

Item 1 – Cover Page

FORM ADV PART 2A: FIRM BROCHURE

Cohen Klingenstein LLC

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This brochure (the “Brochure”) provides information about the qualifications and business practices of Cohen Klingenstein LLC (“CK LLC”). If you have any questions about the contents of this Brochure, please contact us by phone at (212) 757-0235 or by email at ckllc@cohenklingenstein.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities regulatory authority.

This Brochure, required by the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), is a very important document for current and prospective clients (“clients”, “you” or “your”) that contains disclosures from CK LLC (the “Firm”, “us”, “we” or “our”).

Additional information about CK LLC is also available to you free of charge on the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov. To access additional information about our Firm, please go to the website and search for our Firm by name. Click on our Firm in the search results and you will find our Form ADV Part 1 and this Form ADV Part 2A.

We are a registered investment adviser with the SEC. Our registration as an investment adviser under the Advisers Act does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, is information you can use to evaluate us and may be a factor in your decision to hire us or retain our services.

Item 2 – Material Changes

Not Applicable.

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Item 4 – Advisory Business

Cohen Klingenstein LLC is a Delaware limited liability company that has been registered as an investment adviser with the SEC since September 16, 2008. George M. Cohen and Thomas D. Klingenstein, both managing members of CK LLC, are the principal owners of CK LLC.

The Firm manages growth stock portfolios and serves as an investment adviser for individuals, corporations, trusts, foundations, corporate profit sharing plans, individual retirement plans and private investment funds.

We offer clients traditional professional investment management of their portfolios on a discretionary basis. Our advisory services are tailored to the needs and desires of each client and are defined in writing at the outset of each relationship on a client-by-client basis. Clients may provide us with an investment policy statement that contains policies, guidelines and trading restrictions applicable to the client. A client may impose trading restrictions on investing in certain securities or certain types of securities in their investment policy statement. When we select securities and decide amounts for discretionary clients, we adhere to each client's investment policies, guidelines and trading restrictions.

The Firm currently advises one private investment fund, Sheltered Growth Fund LLC, a Delaware limited liability company. The Firm is in the process of forming a new fund that offers a tax-sensitive strategy. In this Brochure, the new fund will be referred to as the "Diversified Shelter Fund LLC". Separate references will be each, a "Fund" and together, the "Funds". Interests in the the Sheltered Growth Fund LLC are only offered to family members of Thomas D. Klingenstein, a managing member. Interests in the Diversified Shelter Fund LLC will be offered to new investors that meet certain qualifications discussed in Item 7 of this Brochure.

The Firm may manage additional private investment funds in the future. In many cases, a more complete discussion of the topics discussed in this Brochure may be available in the governing documents of the Funds. In the event of any inconsistency between the governing documents of a Fund and this Brochure, the governing documents shall control.

This Brochure is not an offer of interest in a Fund, or an offer of, or an agreement to provide, advisory or investment management services directly to any prospective client or investor. Rather, this Brochure is designed solely to provide information about the Firm in compliance with certain obligations under the Investment Advisers Act of 1940, as amended (the "Advisers Act") and, as such, responds to relevant regulatory requirements under the Advisers Act.

Assets under Management

As of December 31, 2010, CK LLC managed \$260,600,000 in client assets on a discretionary basis.

Item 5 – Fees and Compensation

We are compensated for our advisory services through an advisory fee charged to each client typically as a percentage of the assets under management for that client. We also may be compensated for our advisory services to the Funds through an advisory fee charged to investors in the Funds.

Advisory Fee Schedule – Annual Fee

1.00%	First \$2 Million of Assets
0.75 %	Next \$8 Million
0.50 %	Next \$40 Million
0.40 %	Balance above \$50 Million

Advisory fees are subject to negotiation. Fees can be and have been waived at CK LLC's discretion.

We generally bill clients for our advisory fees after the end of each calendar quarter based on the quarter-end value of a client's account(s) as determined using our internal portfolio accounting program. If requested in advance by a client, we may also base our advisory fees off of the quarter-end portfolio value determined by the client's independent custodian. Clients may choose whether to receive an invoice directly or have advisory fees automatically deducted from their custodial account subject to written authorization.

