

**Item 1: Cover Page**

**SKYBRIDGE CAPITAL II, LLC**

**DISCLOSURE BROCHURE**

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**This brochure provides information about the qualifications and business practices of SkyBridge Capital II, LLC. If you have any questions about the contents of this brochure, please contact us at (212) 485-3100 or mnoble@skybridgecapital.com. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission or by any state securities authority.**

**Additional information about SkyBridge Capital II, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

SkyBridge Capital II, LLC is an investment adviser registered with the SEC. Registration with the SEC does not imply a certain level of skill or training.

## **Item 2: Material Changes**

The following are material changes since the last annual update of this brochure on April 1, 2013:

1. As a result of changes in the regulation of investment companies that invest in commodity instruments (i.e., commodity futures, commodity options or swaps), or that invest in pooled investment vehicles that invest in commodity instruments, as of August 2013, SkyBridge Capital II, LLC ("SkyBridge") registered with the Commodity Futures Trading Commission as a commodity pool operator.
2. SkyBridge launched the following funds for which it serves as investment manager:
  - SkyBridge G II Fund, LLC, a closed-end, non-diversified management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"). This fund is a "fund-of-funds" seeking to implement its investment objective of capital appreciation principally through investing in hedge funds managed by third party investment managers that employ a variety of alternative investment strategies.
  - SkyBridge Dividend Value Fund, a series of an open-end, diversified management investment company registered under the 1940 Act. This fund pursues its investment objective of total return, including capital appreciation and current income, by investing, under normal circumstances, at least 80% of its net assets in dividend yielding equity securities.
  - SkyBridge Legion Strategies Unit Trust, a Cayman Islands Unit Trust denominated in Japanese yen, which invests in Legion Strategies, Ltd., a "fund-of-funds" managed by SkyBridge.
3. Certain funds managed by SkyBridge returned all remaining capital to investors in 2013. Those funds were: (i) SkyBridge Capital Partners II, L.P., SkyBridge Capital II (Offshore) Fund, L.P. and SkyBridge Capital II Master, L.P.; (ii) SkyBridge Hedge Fund Partners, LLC and SkyBridge Hedge Fund Partners, L.P. (the "HFP Funds"); and (iii) SkyBridge Quantitative Equity Driven Fund. The sole remaining assets of the HFP Funds are membership interests in a hedge fund which are being held in special purpose vehicles pending liquidation of the investment and final distribution of proceeds to HFP Fund investors.

Additional information about SkyBridge, including a full copy of its current brochure, also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 3: Table of Contents**

<b>Item</b>	<b>Page</b>
Item 1: Cover Page .....	1
Item 2: Material Changes .....	2
Item 3: Table of Contents .....	3
Item 4: Advisory Business .....	4
Item 5: Fees and Compensation .....	6
Item 6: Performance-Based Fees and Side-By-Side Management.....	8
Item 7: Types of Clients .....	9
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss .....	10
Item 9: Disciplinary Information.....	16
Item 10: Other Financial Industry Activities and Affiliations.....	17
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	18
Item 12: Brokerage Practices.....	20
Item 13: Review of Accounts .....	22
Item 14: Client Referrals and Other Compensation .....	23
Item 15: Custody .....	24
Item 16: Investment Discretion .....	25
Item 17: Voting Client Securities .....	26
Item 18: Financial Information.....	28

#### **Item 4: Advisory Business**

SkyBridge Capital II, LLC (“SkyBridge”) is an alternative investment management firm that provides discretionary and non-discretionary investment management and advisory services, together with investment management products, to Clients and Advisory Accountholders (each as defined below). As of January 31, 2014, SkyBridge managed approximately \$6.3 billion for Clients on a discretionary basis, and advised on approximately \$3.5 billion of assets for Advisory Accountholders on a non-discretionary basis.

These services and products offered and managed by SkyBridge include hedge fund investment management and advisory services, custom investment portfolios and commingled products, which consist of (i) “funds-of-funds” (i.e., funds that seek to achieve their investment objective(s) by investing substantially all of their assets in hedge funds managed by third party investment managers) and (ii) direct investment funds (i.e., funds that seek to achieve their investment objective(s) by investing directly in securities and other instruments). These funds (i) are registered under the Investment Company Act of 1940, as amended (the “1940 Act”) as open-end or closed-end management investment companies or (ii) rely on an exemption from registration under Section 3 of the 1940 Act. The funds that operate as registered investment companies may be sold to retail investors or may only be offered to qualifying investors, in each case as described in the funds’ offering materials and otherwise in compliance with applicable law.

SkyBridge has been providing investment management and advisory services to Clients and Advisory Accountholders since July 2008, including as a result of the assumption of certain investment management and advisory contracts assigned by (i) its affiliate, SkyBridge Capital LLC, as of June 1, 2009 and (ii) Citigroup Alternative Investments LLC (“CAI”) as of June 30, 2010, as part of the acquisition by SkyBridge of CAI’s Hedge Fund Management group (the “HFM Group”). SkyBridge’s predecessor, SkyBridge Capital LLC, began providing investment management and advisory services to Clients and Advisory Accountholders in November 2005. SkyBridge is principally owned by its managing partners Anthony Scaramucci and Raymond Nolte. In connection with the formation of SkyBridge, entities affiliated with Challenger Financial Services Group Ltd., a financial services company listed on the Australian Stock Exchange (“Challenger”), were granted a minority equity interest in SkyBridge and certain of its affiliates. With the exception of Challenger and another minority equity holder, RON Transatlantic Offshore Ltd. (“RON Transatlantic”), SkyBridge is predominantly owned by SkyBridge employees.

#### **Funds-of-Funds Business**

A significant portion of SkyBridge’s Clients are “funds-of-funds”, meaning they pursue their investment objective(s) by investing in hedge funds (collectively, “Investment Funds”) managed by third-party investment managers (each, an “Investment Manager”) identified by SkyBridge using its investment process discussed in greater detail in Item 8 of this brochure. SkyBridge’s team of professionals sources Investment Managers and provides investment-support services from its headquarters in New York.

As of the date of this brochure, SkyBridge manages the following “funds-of-funds”, certain of which operate as part of a “master-feeder fund” structure: (i) SkyBridge Multi-Adviser Hedge Fund Portfolios LLC; (ii) SkyBridge G II Fund, LLC; (iii) Legion Strategies, Ltd.; (iv) SkyBridge Legion Strategies Unit Trust; (v) SkyBridge Capital Partners, L.P.; (vi) SkyBridge Capital (Cayman) Ltd.; and (vii) SkyBridge Capital II (Cayman) Ltd. (collectively, the “SkyBridge Funds-of-Funds”). SkyBridge also provides “fund-of-funds” investment management services to Managed Accounts (as defined below).

