



FORM ADV 2A

DFG INVESTMENT ADVISERS, INC.

www.DFGIA.com

JANUARY 31, 2011

120 West 45th Street, 4th Floor

New York NY 10036

This brochure provides information about the qualifications and business practices of DFG Investment Advisers, Inc. ("DFG" or the "Firm"). There have been no material changes since the Firm's last annual amendment to this brochure. If you have any questions about this brochure please contact us at (646) 747-1546 or info@dfgia.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authorities. Additional information about *DFG Investment Advisers* is also available on the SEC's website at www.adviserinfo.sec.gov.

Contents

I.	ADVISORY BUSINESS	3
a)	Background	3
b)	Principal Investment Strategies.....	3
c)	Management Team.....	3
II.	FEES AND COMPENSATION.....	4
a)	Funds Fees	4
b)	Separately Managed Account Fees	4
c)	Other Expenses	5
d)	Other Compensation	5
e)	Performance Based Fees and Side-by-Side Management	5
III.	TYPES OF CLIENTS	6
IV.	METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	7
a)	Methods of Analysis	7
b)	Investment Strategies	7
a)	Investing Risks.....	7
V.	DISCIPLINARY INFORMATION	10
VI.	OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	11
VII.	CODE OF ETHICS, PARTICIPATION OR INTERESTS IN CLIENT TRANSACTIONS, AND PERSONAL TRADING.....	12
a)	Code of Ethics.....	12
b)	Participation or Interests in Client Transactions	12
c)	Personal Trading	13
VIII.	BROKERAGE PRACTICES	14
a)	Selection of Broker-Dealers.....	14
b)	Soft-Dollars Arrangement.....	14
c)	Brokerage for Client Referrals.....	15
d)	Directed Brokerage	15
e)	Aggregation (Bunching) of Trades	15
IX.	REVIEW OF CLIENT ACCOUNTS.....	16
a)	Client Account Reviews	16
a)	Client Reports	16
X.	CLIENT REFERRALS AND OTHER COMPENSATION.....	17
XI.	INVESTMENT DISCRETION.....	18
a)	Privacy Policy	18
XII.	CUSTODY OF CLIENTS CASH & SECURITIES	19
XIII.	VOTING CLIENT SECURITIES.....	20
XIV.	FINANCIAL INFORMATION OF THE ADVISER	21

I. ADVISORY BUSINESS

a) Background

DFG Investment Advisers, Inc. (the “Firm” or “DFG”) is an asset management firm specialized in Structured Credit Products. DFG was founded in 2006 and is based in New York. DFG provides discretionary and nondiscretionary investment advisory services to corporations, private investment funds, and banks, mainly in the form of separately managed accounts.

Volkan Kurtas is the CEO of DFG. As of December 31, 2010 the Firm had \$821,419,789¹ under management. Since inception, DFG has been a leading player in structured credit markets, providing portfolio management and investment advisory services to clients (the “Advisory Clients”), as well as arms-length risk advisory and consulting services for a wide range of world-class global clients.

b) Principal Investment Strategies

DFG provides a variety of independent advisory and consulting services geared towards the structured credit market. DFG primarily offers investment advice on collateralized debt obligations, with a focus on collateralized loan obligations, collateralized swap obligations as well as other structured credit investments. DFG may also offer from time to time, although to a lesser extent, advice on corporate loans, corporate and US as well as foreign government fixed income securities, preferred stocks, equity, credit default swaps, private investments in debt, equity and hybrid securities as well as structured products, alternative investments, and principal protected notes.

Additionally, DFG is frequently hired as a consultant to provide risk advisory solutions to meet a variety of objectives, including but not limited to risk monitoring and valuation of portfolios of complex credit assets.

c) Management Team

Volkan Kurtas	Managing Partner, CIO & CEO
Moritz Hilf	Managing Partner, CCO & CFO
Kimito Iwamoto	Managing Partner

¹ Assets under management with respect to the Firm’s structured credit non-discretionary account are based on current notional of the assets.

