broker allowing Applicant discretionary authority to trade on that account. The client will at all times have access to the account and account balances.</p> <p><i>Basic Fee Schedule.</i> Applicant receives advisory fees from clients based on a percentage of the assets under management. Generally fees are calculated and payable monthly but exceptions are made depending upon the preferences of each client. The advisory fee ("Advisory Fee") is paid monthly, in arrears, in an amount equal to 1/12 of 1.5% (1.5% on an annualized basis) of the account asset values on the last business day of the previous month (or period, as applicable). Advisory fees are prepaid by some the Applicant's clients for up to six months of services in advance. Fees are subject to negotiation at Applicant's discretion.</p> <p>Applicant receives no remuneration from any of the products or investments recommended to clients, except as described above.</p> <p><i>Payment of Fees.</i> The Applicant will bill the client the appropriate Advisory Fees by invoice sent via e-mail to the client. The client will settle the invoice (i) by personal check or (ii) through brokerage and direct account debit.</p> <p>Applicant shall not have custody of assets for clients that have individual accounts.</p> <p><i>Right to Terminate.</i> The client will have the right to terminate the relationship "at will" with no holding period requirements or minimums.</p> <p>The client is not entitled to any refund of fees paid in advance of services performed for any reason whatsoever, unless waived by the Applicant. Upon termination of any account, any earned, unpaid fees will be due and payable on a pro-rated basis.</p>

	<p><u>The Fund</u></p> <p>The Fund will pay the Applicant a management fee (the “Management Fee”) quarterly in arrears. The fee is equal to 0.125% (a 1.5% annual rate) of the quarter-end capital account value of each limited partner, prior to any withdrawals or distributions.</p> <p>The Applicant may be deemed to have custody over client assets because the Applicant serves as the General Partner of the Fund.</p> <p>The Applicant may vary the Management Fee as to particular Limited Partners by written agreement with those Partners.</p>
<b>Item 2.G</b>	<p>The Applicant provides investment advisory services to the Fund based on the investment objectives of the Fund. The Applicant does not provide tailored investment advice to the Limited Partners in the Fund.</p>
<b>Item 5</b>	<p>Generally, the Applicant requires employees to hold a college or an advanced degree and/or have relevant working experience in the securities industry. Any employee of the Applicant acting in a representative capacity will be appropriately licensed or registered as such.</p>
<b>Item 6</b>	<p><b>Joseph A. Meyer, Jr.</b>, President, DOB 10/19/1966</p> <p><u>Education</u> BA in History and Political Science Duke University (1988) MBA UNC Kenan-Flagler School of Business</p> <p><u>Business Background</u> Statim Holdings, Inc., President (2000-present)</p>
<b>Item 7.A.</b>	<p>The Applicant also provides advisory services outside of solely money management which will generally include consulting services and other business activities. The Applicant will allocate approximately 10-20 hours to these activities each month.</p>
<b>Items 8.D</b>	<p>As noted above, the Applicant serves as the general partner to Arjun, L.P., a Delaware limited partnership (the “Fund”), which invests its assets in securities. Generally, the Fund seeks to obtain capital appreciation principally by investing its assets in domestic securities, exchange traded funds (ETFs), and closed end funds (CEFs), according to a proprietary model.</p> <p>Other Fund Characteristics – Distributions; Withdrawals of the Fund</p> <p>The Fund intends to make no distributions.</p> <p>Generally, a Limited Partner may not make a withdrawal from its Capital Account for a period of twelve (12) months measured from the date of the initial contribution. Thereafter, Limited Partners will be generally permitted to make withdrawals from their Capital Accounts as of the last business day of any calendar quarter, provided that the Partnership receives at least 60 days prior written notice of such withdrawal. The General Partner has reserved the right, in its sole discretion and without notice, to require any Limited Partner to withdraw entirely from the Partnership, for any reason or no reason.</p> <p>Redemption proceeds in an amount equal to not less than 90% of the estimated redemption proceeds shall, under normal circumstances, be paid as soon as reasonably practicable following the date as of which the redemption is effective. The remaining amount (the "Retained Amount") will be paid after the completion of the annual audit, or if there is no audit, other such accounting of the Partnership’s books for the Fiscal Year in which such Partner’s request for withdrawal is effective.</p> <p>Redemption of interests which have been outstanding for less than 12 months will be subject to a 2% reduction in the redemption amount (the “Holdback”). Redemption of interests which have been outstanding for less than 24 months will be subject to a 1% reduction in the redemption amount (the “Holdback”). Such Holdback amount will be allocated on a pro rata basis among all</p>

**Item 9.D and 9.E**

remaining limited partners.

The Applicant may advise potential limited partners to purchase interests in the Fund.

The Applicant and related persons may from time to time buy, sell, or hold for their own account securities recommended by the Applicant for the purchase and/or sale by Individual Accounts or by the Fund. However, any purchase or sale of a security by the Applicant and related persons will be subject to the Applicant's fiduciary duty to the Individual Account clients and the Fund. The Applicant and its employees have a fiduciary duty to place the interests of clients ahead of their own interests. Records of all security transactions by the applicant and related persons will be maintained at the Applicant's office and will be available for inspection by Limited Partners.