### **Direct Investment Business**

SkyBridge may structure investment vehicles and Managed Accounts as direct investment vehicles (in contrast to funds-of-funds), where SkyBridge formulates and executes upon trading and investment advice in its capacity as investment manager to the vehicle or the Managed Account, using its investment process, which may include the use of sub-investment advisers, as discussed in greater detail in Item 8 of this brochure.

As of the date of this brochure, SkyBridge manages the SkyBridge Dividend Value Fund, a series of FundVantage Trust, an open-end, diversified management investment company registered under the 1940 Act (commonly referred to as a “mutual fund” and, together with the SkyBridge Funds-of-Funds, the “SkyBridge Funds”). The SkyBridge Dividend Value Fund, as well as SkyBridge Multi-Adviser Hedge Fund Portfolios LLC and SkyBridge G II Fund, LLC, each of which operates as a closed-end management investment company registered under the 1940 Act, are each referred to as a “1940 Act Fund” in this brochure.

Affiliates of SkyBridge act as the general partner or managing member of those SkyBridge Funds structured as limited partnerships or limited liability companies. Certain SkyBridge Funds structured as corporations or series of an investment trust are managed by a board of directors/trustees composed of a majority of or exclusively persons not affiliated with SkyBridge. Each of the 1940 Act Funds has a board of directors/trustees composed of at least a majority of “non-interested persons” (as defined in the 1940 Act) of such 1940 Act Fund.

### **Managed Account Business; Non-Discretionary Services**

SkyBridge also manages several separately managed accounts (“Managed Accounts” and, together with the SkyBridge Funds, the “Clients”), which management may be on behalf of institutions and high net worth individuals, including through a corporate ownership structure. Managed Accounts may employ SkyBridge’s “fund-of-funds” strategy or may be structured to make direct investments.

SkyBridge also provides non-discretionary investment advisory services to select institutions (each, an “Advisory Advisory Accountholder”), currently consisting of a plan subject to the Employee Retirement Income Security Act of 1974 (“ERISA”). Such non-discretionary investment advice provided by SkyBridge may be with respect to direct investments or investments in Investment Funds.

### **Item 5: Fees and Compensation**

SkyBridge offers discretionary and non-discretionary investment management and advisory services for a percentage of assets under management, a fixed fee or fees based on performance as described below and in Item 6. Fees may differ based upon a number of factors, including without limitation, overall fee arrangements, account complexity and size, assets under management and the terms of the various SkyBridge Funds. Fees for certain of the SkyBridge Funds may be waived, reduced or calculated differently with respect to certain investors, including SkyBridge's employees or affiliates, at the discretion of SkyBridge and as permitted by the SkyBridge Fund's offering documentation and organizational documents.

SkyBridge may in the future charge other types of fees and use different fee structures, including variations of performance or incentive fees and allocations.

### **Investment Management Fees**

The SkyBridge Funds pay SkyBridge management fees based on assets under management and, for certain SkyBridge Funds, an additional performance fee or allocation determined as a percentage of profits, with performance fees or allocations subject to a "high water mark". Investors in the SkyBridge Funds bear their pro rata portions of such fees and allocations, which are non-negotiable. In certain cases, SkyBridge may agree to waive part or all of the asset-based fee and/or reimburse the SkyBridge Fund, to the extent necessary to prevent the SkyBridge Fund's ordinary expenses from exceeding an agreed amount. The amounts of such fees and allocations are described in detail in the offering documents for each SkyBridge Fund, and investors or potential investors should review those materials carefully when making their investment decisions.

- **Funds-of-Funds.** Management fees payable by the SkyBridge Funds-of-Funds generally range from 0.85% to 1.5% per annum of assets under management and from 0% to 15% of profits in respect of performance fees or allocations.
- **Direct Investment Funds.** Management fees payable by the SkyBridge Funds structured as direct investment funds would generally range from 0.75% to 2% per annum of assets under management in respect of the asset-based fees, and 15% to 20% of profits in respect of any performance fees or allocations.
- **Managed Accounts.** Management fees payable by Managed Accounts are based on assets under management and, for certain Managed Accounts, an additional performance fee determined as a percentage of profits. The amount of such fees are set forth in the investment advisory agreements for the Managed Accounts, and currently range from 0.95% to 1.5% per annum of assets under management in respect of the asset-based fees, and from 0% to 10% of profits in respect of performance fees.

With respect to both SkyBridge Funds and Managed Accounts, management fees are typically billed monthly or quarterly in arrears based on the amount of assets under management. In the case of SkyBridge Funds, such amounts are paid indirectly by investors on a pro rata basis as a Fund expense. Fees will be prorated for any beginning or ending period of a contract that is less than a full billing period. An initial fee will be calculated as of the date that SkyBridge accepts an individual Client agreement between a Managed Account and SkyBridge (a "Client Agreement") or enters into an investment management or advisory agreement with a SkyBridge Fund. This initial fee will cover the period from

the date on which the agreement is entered into until the last day of the initial billing period. The monthly or quarterly fees will be billed to each Client as they become due and payable.

In connection with SkyBridge's acquisition of the HFM Group in 2010, SkyBridge agreed to continue to provide non-discretionary investment advisory services to certain Advisory Accountholders previously advised by and/or affiliated with CAI. For those services, SkyBridge receives a negotiated flat fee, which fee may vary based on assets under management of the Advisory Accountholder. Advisory Accountholders typically pay the flat fee monthly or quarterly in arrears. Should SkyBridge provide non-discretionary investment advisory services to an Advisory Accountholder not previously advised by and/or affiliated with CAI, its fee would typically be based on the Advisory Accountholder's assets under management. SkyBridge currently expects that fee to range from 0.10% to 0.75% per annum, although such fees would be negotiable in individual cases. An Advisory Accountholder's investment advisory agreement may be renewed by agreement of both parties.

If a Client Agreement or investment management or advisory agreement with a SkyBridge Fund or Advisory Accountholder is terminated by the Client, SkyBridge will typically be entitled to fees earned through the effective date of termination, or such longer period as may be agreed by the parties, and will provide the Client or Advisory Accountholder with a refund, if any, of any additional fees paid in advance. Refunds are typically based on the number of days remaining in the calendar quarter after the date upon which notice of termination is received by SkyBridge, the Client or the Advisory Accountholder, as applicable.