II. FEES AND COMPENSATION

a) Funds Fees

The Firm generally may charge both a management fee and a performance-based fee to private investment funds (the “Fund”) it may manage. The Management fees are generally a percent of asset under management per year, payable quarterly in arrears. Fees are based in general on the market value of the securities and cash in the portfolio on the appraisal date. Performance-based fees are generally a certain percent of any increase of the net asset value above a high watermark. Fees are negotiable. Each Fund’s private placement memorandum describes its fee structure in detail. As of the date of this ADV, DFG does not manage a Fund.

b) Separately Managed Account Fees

The Firm charges its separately managed account clients a base management fee or advisory fee, and a performance-based fee. The base management or advisory fees are disclosed in the respective client’s investment management agreement and are generally structured as a fixed fee amount per year or as a percentage of assets under management for which advice and consultation is provided or a percentage of funds used for investments. The level of service may vary depending on individual circumstances and thus, fees are negotiable depending on time, effort, and expertise involved. Fees are computed and payable quarterly in arrears or on such other basis as is mutually agreed with each client.

From time to time, DFG may also charge performance-based advisory fees, the terms of which are negotiated between DFG and the client. Such agreements shall comply with the provisions of rule 205-3 of the Investment Advisers Act of 1940.

DFG further provides risk advisory and consulting services to institutional investors. Fee structures for these services depend on the individual contract. In general these fees are structured as fixed fees paid quarterly in arrears. In addition, specific consultation projects may be accomplished and the fee depends on the level of effort involved.

A client may terminate its investment advisory contract before its expiration date by providing written notice to DFG. Each advisory contract will specify the timing that an early termination may take effect after notice is received from the client and whether an early termination fee will be imposed. Such early termination fees, if any, may include (i) a lump sum payment, (ii) a percentage of outstanding fees, or (iii) a pre-determined amount based on the performance of DFG. All such early termination fees will be contractually agreed upon by the Advisory Client (or risk advisory client) and DFG.

Upon termination of an investment or risk advisory relationship or contract with any client who has paid in advance, DFG will refund to such client the pro-rata portion of any advance payment,

net of any termination fee, if any, based on the number of days remaining in the billing period after the date of termination.

c) Other Expenses

Clients may be responsible for and do incur other expenses separate and apart from the Firm's investment management and performance fees. These expenses typically may include custody fees, trading and brokerage service fees, other transaction fees, and/or other expenses associated with a Fund or the type of services being performed.

d) Other Compensation

Neither the Firm nor any of its employees or affiliates accepts additional compensation for the sale of securities or other services. The Firm or its affiliates and employees do not receive compensation for other services besides the investment advisory and consulting services DFG provides.

e) Performance Based Fees and Side-by-Side Management

The Firm charges some clients Performance Fees, i.e. a fee based on a share of capital gains or capital appreciation of the client's assets under management or a fee based on the realized IRR by the clients from the funds invested by the Firm. Performance-based compensation may create an incentive for the Firm to make investments that are riskier or more speculative than would be the case in the absence of the performance-based compensation. In addition, the performance on which performance-based compensation is calculated may in certain circumstances include unrealized appreciation and depreciation of investments that may not ultimately be realized.

III. TYPES OF CLIENTS

DFG provides discretionary and non-discretionary investment advisory services to institutional clients on an individually segregated account basis. The majority of DFG's clients are corporations and banks.

In addition, DFG may provide investment advisory services to private investment funds, organized as limited partnerships, limited liability companies, or other legal entities, in which investors are accredited investors or qualified clients. These private funds are not registered under federal securities laws and typically utilize sophisticated investment strategies and proprietary investment models.

DFG has no minimum dollar amount required connected to any of its advisory services.

In addition to its investment advisory business, DFG provides risk advisory and consulting services to clients which may include Advisory Clients. These services are focused but not limited on structured credit portfolios and include, but are not limited, risk monitoring and valuation services.

IV. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

a) Methods of Analysis

DFG's team members have multifaceted expertise in the structured credit market, and a shared investment philosophy centered around sound fundamental analysis, active portfolio management and risk monitoring.

DFG may use a variety of resources or services to form an investment idea or strategy. In general, DFG assesses investment opportunities by employing a quantitative process using various proprietary as well as commercially available tools together with a qualitative assessment derived from market information. The quantitative analysis applied may include full cash flow runs using various default, prepay and recovery assumptions, analysis of the underlying portfolio, if any, as well as putting the investment idea into a market context. The qualitative analysis conducted by DFG may include detailed investment manager reviews, single name and industry assessments, amongst others. DFG subscribes to various collateralized debt obligation specific research and data services to support its efforts.