The Applicant does advise potential limited partners to purchase interests in the Fund. As the Applicant will act as the general partner to the Fund, the Applicant will have a financial interest in such transaction.

**CODE OF ETHICS**

The Applicant has adopted a Code of Ethics (the "Code") to address securities-related conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes the Applicant's policies and procedures developed to protect client's interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics and to avoid any actual or potential conflict of interest or any abuse of an employee's position of trust and responsibility;
- The principle that investment adviser personnel should not take inappropriate advantage of their positions;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

The Applicant provides a copy of the Code to any client or prospective client upon request.

**Item 10**

**Individual Accounts**

For advisory services to individual accounts, the Applicant does not impose a minimum dollar value of assets or any other conditions for starting or maintaining an account.

**The Fund**

For advisory services to the Fund, the Applicant generally requires limited partners in the Fund to commit \$225,000 as a minimum initial investment. The minimum initial investment is negotiable.

**Item 11.A**

**Individual Accounts**

In general the Applicant will generally provide clients with annual reviews of their account(s). Reasonable additional reviews are also included at the request of client. The Applicant reviews the client's investment program to analyze rates of return, allocation of assets and to verify that the client's portfolio is consistent with such client's investment objective. Such review is conducted by Joseph A. Meyer, Jr., the President of the Applicant.

**The Fund**

The Applicant reviews the Fund's investment program, including current holdings, on a continual basis. The Applicant reviews the Fund's investment program to analyze rates of return, allocation of assets and to verify that the Fund's portfolio is consistent with its investment objective. Such

review is conducted by Joseph A. Meyer, Jr., the President of the Applicant.

**Item 11.B**

Individual Accounts

The Applicant will provide to all clients a monthly report (or other such period so agreed upon) which details the performance of their investments. In addition, each client account receives a trade confirmation on each purchase and sale as transactions occur. Additionally, clients receive custodial statements which provide current positions, security cost basis, and current market value monthly.

The Fund

The Applicant provides every Limited Partner in the Fund with quarterly unaudited reports reviewing the Fund's investment activities, beginning balances, and monthly performance. Audited financial statements are provided to Limited Partners annually, within 90 days following the conclusion of the Fund's annual audit.

**Items 12.A. (1) and (2)**

Individual Accounts

The Applicant has full discretion and authority to make all investment decisions with respect to the types of securities to be bought or sold or the amount of securities to be bought or sold for client's account.

The Fund

The Applicant is not limited in its authority to purchase securities for the Fund. The Applicant has full discretion and authority to make all investment decisions with respect to the types of securities to be bought or sold or the amount of securities to be bought or sold for the Fund.

**Items 12.A. (3) and (4)**

Individual Accounts

With regard to Individual Accounts, the Applicant does not have the authority to determine, without obtaining specific client consent, the (i) broker or dealer to be used or (ii) commission rates paid.

The Fund

The Applicant will always have discretion as to the placement of brokerage and this determination will be based upon four factors: (1) where the best price is likely to be obtained; (2) a brokerage firm's research and investment ideas that directly impact the Fund's portfolio; (3) a firm's ability to properly execute any orders (based on the size of the trade and its complexity to execute); and (4) the operational aspects of brokerage firms' back office (will the Fund receive payment of securities on a timely basis) and custodian or other administrative services. Because of these considerations the Applicant may pay a brokerage commission in excess of that which another broker might have charged for having effected the same transaction in recognition of the value of brokerage or research services provided by the broker.

**Item 12.B**

Individual Accounts

The Applicant will recommend certain brokers to clients based on the unique financial situation of each client. In general, certain brokers offer better services to certain clients based on the client's financial situation and the amount of assets under management. The Applicant may receive access to certain electronic trading platforms for such client accounts at certain brokerage firms. These trading platforms allow the Applicant to efficiently organize and manage the client's account and are maintained for the sole benefit of the client. Generally with these arrangements the client's will not have to pay higher commissions than those obtainable from other brokers with regard to similar services. The electronic trading platforms will be used to service only those client accounts which are housed with such brokerage firms. The Applicant will recommend a broker to the client during the initial consultations and after the Applicant thoroughly understands the client's needs and

financial situation.

The Fund

See answer to Item 12.A.(3) and (4) above.

Individual Accounts

No commission or referral fees will be paid to a broker-dealer for the referral of an Individual Account client.

The Fund

Selling commissions and/or referral fees may be paid in connection with any referral of a potential investor who becomes a limited partner in the Fund . In such instance, the Applicant may reallocate a portion of its Management Fee to third parties who have made such introductions, or the Applicant may use its own resources to compensate third parties for such introductions. The Applicant may also place trades and related services with broker-dealers that introduce limited partners to its Fund client(s) in which the Applicant serves as the general partner, subject to applicable laws.

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

**Item 13.A and 13.B**