### **Other Fees**

Custodians (including banks or registered broker-dealers) will be used to facilitate the management of Client assets. Please refer to Item 15 of this brochure for additional information about custody of Client assets. The cost of these services is not included in the management fees described above. Clients, directly in the case of Managed Accounts and indirectly in the form of Fund expenses in the case of SkyBridge Funds, will be responsible for paying any such additional costs charged by custodians. The management fees charged by SkyBridge also do not include the amount of any costs, expenses or commissions that a broker or dealer may charge in connection with transactions executed on behalf of Client accounts (see Item 12 below).

In addition, a custodian or registered broker may impose certain costs or charges associated with servicing Client accounts, such as margin interest, costs relating to exchanging foreign currencies, odd lot differentials, regulatory fees (e.g., fees charged by the Securities and Exchange Commission ("SEC")) transfer taxes, exchange fees, wire transfer fees, postage fees, auction fees, foreign clearing, settlement and custodial fees, and other fees or taxes required by law. SkyBridge's management fees also do not cover "mark-ups" and "mark-downs" that broker-dealers may receive, "dealer spreads" that broker-dealers may receive when acting as principal in certain transactions, the amount of any annual retirement plan fees or the fees and expenses a Client may incur as a shareholder of, or investor in, an Investment Fund. Fees for each Investment Fund are described in detail in the Investment Fund's offering materials.

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

Currently, all SkyBridge Funds and Managed Accounts are charged by SkyBridge a combination of asset-based and/or performance fees or allocations which may be subject to waiver at SkyBridge's discretion, while for non-discretionary accounts of Advisory Accountholders, SkyBridge typically receives a negotiated flat fee. Any performance fees charged by SkyBridge will comply with the requirements of Section 205 of the Investment Advisers Act of 1940, as amended (the "Advisers Act") and the applicable rules thereunder. SkyBridge may, in the future, charge other types of fees and use different fee structures.

Potential conflicts of interest may arise from SkyBridge's management of SkyBridge Funds, Managed Accounts and other accounts. For example, conflicts of interest may arise with the allocation of limited investment opportunities. Allocations of investment opportunities could raise a potential conflict of interest to the extent that SkyBridge may have an incentive to allocate investments that are expected to increase in value to preferred accounts, including accounts with higher fee structures or performance-based fees or accounts that have been underperforming in an investment strategy. Potential conflicts of interest also could manifest in the form of inappropriate recommendations to or investments in certain accounts because SkyBridge hopes the Client will invest additional assets or a reluctance by SkyBridge to mark down fair valued/illiquid securities to avoid either a decline in performance or an increase in performance volatility, which, in each case, could make a Managed Account or SkyBridge Fund potentially less attractive to existing and prospective investors.

In addition, certain SkyBridge personnel may manage, at the same time, one or more SkyBridge Funds and/or Managed Accounts, which may raise potential conflicts of interest for SkyBridge, including those associated with any differences in fee structure. Such side-by-side management may result in certain portfolio managers devoting unequal time or attention to the management of one Client over another. For example, certain portfolio managers may advise a 1940 Act Fund and a SkyBridge Fund that is exempt from registration under the 1940 Act. There are various potential conflicts of interest issues that could arise as a result. For example, the 1940 Act Fund and the other SkyBridge Fund may hold inconsistent positions, have different liquidity needs and have different fee structures.

SkyBridge has policies and procedures in place to address and mitigate these conflicts. SkyBridge seeks to allocate investment opportunities to its Clients, and otherwise to treat all of its Clients and Advisory Accountholders, in a manner that is fair and equitable to all Clients and Advisory Accountholders. SkyBridge has adopted policies and procedures that address parameters to be considered in allocating investment opportunities and SkyBridge's personnel who provide investment advice and other services to Clients and Advisory Accountholders. Additionally, SkyBridge's Portfolio Allocation Committee meets regularly to review allocation decisions and to determine their consistency with SkyBridge's policies and procedures. All investment decisions are also subject to periodic review by SkyBridge's Chief Compliance Officer ("CCO").



**Item 7: Types of Clients**

SkyBridge provides (i) discretionary investment advice to SkyBridge Funds and Managed Accounts, which are established by institutions and high net worth individual investors, and (ii) non-discretionary investment advice to select institutional Advisory Accountholders, including, in both cases, ERISA accounts.

Except as noted below, SkyBridge Funds generally require minimum investments that range from \$25,000 to \$25 million depending upon the SkyBridge Fund and series of shares, while SkyBridge typically requires that Managed Accounts have a minimum capital investment of \$15 million. The minimum initial investment for SkyBridge Dividend Value Fund, which is offered to retail investors, is \$100 for individual retirement accounts and \$1,000 for regular accounts.

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

### *Methods of Analysis and Investment Strategies*

#### Funds-of-Funds Strategy

SkyBridge evaluates Investment Managers based on qualitative and quantitative factors to seek to identify Investment Managers that have shown the ability to generate consistent skill-based returns (alpha) over time, while showing the ability to preserve capital by controlling draw-downs. SkyBridge initially assesses an Investment Manager through a combination of discussions, reviews of materials provided by the Investment Manager and on-site visits to the Investment Manager's place of business. Once an Investment Manager has successfully passed the initial assessment, SkyBridge conducts a comprehensive due diligence review of the Investment Manager, which includes the following components:

- Investment Analysis. SkyBridge combines qualitative and quantitative analyses intended to develop an understanding of an Investment Manager's ability to generate returns. These analyses focus on an Investment Manager's investment team, investment process, risk management and performance. An Investment Manager's performance track record is examined for consistency and draw-down (i.e., loss) control versus a peer group of Investment Funds. In doing so, SkyBridge analyzes the Investment Manager's historical performance returns including its historical distribution of returns and draw-downs and relevant risk ratios and metrics.
- Operational and Business Risk Analysis. SkyBridge's operational risk team employs a disciplined process intended to assess an Investment Manager's ability to operate efficiently. The key components of this analysis include, but are not limited to, a review of key principals, organizational structure and terms of Investment Funds, mid/back office operations, valuation process, accounting practices, internal controls and procedures, disaster recovery plan and anti-money laundering policies.
- Risk Management. Risk management considerations are integrated into the investment management process, including quantitative analyses of risk exposures (by reference to geographic concentrations, exposure breakdowns, correlation analysis, value at risk, beta and liquidity analyses) and risk scenarios (including a scenario and sensitivity analyses and stress testing). The Head of Risk Management has veto power of the Manager Selection and Portfolio Allocation Committees.