b) Investment Strategies

DFG primarily offers advice on collateralized debt obligations, with a focus on collateralized loan obligations and collateralized swap obligations as well as other structured credit investments. DFG may also offer, although to a lesser extent, advice on corporate loans, corporate and US or foreign government fixed income securities, preferred stocks, equity, credit default swaps, private investments in debt, equity and hybrid securities as well as structured products, alternative investments, and principal protected notes. DFG's CLO investment strategies seek absolute returns by exploiting relative value opportunities in tranches of Collateralized Loan Obligations ("CLOs") across the capital structure. DFG constructs CLO portfolios designed to achieve clients' individual risk/return objectives and desired portfolio parameters (minimum rating, limits on currency exposure etc.). They are primarily long-only buy and hold credit strategies which do not employ leverage. However, DFG may seek to opportunistically trade assets and redeploy investment income and sales proceeds based on client specifications. Investors receive in general full asset-level transparency via separately managed accounts and access to DFG's proprietary risk monitoring platform.

DFG provides in addition a variety of independent advisory and consulting services with focus on products of the structured credit markets. DFG actively monitors and prices portfolios of complex credit assets for global financial institutions. Additionally, DFG is frequently hired as a consultant to design advisory solutions to meet a variety of objectives.

a) Investing Risks

Investing in securities in general involves the risk of loss that clients should be prepared to bear. Each DFG separate account or Fund, if any, has risks which are specific to its particular investment strategies. For more information about the risks of each Fund, please see the offering

memorandum for that particular fund. Generally, however, investors in DFG managed separate accounts or Funds are exposed to, including but not limited to, the following risks:

Price Volatility Risk. The market value of the investments made by the Firm on behalf of Advisory Clients may decline unexpectedly with changes in market rates of interest, general economic or political conditions, industry of investment specific developments, or the condition of financial markets.

Asset Selection Risk. The market value of the investments made by the Firm on behalf of Advisory Clients may decline due to the Firm's error in judgment as to the true value of the investment or adverse developments the Firm fails to anticipate.

Foreign Investment Risk. Investments made by the Firm for Advisory Clients in assets based outside the US face the risks inherent in foreign investing. Adverse political, economic or social developments could undermine the value of the investments or prevent them from realizing their full value. Financial reporting standards for companies based in foreign markets differ from those in the US. Additionally, foreign securities markets generally are smaller and less liquid than US markets. With respect to investments in non-US dollar denominated foreign securities, changes in currency exchange rates may affect the US dollar value of foreign securities or the income or gain received on these securities. Foreign governments may restrict investment by foreigners, limit withdrawal of trading profit or currency from the country, restrict currency exchange or seize foreign investments. Investments may also be subject to foreign withholding taxes. Foreign transactions and custody of assets may involve delays in payment, delivery or recovery of money or investments.

Credit Risk. The Firm actively seeks to make certain investments for Advisory Clients in securitized products, which may be backed by collateral comprised of debt securities consisting of both investment grade securities, rated Baa or higher by Moody's or BBB or higher by S&P, and lower-rated securities (non-investment grade), rated lower than Baa by Moody's or lower than BBB by S&P (or, if not rated, of comparable quality), including but not limited to "leveraged loans" and "high-yield" bonds. These securities are regarded as "high-yield" or "junk" and are seen as predominately speculative with respect to the issuer's continuing ability to meet principal and interest payments. Analysis of the creditworthiness of issuers/issues of lower-rated securities, loans or bonds, may be more complex than for issuers/issues of higher quality debt securities. The investments of the Firm might incur a loss due to losses of the collateral backing the investments.

Nature of Investments — Illiquidity. Certain investments the Firm makes for Advisory Clients, e.g. investments into securitized products, are generally less liquid and subject to greater liquidity risk than other debt or equity obligations. This may have an adverse impact on the market value of certain investments the Firm makes on behalf of advisory clients, and the Firm's ability to exit them.

Interest Rate Risk. Rising interest rates will cause the prices of existing bonds in the market to fall. Longer maturity bonds will typically decline more than those with shorter maturities. If the Firm's clients hold longer maturity bonds and interest rates rise unexpectedly, their price could decline. Falling interest rates will cause a client's portfolio income to decline, as maturing bonds are reinvested at lower yields. Clients should expect their monthly income to fluctuate with changes in its portfolio and changes in the level of interest rates.

Prepayment Risk. Most high-yield bonds and most structured credit investments may be fully or partially be prepaid by the issuer prior to final maturity. Clients may experience reduced income when an issuer prepays an instrument held by the client earlier than expected. This may happen during a period of declining interest rates.

High Yield Security Risk. Investments in high yield securities can involve a substantial risk of loss. These securities, which are rated below investment grade, are considered to be speculative with respect to the issuer's ability to pay interest and principal and they are susceptible to default or decline in market value due to adverse economic and business developments.