Our advisory fees are subject to negotiation or adjustment based upon a number of client-specific factors and circumstances, including, without limitation, the number and value of other accounts at our Firm, the type of client (e.g., individual, institutional investor or private investment fund), and the specific advisory services provided. The amount of, and the specific manner in which we charge advisory fees is established in a client's written investment advisory agreement with CK LLC, signed by both parties prior to trading. In the case of an investor in a private investment fund, the advisory fee is disclosed in the governing documents of the private investment fund.

Each contribution or withdrawal of 10% or more of a client's month-end asset value, made during a calendar quarter, will have the stated advisory fee charged on a pro-rata basis based on the number of days during the quarter that we provided investment advisory services. Accounts opened or closed during a calendar quarter will have the advisory fee pro-rated based on the number of days in the quarter that we provided investment advisory services. Upon closing of

any account, any earned, unpaid fees will become immediately due and payable as of the closing date.

The advisory fees a client pays us (or an investor in a Fund pays us) for our investment management services are exclusive of transactional costs and do not include the following:

- Brokerage commissions;
- Transaction fees;
- Other related costs and expenses;
- Charges imposed by custodians, brokers, third-party investment advisers and other third parties, including but not limited to:
 - Advisory fees and administrative fees charged by mutual funds or exchange-traded funds;
 - Advisory fees charged by sub-advisers (if any are used for the client's account);
 - Custodial fees;
 - Deferred sales charges (charged by mutual funds);
 - Odd-lot differentials;
 - Transfer taxes;
 - Wire transfer and electronic fund processing fees;
 - Commissions or mark-ups / mark-downs on security transactions

Investors in a Fund also generally pay their pro rata share of the expenses of the Fund, including legal expenses, audit, accounting, tax preparation, organizational and offering expenses.

The client or investor usually pays all of these fees or charges (and neither CK LLC nor any supervised person, participates in or profits from any of this additional expense charged to the client). See Item 12 in this Brochure for additional information and disclosure regarding other costs the client may incur.

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

CK LLC does not currently charge any performance-based advisory fees. Our advisory fee compensation is charged only as disclosed above in Item 5 of this Brochure. We may implement performance-based fees in the future for clients who require or request such arrangements.

Item 7 – Types of Clients

We provide investment management services to the following types of clients:

- Individuals
- Corporations
- Trusts
- Foundations
- Corporate profit-sharing plans
- Individual retirement accounts
- Private investment funds, including the Funds

We may provide investment management services to any other type of client including:

- Charitable Organizations
- Estates
- Endowments
- Registered Investment Companies

Our Firm has no minimum account size or minimum holding period for opening or maintaining an account with us.

Investors in the Funds must be “accredited investors” and, for at least one of the Funds, “qualified purchasers.” Current investors in the Sheltered Growth Fund LLC include individuals, corporations, limited liability companies, foundations and trusts. The Diversified Shelter Fund LLC does not have any investors as of the date of this Brochure. Generally, the minimum investment in the Funds for investors who are not affiliated with the Firm or its principals is \$5,000,000, subject to waiver by the Firm.

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

Investing in securities involves risk of loss that clients should be prepared to bear. Clients could lose some or all of their investment. Client accounts are subject to general market risk. The value of the securities held in client accounts will tend to increase or decrease in response to movements in the market. Individual stocks may decline in value or not increase in value, even when the stock market in general is rising.

General Strategies

In addition to the Fund(s) we manage, the Firm employs three general strategies: large-capitalization growth stocks, small- to medium-capitalization growth stocks and fixed income. The Firm may offer these strategies to existing clients although they are not publicly marketed. Each type of the three strategies listed may be tailored to the specific needs of each client. Portfolios under management in these styles are invested in marketable liquid common stocks, common stocks equivalents and fixed income securities.

Large-Capitalization Growth Strategy - Seeks long-term capital appreciation by investing in mainly domestic, large-capitalization growth stocks. We define large capitalization companies as those companies with a market capitalization typically \$5 billion or greater or those companies which at the time of purchase have a market capitalization generally within the range of securities in the Russell 1000 Growth Index. This investment strategy may be tailored to meet the needs of the client and is not publicly marketed.