SkyBridge has access to a number of hedge fund databases as well as market information sources. In addition, SkyBridge has an active research program with internal analysts who specialize in various strategies. Specific sources for new Investment Managers include industry contacts, referrals from existing Investment Managers, third-party databases, direct solicitations by Investment Managers and third-party marketing firms, and introductions from prime brokers and industry conferences. SkyBridge receives information from a large number of Investment Funds each year. SkyBridge meets with a diversified cross-section of these Investment Funds each year, but allocates assets to only a fraction of them. SkyBridge continually looks to add to the pool of eligible Investment Funds that meet its due diligence requirements. This allows SkyBridge to rank and compare fund peers, which helps to facilitate the replacement of under-performing Investment Managers as well as identify attractive alternatives and new strategies.

SkyBridge selects opportunistically from a wide range of Investment Funds in order to create a portfolio of such Investment Funds while seeking to identify attractive investment strategies and Investment

Managers. SkyBridge does not generally seek to invest Client assets according to pre-determined allocations. SkyBridge generally allocates assets to Investment Funds following a wide variety of investment strategies, resulting in an asset mix held by Investment Funds that may from time to time include, without limitation, currencies, commodity futures and options, non-U.S. dollar denominated instruments, short-term instruments (including U.S. Treasury securities and certificates of deposit), sovereign debt, public and privately placed (unlisted) equity, equity-related and debt securities of U.S. and non-U.S. corporations, and investments in other investment funds.

Once an Investment Manager has been added to the portfolio of a SkyBridge Fund or Managed Account, the terms of the investment will generally require that the Investment Manager provide SkyBridge with periodic reports and other information that will allow SkyBridge to monitor, among other things, the Investment Manager's compliance with investment guidelines and adherence to style parameters, and certain risk metrics associated with the Investment Fund's portfolio. To the extent investment guidelines are agreed with a SkyBridge Fund, any breach, including the incurrence of unacceptable levels of risk based upon the expectations of SkyBridge, will result in action being taken by SkyBridge. Depending upon the severity of the breach or other issues or concerns, SkyBridge's actions will range from the initiation of a discussion with the Investment Manager to the withdrawal of the SkyBridge Fund's investment capital, subject to lock-up provisions and early exit rights. Poor performance or lagging infrastructure may result in similar actions.

SkyBridge's personnel have experience and expertise with alternative investment strategies and Investment Managers and have evaluated numerous Investment Funds representing many categories of alternative investments, utilizing various investment strategies. They also have extensive experience in directly managing alternative investment strategies. SkyBridge believes that this combination of evaluation expertise and direct investment experience enables it to understand the opportunities and risks associated with investing in the Investment Funds.

Subject to limitations imposed by a SkyBridge Fund's offering materials (and, for the 1940 Act Funds, the asset coverage requirements of the 1940 Act), SkyBridge may employ leverage in order to fund repurchases of the SkyBridge Fund shares or for other purposes. This is in addition to the leverage used by individual Investment Funds in which the SkyBridge Fund invests. Leverage, whether employed by a SkyBridge Fund or by the underlying Investment Funds, has the effect of increasing returns or losses, as well as volatility. SkyBridge may increase or decrease the degree of leverage employed by a SkyBridge Fund at any time, but will have no control over leverage employed by an Investment Fund other than with respect to any predetermined leverage limits that may have been agreed to by the Investment Fund.

#### Direct Investment Strategy

As of the date of this brochure, the only SkyBridge Fund that employs a direct investment strategy is the SkyBridge Dividend Value Fund. This fund pursues its investment objective by investing, under normal circumstances, at least 80% of its net assets in dividend yielding equity securities. SkyBridge selects securities annually using a rules-based process seeking to surface profitable, attractively valued securities with appealing dividend yields. Between these annual reconstitutions, SkyBridge employs a "buy and hold" strategy, except under certain circumstances determined at the discretion of the fund's portfolio manager. Investors and potential investors in SkyBridge Dividend Value Fund should refer to the fund's prospectus and statement of additional information, which are available on the SEC's website ([www.sec.gov](http://www.sec.gov)) for additional information about the fund's investment objective, investment strategies and investment risks.

As a matter of policy and practice, for any Client that employs a direct investment strategy, SkyBridge's

investment decision-making process generally involves thorough fundamental research regarding a prospective investment. SkyBridge makes reasonable inquiry into each Client's financial situation, investment experience, investment objectives and tolerance for risk. SkyBridge conducts a reasonable amount of due diligence prior to purchasing or selling any security, and the amount of diligence generally will increase with the complexity and uniqueness of the security. SkyBridge may determine that it is advisable to retain an affiliated or unaffiliated investment manager to act as a sub-adviser for a Client's account. In this event, SkyBridge is responsible for conducting adequate due diligence to confirm that any sub-adviser has the necessary qualifications and experience to carry out its responsibilities under the proposed sub-advisory agreement. SkyBridge is responsible for confirming that any sub-adviser is aware of any investment instructions or restrictions, suitability requirements, or applicable SkyBridge Fund documents. After any sub-adviser is retained, SkyBridge must periodically (but no less frequently than annually) review the performance and continued qualification of the sub-adviser to determine whether or not the investment manager should continue to act in a sub-advisory capacity.

On a periodic basis, the portfolio manager responsible for a Client employing a direct investment strategy will review the Client's investments for consistency with its stated investment strategies, objectives, guidelines and risk. SkyBridge endeavors to prevent "style drift," or the pursuit of strategies outside those contemplated by the offering materials or Client Agreement. It should be noted that style drift can occur intentionally by purchasing securities outside of stated strategies or guidelines or unintentionally through redemptions, illiquidity or other market factors. The subsequent investment monitoring and asset management processes, which are designed to ensure the timely and successful execution of the investment strategy, involve periodic reviews of valuation parameters, investment performance, and disposition opportunities.