Nature of Investments — Other Risks. Investments in securitized products may be subject to a variety of risks not generally associated with other debt obligations, including but not limited to structural risk, lender liability and certain other risks.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF ALL OF THE INVESTMENT RISKS THE FIRM and ITS CLIENTS ARE EXPOSED TO AS A PART OF THE FIRMS BUSINESS.

V. DISCIPLINARY INFORMATION

The Firm and its supervised persons have not been involved in any legal or disciplinary events that are material to a client's or potential client's evaluation of our advisory business or the integrity of the Firm's management.

VI. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

DFG and its affiliates engage in a broad spectrum of activities, including wealth management, banking, capital markets and investment banking products, investment advisory services, risk advisory, risk monitoring and consulting services as well as valuation services. In the ordinary course of their businesses, DFG and its affiliates engage in activities where their interests or the interests of their clients may conflict with the interests of the Advisory Clients. DFG may consult or advise one client on certain securities and may invest for another client in similar or the same securities.

The members, officers, and employees of DFG and its affiliates may sit on the advisory boards for unaffiliated broker-dealers. Mr. Kym Anthony, a Canadian resident and Board Member of DFG, is a Director of Hardcastle Trading AG (“Hardcastle”), an unaffiliated broker-dealer registered in Switzerland. In light of Mr. Kym Anthony’s relationship with Hardcastle, please note that Advisory Clients of DFG will not conduct business with Hardcastle without prior notification of the Advisory Client.

Additionally, it should be noted that a shareholder of DFG, DWM Inc., is a corporation owned by affiliates of Bank of Nova Scotia, a Canadian bank. As a practical note, DWM Inc. does not have a controlling interest in DFG and does not influence the policies and procedures of the DFG.

Future investment activities by DFG, including the establishment of other investment funds, may give rise to additional conflicts of interest.

VII. CODE OF ETHICS, PARTICIPATION OR INTERESTS IN CLIENT TRANSACTIONS, AND PERSONAL TRADING

a) Code of Ethics

Securities industry regulations require that advisory firms provide their clients with a general description of the advisory firm's Code of Ethics. DFG has adopted a Code of Ethics in compliance with 204A-1 in reference to the Firm's controls over personal trading that sets forth the governing ethical standards and principles of the Adviser. It also describes DFG's policies regarding the protection of confidential information, including the review of the personal securities accounts of certain personnel of DFG for evidence of manipulative trading, trading ahead of clients, insider trading, trading restrictions, training of personnel and record-keeping. Clients or prospective clients may obtain a copy of the Code of Ethics by contacting us by e-mail at 212-488-1546 or info@dfgia.com.

b) Participation or Interests in Client Transactions

DFG, its affiliates and employees may have relationships with a number of issuers of and investors in securities in which the Advisory Clients may invest. These relationships may be taken into consideration in the management of the Advisory Clients and may affect certain investments or tactics employed by the Advisory Clients.

DFG or its affiliates may in the future organize funds, fund like products or accounts, which may be managed by DFG or such affiliates and which may have investment objectives substantially similar to those of other Advisory Clients. DFG, its affiliates and the portfolio managers may manage other funds and accounts that may purchase or sell the same securities as other Advisory Clients and may seek investment opportunities that may be of interest to other Advisory Clients. In managing such funds and accounts, conflicts of interest may arise. DFG's investment allocations are designed to provide a fair allocation of purchases and sales of securities among the various accounts managed by the DFG, while preserving incentives for the portfolio managers to find new investment opportunities, and to ensure compliance with appropriate regulatory requirements. DFG will, to the best of its ability, conduct itself in a manner it considers to be the most fair and consistent with its fiduciary obligations to all of its Advisory Clients.

DFG, its affiliates and employees may provide investment advisory and other services, e.g. consulting services, to other clients, including clients that may invest in the securities in which the Advisory Clients may invest or are invested into, and, in providing such services, may use information that is used in managing the Advisory Clients' portfolio.

The members, officers, and employees of DFG and its affiliates may buy and sell, for the account of other clients, securities and other financial instruments, in each case of the same or a similar type to those bought or sold on behalf of the Advisory Clients. It should also be noted that DFG and its affiliates may give advice and recommend the purchase or sale of securities and other financial instruments, or buy or sell such securities, and instruments for that of other clients, which advice or instruments may differ from advice given to, or instruments recommended or bought or sold for, the Advisory Clients, even though their investment objectives may be the same or similar.