Small- to Medium-Capitalization Growth Strategy - Seeks long-term capital appreciation by investing in small- to medium-capitalization stocks. We define small and medium capitalization companies as those companies with a market capitalization typically between \$400 million and \$5 billion at the time of purchase or those companies whose market capitalization is generally within the range of securities in the Russell 2500 Index. This investment strategy may be tailored to meet the needs of the client and is not publicly marketed.

Fixed Income – Seeks long-term capital appreciation by investing in fixed income securities. Fixed income securities are commonly defined as debt obligations issued by corporations, governments, or government agencies, which pay a fixed rate of interest over a defined time period. This investment strategy may be tailored to meet the needs of the client and is not publicly marketed.

Methods of Analysis

The Firm selects securities for each client's portfolio through the use of cyclical and fundamental analysis. Cyclical analysis involves the process of making investment decisions based on the different stages of an industry at a given point in time in the current economic cycle.

Fundamental analysis may be described as a method of evaluating a company and attempting to measure the value of its underlying assets related to the securities issued. It involves studying overall economic and industry conditions as well as the quality of the company's management and the company's financial health.

These investment strategies include long term purchases and may include the use of margin or short sales. We do not leverage and do not trade in derivatives or futures.

General Risks

Equity Market Risk - Overall stock market risks may affect the value of the investments in equity strategies. Factors such as U.S. economic growth and market conditions, interest rates and political events affect the equity markets.

Growth Stock Risk - Growth stocks may be more volatile than other stocks because they are more sensitive to market perceptions of the company's earnings growth potential. Growth stocks are often expected by investors to increase their earnings at or above a certain rate. If these expectations are not met, the stocks may decline substantially even if actual earnings still increased. Also, because growth companies usually invest a high portion of earnings in their business, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market. Growth oriented strategies will typically under-perform when value investing is in favor.

Small and Medium-Capitalization Companies Risk - The Firm may invest its clients in the stocks of companies with small- to medium-sized market capitalizations. While such companies often provide significant potential for appreciation, those stocks, particularly small-capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of small capitalization and even medium-capitalization stocks are often more volatile than prices of large capitalization stocks and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than for larger, "blue-chip" companies. In addition, due to thin trading in some small-capitalization stocks, an investment in those stocks may be illiquid.

Diversified Shelter Fund LLC

The Firm is in the process of forming a fund with a tax-sensitive strategy. We believe one of the best strategies for a taxpaying investor is to buy and hold a market-like portfolio, minimizing fees, expenses and taxes, while achieving market-like returns. Some investors who have been

investing over time currently have portfolios with large unrealized gains. Switching to a market-like, buy and hold strategy could mean realizing substantial gains and incurring significant tax obligations. We offer another approach, the Diversified Shelter Fund LLC.

The Diversified Shelter Fund LLC is managed so as to continually maintain market-like (or index-like) diversification. Our strategy pools portfolios of many such investors, with compatible unrealized gains, into a commingled buy and hold fund. Each member can participate in the optimal strategy without current tax consequences. The commingled vehicle's objective is to maximize net returns (after fees, expenses and taxes), while minimizing risk relative to the market. The analysis we employ to achieve these market-like conditions is the measurement of industry and sector weightings and key ratios within the portfolio to ensure that the portfolio is market-like.

Since the portfolio is always market-like there is no portfolio-specific risk. This strategy involves a minimal amount of trading or turnover. The commingled vehicle may incur realized losses for the tax benefit involved. Securities are not sold at a profit. Withdrawals from the fund are in the form of securities, so that no gains are realized within the portfolio.

Diversified Shelter Fund LLC's investment program is speculative and entails substantial risks. There can be no assurance that the investment objective of the Fund will be achieved. Investors could lose some or all of their investment.

Investment Strategy Risks

Tax-Managed Strategy Risk

The tax-managed investment strategy of the Fund may reduce performance compared to an investment fund that is not tax-managed. The Manager may determine not to sell a security in order to avoid realizing a gain in circumstances in which such securities might otherwise be sold if the Fund tax indifferent. Similarly, securities may be sold to recognize a loss in circumstances where the security might not otherwise be sold. In addition, to maximize tax efficiency, the Fund may choose not to rebalance, or may not be as diversified as might otherwise be the case in the absence of such tax considerations. Moreover, the Manager will generally not sell securities of particular issuers as a result of the price movement or performance of such issuer, for example, on earnings surprises or other adverse news affecting an issuer.