#### *Material Risks of SkyBridge's Investment Strategies*

Investments made in the SkyBridge Funds, or by Managed Accounts or Advisory Accountholders, involve significant risks. Prospective investors in a SkyBridge Fund or Managed Account and Advisory Accountholders should carefully consider, among other factors, the risks described below. Such risk factors are not meant to be an exhaustive listing of all potential risks associated with these investments and not all risks may be applicable to your investment. Prospective investors in a SkyBridge Fund or Managed Account and Advisory Accountholders should carefully review relevant offering and governing documents and any other documents received prior to making an investment, and pay particular attention to the risk factors contained within those documents. Investors in a SkyBridge Funds-of-Funds should pay particular attention to the risks associated with investing in Investment Funds, which employ a broad range of strategies and are subject to a broad range of risks, as more fully described in the offering materials for the SkyBridge Funds-of-Funds.

Clients and Advisory Accountholders should have the financial ability and willingness to accept the risk characteristics of their particular investments. There can be no assurance that SkyBridge will be able to achieve its Clients' or Advisory Accountholders' investment objectives or that SkyBridge Fund investors, Managed Accounts or Advisory Accountholders will receive a return of their capital. Investing involve significant risks, including the potential loss of the entire investment. Risks include, but are not limited to, the following:

- Limited Number of Investments; Lack of Diversification. Certain SkyBridge Funds and Managed Accounts may be more concentrated and less diversified than other funds or accounts, and may have a greater concentration in one or more investment styles than other funds or accounts.

- Availability of and Ability to Acquire Suitable Investments. There can be no assurance that investment opportunities will be available for one or more SkyBridge Funds, Managed Accounts or Advisory Accountholders with similar investment criteria, or that available investments will meet a SkyBridge Fund's, Managed Account's or Advisory Accountholder's particular investment criteria.
- Illiquidity. Clients and Advisory Accountholders must be able to accept the risks associated with investing in illiquid securities, including that it may not be possible to sell such securities at the most opportune times or at prices approximating the value at which they were purchased.
- Leverage. In instances where SkyBridge believes that the use of leverage should enable a SkyBridge Fund to achieve a higher rate of return, SkyBridge may decide to use leverage, consistent with the 1940 Act, as applicable. Accordingly, the SkyBridge Fund may pledge its securities in order to borrow additional funds for investment purposes. Certain SkyBridge Funds may also leverage investment returns through the use of options, short sales, swaps, forwards and other derivative instruments, including futures contracts. The amount of borrowings that a SkyBridge Fund may have outstanding at any time may be substantial in relation to its total capital. While leverage presents opportunities for increasing total return, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment by a SkyBridge Fund would be magnified to the extent of its leverage. The cumulative effect of the use of leverage in a market that moves adversely could result in a substantial loss to a SkyBridge Fund employing leverage which would be greater than if it were not leveraged.
- Performance Fees Payable to Portfolio Managers. SkyBridge may be paid an incentive fee or allocation based on the positive performance of a SkyBridge Fund or Managed Account, calculated on a basis that includes unrealized gains. Incentive fees or allocations may provide SkyBridge with incentives to incur additional investment risk and to invest in more speculative instruments than it would in the absence of such incentive arrangements.
- Layering of Fees in Funds-of-Funds. Investment Fund fees are in addition to fees payable to SkyBridge by Clients (including indirectly by investors in the SkyBridge Fund-of-Funds). An investor who meets the eligibility conditions imposed by the Investment Funds could invest directly in the Investment Funds. By investing in the Investment Funds indirectly through a SkyBridge Fund-of-Funds or a Managed Account, an investor bears a proportionate part of the asset-based fees and other expenses paid to SkyBridge and other expenses of the SkyBridge Fund-of-Funds or Managed Account, and also indirectly bears a portion of the asset-based fees, performance compensation and other expenses borne by the SkyBridge Fund-of-Funds or Managed Account as an investor in the Investment Funds.
- Portfolio Valuation. Valuations of assets held by the SkyBridge Funds and Managed Accounts, as well as in the accounts of Advisory Accountholders, may involve uncertainties and the exercise of judgment and discretion on the part of SkyBridge.
- Early-Stage Managers. Early-stage Investment Managers may not have substantial experience in operating Investment Funds and do not have significant track records.
- Management Risk. SkyBridge may not be successful in selecting the best-performing Investment Funds, other investments or investment techniques, and a SkyBridge Fund's performance may lag behind that of similar funds. SkyBridge may also miss out on an investment opportunity because

the assets necessary to take advantage of the opportunity are tied up in less advantageous Investment Funds or other investments.

- Equity Securities and Market Risks. Certain SkyBridge Funds may invest predominantly in equity securities and equity linked securities of issuers listed and traded on organized exchanges. The price of equity securities fluctuates based on many factors including the historical and prospective earnings of an issuer, the value of its assets, changes in the issuer's financial condition, overall market and economic conditions, interest rates, investor perceptions and market liquidity. Stock markets also are volatile and the market value of a security may, sometimes rapidly and unpredictably, fluctuate. As a result, a SkyBridge Fund may suffer losses if it invests in equity securities of issuers whose performance diverges from SkyBridge's expectations or if equity markets generally move in a single direction and the SkyBridge Fund has not hedged against such a general move. In addition, stocks of smaller- and mid-capitalization companies may be subject to more abrupt or erratic market movements than stocks of larger, more established companies. Small capitalization companies may have limited product lines or financial resources, or may be dependent upon a small or inexperienced management group, and their securities may trade less frequently and in lower volume than the securities of larger companies, which could lead to higher transaction costs. Generally the smaller the company size, the greater the risk.
- Derivative Instruments. Investment Funds and certain SkyBridge Funds may utilize derivative instruments which seek to modify or replicate the investment performance of particular securities, commodities, currencies, interest rates, indices or markets. Derivatives can be volatile and involve various types and degrees of risk, depending upon the characteristics of a particular derivative and the Client's portfolio as a whole. Derivatives may entail investment exposures that are greater than their cost would suggest, meaning that a small investment in derivatives could have a large potential effect on performance of the relevant portfolio. A portfolio also could experience losses if derivatives are poorly correlated with its other investments, or if the market for the derivative instrument is, or suddenly becomes, illiquid. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for derivatives.
- Hedging Transactions. Certain SkyBridge Funds may utilize financial instruments, both for investment purposes and for risk management purposes in order to, among other things, protect against possible changes in the market value of its investment portfolio resulting from fluctuations in the securities markets and changes in interest rates and protect unrealized gains in the value of its investment portfolio. Certain SkyBridge Funds also may seek to hedge against price fluctuations between the underlying assets and their shares/units by using foreign exchange forward, futures or other derivative contracts. Although SkyBridge will attempt to minimize such currency risks, some unhedged foreign currency exposure will occur. The success of hedging strategies are subject to SkyBridge's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolios being hedged. Since the characteristics of many securities change as markets change or time passes, the success of any hedging strategy will also be subject to SkyBridge's ability to continually recalculate, readjust, and execute hedges in an efficient and timely manner. While a SkyBridge Fund may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance than if it had not engaged in any such hedging transactions. For a variety of reasons (e.g., cost and probability of occurrence of risk), the SkyBridge Fund may not hedge against particular risks or may not establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. An imperfect correlation may prevent the SkyBridge Fund from achieving the intended hedge, and

failure to hedge or an imperfect hedge may expose the SkyBridge Fund to risk of loss. Any reserves and/or margin posting obligations necessary or appropriate in connection with hedging arrangements also will reduce the amount of capital available for investment. There can be no assurances that such hedging transactions will be available or practicable in all cases or that they will be effective.