To mitigate any risks or potential conflicts, the Firm's Code of Ethics requires each officer and employee of the Firm with access to clients investments or portfolio information (each an "Access Person") to report quarterly theirs and their immediate family member's securities transactions and their securities holdings annually. In addition, each Access Person must pre-clear certain personal transactions (e.g. securities on DFG's restricted list, and short term transactions) with the Chief Compliance Officer.

The Firm's Chief Compliance Officer monitors the trading activity of the Firm's personnel in order to prevent violations of the Code of Ethics.

c) Personal Trading

DFG has adopted a Code of Ethics governing personal trading by its personnel. To mitigate any risks or potential conflicts, the Firm's Code of Ethics requires each officer and employee of the Firm with access to clients investments or portfolio information (each an "Access Person") to report quarterly theirs and their immediate family member's securities transactions and their securities holdings annually. In addition, each Access Person must pre-clear certain personal transactions (e.g. securities on DFG's restricted list, and short term transactions) with the Chief Compliance Officer.

VIII. BROKERAGE PRACTICES

a) Selection of Broker-Dealers

Consistent with its duty to obtain “best execution” for its Advisory Clients, DFG exercises this discretion by seeking the best information, research and other services available. DFG does not recognize an obligation to obtain the lowest priced execution regardless of qualitative considerations in selecting brokers or dealers to execute transactions, but will generally seek the most favorable total transaction costs under the circumstances. DFG does not solicit competitive bids on each transaction to seek the lowest available commission costs, but rather may take into account the full range and quality of services that benefit Advisory Clients when selecting a broker.

In selecting brokers and negotiating commission rates, DFG may take into account the financial stability and reputation of brokerage firms and the brokerage and research services provided by such brokers, although the Advisory Clients on whose behalf trades are entered may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or other services provided in return. Finally, it is noted that since commission rates are generally negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may result in higher transaction costs than would otherwise be obtainable.

b) Soft-Dollars Arrangement

It is not the practice of DFG to exclusively negotiate “execution only” commission rates, thus the Advisory Clients may be deemed to be paying for research and other services provided by the broker which are included in the commission rate.

Section 28(e) of the Securities Exchange Act of 1934, as amended, is a “safe harbor” that permits an investment manager to use commissions or “soft dollars” to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. DFG will limit the use of “soft dollars” to obtain research and brokerage services to services which constitute research and brokerage within the meaning of Section 28(e).

Research services within Section 28(e) may include, but are not limited to, research reports (including market research); due diligence provided by third-party research providers and/or broker-dealers which DFG may or may not execute trades through; certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an investment manager and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and

services that may be required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

Brokers may sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker may be less than the suggested allocations or may exceed the suggestions because total brokerage is allocated on the basis of all the considerations described above. A broker will not be excluded from receiving business simply because it has not been identified as providing research services.

In some instances, DFG may receive a product or service that may be used only partially for functions within Section 28(e). In such instances, DFG will make a good faith effort to determine the relative proportion of the product or service used to assist DFG in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). The proportion of the product or service attributable to assisting DFG in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by DFG from its (or their) own resources.

DFG has the right, at its discretion, to change the brokerage arrangements described above without further notice to investors.

As of the date of this ADV, DFG does not use “Soft Dollars”.

c) Brokerage for Client Referrals

The Firm does not consider, in selecting or recommending a broker dealer, whether the Firm or a related person receives client referrals from that broker-dealer.

d) Directed Brokerage

The Firm does not accept clients who require DFG to execute transactions through a specified broker-dealer. Clients may recommend that we use their preferred broker-dealer(s). The Firm will use such broker-dealer(s) subject to its determination that said broker-dealer provides best execution of the client transactions.

e) Aggregation (Bunching) of Trades

Securities transactions in investment advisory accounts are normally implemented on a consistent basis across accounts. In order to accomplish this, and if the type of security and the respective account or fund type allow for it, orders are aggregated (bunched) and allocated pro-rata to the nearest round lot if possible. The Firm may aggregate client orders for execution where it believes it is in the best interests of clients to do so. The Firm has an allocation policy designed to ensure fair treatment between clients in respect of executed trades.

IX. REVIEW OF CLIENT ACCOUNTS

a) Client Account Reviews

Volkan Kurtas, Managing Partner, Chief Executive Officer and Chief Investment Officer of DFG, and Moritz Hilf, Managing Partner, Chief Compliance Officer and Chief Financial Officer of DFG, serve as portfolio managers for the Advisory Clients and are ultimately responsible for the accounts. It should be noted that DFG may delegate certain portfolio management responsibilities to designated DFG employees.