**Item 9: Disciplinary Information**

Not applicable.



**Item 10: Other Financial Industry Activities and Affiliations**

SkyBridge uses the services of Hastings Capital Group, LLC (“Hastings”), an affiliated broker-dealer duly registered pursuant to the Securities Exchange Act of 1934, as amended, and a member in good standing of the Financial Industry Regulatory Authority, which is controlled by Anthony Scaramucci but operated separately from SkyBridge, to facilitate the distribution of the two closed-end 1940 Act Funds. As such, Hastings has been appointed to serve as the principal underwriter to the two closed-end 1940 Act Funds with authority to sell shares directly and to appoint third party placement agents to assist it in selling shares of those 1940 Act Funds on a “reasonable best efforts” basis.

SkyBridge may also use the services of Hastings to facilitate the distribution of other SkyBridge Funds, including those that are generally offered on a “best efforts” basis. Hastings will receive from SkyBridge and/or the SkyBridge Funds customary fees based upon the nature and extent of the services provided and will be indemnified by, and will indemnify, the relevant counterparty on customary terms with respect to its services. Messrs. Scaramucci and Nolte are registered representatives of Hastings together with certain other members of the SkyBridge portfolio management team and other employees of SkyBridge.

As noted in Item 4, affiliates of SkyBridge act as the general partner or managing member of certain SkyBridge Funds structured as limited partnerships or limited liability companies and, as such, may have an economic interest in the performance of those SkyBridge Funds. To the extent that SkyBridge’s affiliates (which are controlled by certain SkyBridge personnel) have an economic interest in the performance of a SkyBridge Fund could cause SkyBridge to make investment decisions that are different than would be made in the absence of such an interest.

Also as described in Item 4, each of Challenger and RON Transatlantic own a minority equity interest in SkyBridge and certain affiliates. Through this relationship, they are entitled to certain beneficial rights not available to Clients or Advisory Accountholders generally, including information rights with respect to SkyBridge.

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

SkyBridge has instituted policies and procedures designed to (i) avoid or resolve possible conflicts of interest that may arise in certain situations, and (ii) monitor the personal trading activities of SkyBridge's employees and certain members of their immediate families. These policies and procedures are embodied in SkyBridge's Code of Ethics and are intended to comply with the requirements of Rule 204A-1 under the Advisers Act, for all Clients and Advisory Accountholders, and Rule 17j-1 under the 1940 Act, for the 1940 Act Funds. They include the appointment of a CCO, the adoption of insider trading policies, the requirement that certain securities transactions (including, in particular, transactions in initial public offerings and private placements and limited offerings such as investments in hedge funds) be pre-cleared by the CCO, the institution of buy-and-hold policies for equity securities, and the requirement that all "Access Persons" report their personal securities transactions to the CCO in accordance with Rule 204A-1.

"Access Persons" include all of SkyBridge's directors and officers, as well as any persons supervised by SkyBridge who (i) have access to nonpublic information regarding the purchase or sale of securities by a Client or Advisory Accountholder, (ii) are involved in making securities recommendations to Clients or Advisory Accountholders, or (iii) have access to such recommendations that are non-public. Under SkyBridge's Code of Ethics, all managing members, officers and employees of SkyBridge are deemed both Access Persons and supervised persons for purposes of Rule 204A-1.

The Code of Ethics sets forth a standard of business conduct that takes into account SkyBridge's status as a fiduciary and requires Access Persons to place the interests of Clients and Advisory Accountholders above their own interests and the interests of SkyBridge. Access Persons must not take any inappropriate advantage of their positions. The Code of Ethics requires Access Persons to comply with applicable Federal securities laws. Further, Access Persons are required to promptly bring violations of the Code of Ethics to the attention of the CCO. All Access Persons are provided with a copy of the Code of Ethics and are required to acknowledge receipt of the Code of Ethics upon hire and on at least an annual basis thereafter.

As described in Items 4 and 10, generally, affiliates of SkyBridge act as the general partner or managing member of certain SkyBridge Funds structured as limited partnerships or limited liability companies and as such have an economic interest in the performance of those SkyBridge Funds. In addition, Access Persons may invest in the SkyBridge Funds. Access Persons may also invest directly in the Investment Funds in which one or more SkyBridge Funds invest. To the extent that SkyBridge's affiliates (and therefore certain Access Persons) have financial ownership interests in a SkyBridge Fund creates a potential conflict in that it could cause SkyBridge to make different investment decisions than if such parties did not have such financial ownership interests. Further, potential conflicts may arise due to SkyBridge's affiliates and Access Persons having investments in some SkyBridge Funds or Investment Funds that are greater than their investments in other SkyBridge Funds or Investments Funds. SkyBridge addresses such potential conflicts by the regular account reviews described in Item 13, as well as the personal securities transaction pre-clearance and reporting requirements covered by the Code of Ethics.

In addition, Access Persons may purchase or sell individual securities that a SkyBridge Fund or a Managed Account may purchase or sell. This presents a potential conflict in that Access Persons could make improper use of Client information for their own benefit. SkyBridge addresses this potential conflict through its internal policies and procedures, which prohibit front-running and other improper uses of information, and through regular monitoring of Access Person personal account transactions and trading patterns for potential conflicts of interest. Further, Access Persons may take actions for their

personal accounts that differ from or conflict with actions taken for Client accounts, and these actions may impact the price or availability of securities to Clients.

Each Access Person is required to provide the CCO with confirmations, account statements, quarterly transaction reports and annual holdings reports with respect to all personal securities transactions. The CCO monitors these transactions for conflicts of interest and seeks to ensure strict adherence to the Code of Ethics.

A copy of SkyBridge's Code of Ethics is available to any Client, Advisory Accountholder or prospective client upon request.

## **Item 12: Brokerage Practices**

As an investment advisory firm, SkyBridge has a fiduciary and fundamental duty to seek best execution for Client transactions. SkyBridge, as a matter of policy and practice, seeks to obtain best execution for Client transactions (i.e., seeking to obtain not necessarily the lowest commission but the best overall qualitative execution in the particular circumstances). This applies to the purchase of limited partnership interests or other securities by Clients. With respect to SkyBridge's fund-of-funds business, because interests in Investment Funds are purchased directly from the Investment Fund at net asset value without the payment of a placement fee or commission, most best execution principles do not readily apply to such transactions.

SkyBridge generally has authority to select the broker-dealer to be used in each transaction for the Clients engaged in direct investing, and for negotiating the fees to be paid to the broker-dealer in connection with such transactions. SkyBridge recognizes its duty to obtain "best execution." Consistent with such duty, in determining best execution, SkyBridge takes into account the full range and quality of a broker-dealer's services, including research and other services. SkyBridge does not select broker-dealers solely on the basis of lowest possible commission costs, but by the best qualitative execution. Consistent with such policy, consideration is given to a variety of factors, including but not limited to the following: (i) price, (ii) the ability of the brokers and dealers to effect the transactions, (iii) facilities, reliability and financial responsibility and (iv) research-related services provided.

While SkyBridge's primary consideration in allocating portfolio transactions to broker-dealers is to obtain favorable prices and efficient executions, SkyBridge does not have an obligation to, and does not always seek to, obtain the lowest priced execution regardless of qualitative considerations. In determining best execution, SkyBridge may take into account the full range and quality of a broker's services that benefit an account under management such as brokerage, research and other services. Therefore, SkyBridge may not necessarily negotiate "execution only" commission rates and may "pay up" for research and other services provided by the broker through the commission rate ("soft dollars"), which may result in higher transaction costs than would be otherwise obtainable. Section 28(e) of the Securities Exchange Act of 1934 provides a safe harbor that permits an investment manager with investment discretion to obtain research and other products and services provided by a broker-dealer that assist the manager in making investment decisions if the manager determines, in good faith, that the brokerage rates charged by such broker are reasonable in light of the services provided. Such products and services obtained through the use of commissions generated with respect to one client's portfolio transactions may be used with respect to any or all of the manager's other clients. SkyBridge's policy is to stay within the Section 28(e) safe harbor. As such, SkyBridge will only receive products and services that have a mixed use if it makes a good faith allocation of the value of the non-research products and services it receives and pays for such non-research items in hard dollars.

SkyBridge did not utilize soft dollars in its most recently-completed fiscal year. SkyBridge does not have directed brokerage arrangements. In those cases where a Client or Advisory Accountholder would designate a broker or dealer through which transactions should be effected, it may not be possible for SkyBridge to obtain for such Client or Advisory Accountholder the lower rates that might be obtainable if SkyBridge had full discretion in the selection of the executing broker or dealer.

SkyBridge may aggregate orders on behalf of multiple Clients when consistent with law and best execution. As a general matter, when SkyBridge aggregates Client purchase or sale orders, no Client will be systematically advantaged over any other Client. Each Client that participates in an aggregated order for any given security will participate at the average share price for all Client transactions in aggregated orders for such day. Fully filled aggregated orders will be allocated among Clients in a manner consistent

with SkyBridge's internal policies and procedures regarding allocations, and partially filled orders will be allocated pro rata among Clients.

### **Item 13: Review of Accounts**

On a regular and ongoing basis, SkyBridge reviews the activity in and investment results of the SkyBridge Funds, the Managed Accounts and, to the extent requested, accounts of Advisory Accountholders. These reviews are generally conducted by a combination of SkyBridge's Chief Investment Officer and Portfolio Managers. SkyBridge also periodically consults with Clients and Advisory Accountholders to update financial information and investment objectives and to determine whether any changes to investment restrictions typically contained in investment management agreements between its Clients and SkyBridge are appropriate. Any restrictions that a Client or Advisory Accountholder imposes on the management of an account may cause SkyBridge to deviate from investment decisions it would otherwise make in managing the account.

For each SkyBridge Fund, investors are provided with: (i) the monthly (or daily, in the case of SkyBridge Dividend Value Fund) net asset value of the Fund; (ii) a quarterly report of the Fund's investments and overall Fund performance; (iii) an annual audited financial report and summary update of the Fund's investments; (iv) annual tax information necessary for the completion of U.S. federal income tax returns, as appropriate; (v) periodic information regarding expirations of lock-up periods attributable Client accounts; and (vi) such other information as SkyBridge determines in its sole discretion from time to time. Monthly information generally will be provided within forty-five (45) days following such month end or earlier to the extent required by applicable law, including the 1940 Act. Managed Accounts are provided with comparable information on at least a quarterly basis.

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

Occasionally, Clients or investors in certain SkyBridge Funds may be referred to SkyBridge by SkyBridge employees or SkyBridge's affiliates. SkyBridge may also enter into arrangements with unaffiliated parties that refer Clients or investors in certain SkyBridge Funds to SkyBridge. Any such third party referral arrangements will be conducted in accordance with Rule 206(4)-3 under the Advisers Act. Payments under such arrangements will generally consist of a cash payment computed as a percentage of the referred Client's advisory fee, although other methods of computation may be used.

SkyBridge's CCO has overall responsibility for the implementation and monitoring of its cash solicitation policy, practices, disclosures and record-keeping. SkyBridge has adopted various procedures to implement the firm's solicitation policy and to review and monitor its application to ensure that the firm's policy is observed, implemented properly and amended or updated, as appropriate. These procedures include:

- SkyBridge's CCO will review and approve any solicitor arrangements, including approval of the particular solicitor's agreement(s), reviews of solicitor's background, compensation arrangements and related matters;
- no principal or employee of SkyBridge may enter into any verbal or written agreement for client solicitations without the prior approval by the CCO; and
- SkyBridge's CCO periodically monitors the firm's solicitor arrangements to note any new or terminated relationships, make sure appropriate records are maintained and solicitor fees paid, and make sure Form ADV disclosures are current and accurate.