The portfolio manager responsible for an Advisory Client ensures that account activity is reviewed on a regular basis and that account guidelines and certain account restrictions are being followed. The portfolio managers may designate other DFG employees to review accounts.

In addition, the Chief Compliance Officer will periodically review the trade policies and procedures to ensure that it represents DFG's current practices and (to the best of its reasonable knowledge and belief) is in conformity with applicable law and regulations. DFG has written trade allocation procedures in place which were designed to seek to ensure that all investors and Advisory Clients are treated fairly.

a) Client Reports

Generally, Advisory Clients will receive monthly reports for their accounts. Depending on the contractual details of the engagement, DFG may provide performance reports, holding reports and/or market commentary on a regular basis.

X. CLIENT REFERRALS AND OTHER COMPENSATION

The Firm may enter into written solicitation arrangements with certain third parties (each a “Solicitor”). Pursuant to each arrangement, the Firm may pay a referral fee to each Solicitor when the Solicitor successfully introduces a client or fund investor to the Firm. The amount of compensation is based on a negotiated percentage of the management fee and performance fee or as a negotiated level of basis points of the value of the funds introduced or maintained or may be a fixed fee, depending on the arrangement with the Solicitor.

All arrangements will comply with the conditions and requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940.

XI. INVESTMENT DISCRETION

The Firm generally manages client assets in a discretionary basis with the authority to determine for each client what investments are made, as well as when and how they are made. Clients may impose reasonable restrictions, limitations or other requirements with respect to their individual accounts, depending on the respective investment management agreement.

a) Privacy Policy

DFG will not disclose information concerning the Advisory Clients, investors or that of former clients or investors, such as names, addresses, social security numbers, tax identification numbers, net worth, total assets, income and other financial information necessary to determine required accreditation standards (the “Information”) except: (i) to the accountants and auditors of the DFG’s businesses and, only if necessary and approved by the Advisory Client, to other service providers such as (but not limited to) brokers who may have a need for the Information in connection with providing services and (ii) as otherwise required or permitted by law or approved by the Advisory Client. DFG restricts access to the Information to its employees who need to know the Information to provide services to the Advisory Clients, and maintain physical, electronic and procedural safeguards that comply with U.S. federal standards to guard the Information. Additionally, DFG’s disposal of Information shall be done in a secure manner.

XII. CUSTODY OF CLIENTS CASH & SECURITIES

If needed, DFG will maintain the assets of the Advisory Clients in accounts with a “qualified custodian” pursuant to Rule 206(4)-2 under the Advisers Act and notify clients in writing of the qualified custodian’s name, address and the manner in which the assets are maintained promptly when the account is opened and following any changes to this information. In the services DFG provides currently to its Advisory Clients, DFG is of the view that it does not have custody of the assets of its Advisory Clients. DFG may have custody over Advisory Clients in the future and will maintain then such assets of the Advisory Clients in accounts with a “qualified custodian” pursuant to Rule 206(4)-2 under the Advisers Act.

XIII. VOTING CLIENT SECURITIES

DFG understands and appreciates the importance of proxy voting and will generally manage the receipt of incoming proxies, maintain a log of all proxies, and place votes based on established policies and guidelines. In the course of exercising discretion to vote a proxy, DFG will vote any such proxies in the best interests of Advisory Clients and in accordance with the procedures outlined below (as applicable).

Prior to voting any proxies, DFG's Proxy Voting Committee will determine if there are any conflicts of interest related to the proxy in question. If a conflict is identified, the Proxy Voting Committee will then make a determination (which may be in consultation with outside legal counsel) as to whether the conflict is material or not. If no material conflict is identified pursuant to its set procedures, the Proxy Voting Committee will, following discussion with DFG's investment personnel, make a decision on how to vote the proxy in question.

DFG also has the flexibility to abstain from a particular proxy vote when it is determined to be in the best interest of investors. Please let DFG's Chief Compliance Officer know if you have any questions about these procedures or if you would like detailed information of how any proxies were actually voted. The Chief Compliance Officer can be contacted at (212) 488-1546.

XIV. FINANCIAL INFORMATION OF THE ADVISER

No financial events have occurred to DFG that would negatively affect the financial viability of the Firm. There is no financial condition of DFG that is reasonably likely to impair DFG's ability to meet contractual commitments to clients.