In addition, SkyBridge and its employees, as a matter of policy and practice, are prohibited from providing or agreeing to provide, directly or indirectly, payment, consideration or any other item of value or to any person unaffiliated with SkyBridge to solicit a government entity for investment advisory services on SkyBridge's behalf unless such person is a U.S. registered broker-dealer and/or U.S. registered investment adviser. Any arrangement which may involve the solicitation of governmental entities must be in writing and contain such contractual provisions as the CCO approves. Such provisions shall be reasonably designed to assure, in the judgment of the CCO, compliance with all applicable laws and rules by such person in connection with any solicitation of any governmental entity.

### **Item 15: Custody**

SkyBridge does not maintain direct custody of Client assets. However, under Rule 206(4)-2 under the Advisers Act, “custody” is broadly defined to also include holding indirectly client funds or securities, or having any authority to obtain possession of them. In particular, SkyBridge is considered to have custody with respect to the SkyBridge Funds to the extent SkyBridge or an affiliate of SkyBridge serves in a capacity that gives it legal ownership of or access to the SkyBridge Funds’ funds or securities (such as general partner of a limited partnership, managing member of a limited liability company or a comparable position for another type of pooled investment vehicle). SkyBridge is also considered to have custody with respect to certain SkyBridge Funds and Managed Accounts if SkyBridge is authorized under the Client’s agreement with SkyBridge to withdraw Client funds or securities maintained with a third-party custodian upon SkyBridge’s instruction to the third-party custodian. At present, SkyBridge is not authorized under any Managed Account agreement to withdraw Client funds or securities, but may do so with respect to certain SkyBridge Funds enumerated in Part 1A of SkyBridge’s Form ADV.

In order to avoid any conflict of interest that indirect custody of Client assets may cause, SkyBridge complies with Rule 206(4)-2 under the Adviser’s Act by using the exemption for the annual audit of SkyBridge Funds’ financial statements and the delivery of such audited financial statements to SkyBridge Fund investors in the timeframe required under such Rule. Investors in SkyBridge Funds should review those financial statements carefully. In circumstances where SkyBridge is unable to provide such financial statements within the required timeframe, SkyBridge complies with such Rule by (i) sending a notice to Clients meeting the requirements of Rule 206(4)-2, (ii) confirming that the qualified custodian sends quarterly account statements to Clients and (iii) undergoing an annual surprise examination by an independent public accountant to verify Client funds and securities.

SkyBridge’s authority to cause any Client to withdraw or redeem from an underlying Investment Fund is subject to the condition that the underlying Investment Fund be instructed, at the time of withdrawal or redemption, to remit any withdrawal or redemption proceeds directly to the Client’s custodian.



**Item 16: Investment Discretion**

SkyBridge's investment management services are provided pursuant to the terms of an investment advisory agreement with the Client and in certain cases the organizational documents of the SkyBridge Fund and/or Managed Account. With respect to Managed Accounts, Clients are generally permitted to impose investment restrictions with respect to their assets by providing SkyBridge with written notice, as long as SkyBridge reasonably deems the restriction to be appropriate and agrees to the investment restriction in a modified investment advisory agreement with the Client. Any restrictions a Client imposes on the management of a Managed Account may cause SkyBridge to deviate from investment decisions it would otherwise make in managing the account.

### **Item 17: Voting Client Securities**

Where SkyBridge provides advice to SkyBridge Funds or other accounts that invest directly in securities, those SkyBridge Funds or Managed Accounts may receive notices or proposals from companies in which they are invested seeking the consent of, or voting by, investors (“proxies”). Because investments in Investment Funds do not typically convey traditional voting rights, and the occurrence of corporate governance or other consent or voting matters for this type of investment is substantially less than that encountered in connection with investing directly in equity securities, it is unlikely that any SkyBridge Fund that operates as a “fund-of-hedge funds” will be solicited to vote a proxy. The SkyBridge Funds and the Managed Accounts have delegated any voting of proxies in respect of portfolio holdings to SkyBridge to vote proxies in accordance with SkyBridge’s proxy voting guidelines and procedures. In general, SkyBridge believes that voting proxies in accordance with the policies described below will be in the best interests of Clients.

- In the absence of specific voting guidelines mandated by a particular Client, SkyBridge will vote proxies in the best interests of each Client (which theoretically could result in different voting results for the same underlying issuer). Although voting certain proxies may be subject to the discretion of SkyBridge, SkyBridge is of the view that voting proxies in accordance with the following general guidelines is in the best interest of its advisory Clients:
  - SkyBridge will generally vote in favor of normal corporate housekeeping proposals including, but not limited to, the following:
    - election of directors (where there are no related corporate governance issues);
    - selection or reappointment of auditors; or
    - increasing or reclassifying common stock.
  - SkyBridge will generally vote against proposals that:
    - make it more difficult to replace members of the issuer’s board of directors or board of managers; or
    - introduce unequal voting rights (although there may be regulatory reasons that would make such a proposal favorable to certain Clients).
- For proxies addressing any other issue (for the fund-of-funds business, this may include proposals related to fees paid to Investment Managers of underlying Investment Funds, redemption rights provided by underlying Investment Funds or investment objective modifications), the CCO, portfolio manager, or other designated officer, shall determine (which may be based upon the advice of external lawyers or accountants) whether a proposal is in the best interest of affected Clients. In doing so, SkyBridge will evaluate a number of factors which may include, but are not limited to:
  - the performance of the underlying investee in question;
  - a comparison of the proposed changes to terms which are customary in the industry; and

- for the fund-of-funds business, consideration of the risk that the Investment Manager of the Investment Fund will require the SkyBridge Fund to withdraw if the required change is not approved.

In exercising its voting discretion, SkyBridge will seek to avoid any direct or indirect conflict of interest presented by the voting decision. If any substantive aspect or foreseeable result of the matter to be voted on presents an actual or potential conflict of interest involving SkyBridge, SkyBridge will, if feasible, make written disclosure of the conflict to the Client indicating how SkyBridge proposes to vote on the matter and its reasons for doing so. Investors in SkyBridge Funds and holders of Managed Accounts may obtain a copy of SkyBridge's proxy voting policies and procedures, as well as information as to how SkyBridge voted Clients' proxies, by calling or writing to SkyBridge at the number or address printed on the front of this brochure. In addition, each of the 1940 Act Funds is required to file annually its proxy voting record on Form N-PX with the SEC by August 31 of each year. This filing is (or will be) available on the SEC's website at [www.sec.gov](http://www.sec.gov).

In situations where a Client or Advisory Accountholder retains the ability to vote proxies, they will receive their proxies or other solicitations directly from their custodian or transfer agent.

**Item 18: Financial Information**

Not Applicable.