Certain tax law provisions applicable to the Fund and the Members provide for varying tax treatment of certain transactions depending on the percentage interest of each investment held by a Member and the timing of contributions and withdrawals of securities to and from Members. Contributions or withdrawals by a Member may have tax consequences for other Members in certain circumstances.

Certain sale transactions may be taxable to some or all of the Members if conducted within 7 years of a contribution by the affected Members. The Fund may hold a security for an extended period of time to avoid these tax provisions regardless of the security's actual or expected performance; such performance may have an adverse effect on the Fund.

Risk of Changes in Tax Law

The tax laws and the rules and regulations promulgated there under are subject to change. Changes in the tax law may require the Fund to alter its investment strategy or cause the Manager to terminate the Fund. Although many tax laws only apply prospectively, there can be no assurance that any tax law changes affecting the Fund or the Members will be adopted in such a manner. The Fund's strategy may become impossible or impracticable following a change in tax law and such changes could have a material and adverse effect on the Fund and the Interests.

Although changes in tax law are generally proposed and debated for a period of time before being adopted or enacted, there can be no assurance that the Manager and the Fund will have advance notice of a detrimental change in tax law. Without appropriate notice of a change, the Fund may be unable to adjust its strategy appropriately to avoid adverse tax consequences for the Members.

Lack of Available Investment Capital

Although the Manager expects to rebalance the Fund's portfolio periodically, the Manager generally does not expect to sell any securities if such sale would cause a taxable gain for the Fund or a Member. The Fund may be unable to capitalize on other investment opportunities due to lack of available investment capital and, as a result, the Fund's performance may be reduced.

Risk of Software Error

The Fund relies on sophisticated accounting software to track the Fund and each Member's share of each investment. Although the software has undergone extensive testing, an unforeseen software error may cause a Member to incur an unintended taxable gain.

Reliance on Other Members

The Manager, when analyzing whether a sale might generate taxable gain or a tax loss, relies on, among other things, certain information provided by the Members, including tax basis information. If any information provided by a Member is incorrect, that Member, and the other Members, may be subject to tax as a result.

Diversification Risk

The Fund expects many of its securities to initially be contributed by the Members. Although the Manager can approve or reject securities offered by a Member as a contribution, the Manager

does not select which securities are offered by the Member for contribution to the Fund. In addition, while the Manager may periodically rebalance the Fund's portfolio, the Manager generally does not expect to sell securities if such sale would cause a taxable gain. Withdrawals by Members are also expected to generally be satisfied with in-kind distributions of securities. As a result of the in-kind contributions, limited transactions and in-kind withdrawals, the Fund may, from time to time, have excess concentration and therefore excess exposure to a particular industry, sector or geographic region. In addition, the Fund may hold substantial positions in a relatively small number of investments. Limitations as to strategy, amount of capital or analytical resources can lead to significant concentration among portfolio securities. Concentration of investments in a limited number of issuers or securities, industries or industry groups, or countries or regions can increase investment risk and portfolio volatility. As a result of this lack of diversification, a significant loss in any one position may have a material adverse affect on the Fund's performance. In addition, the Fund may be more risky than a more diversified, broad-based portfolio.

The foregoing list of risk factors is not an exhaustive explanation of the risks involved in an investment in the Fund. Prospective investors should read the entire governing documents of the Fund and consult with their own advisors before deciding to subscribe for interests in the Fund.

Item 9 – Disciplinary Information

Not applicable.

Item 10 – Other Financial Industry Activities and Affiliations

CK LLC is the investment adviser and managing member to one fund. The Sheltered Growth Fund LLC, as mentioned in Item 4 of this Brochure, is a private investment fund that invests in liquid, marketable common stocks and common stock equivalents. The investment adviser selects a highly diversified portfolio of small- to mid-capitalization growth stocks. Diversified Shelter Fund LLC is a private investment fund that seeks to maintain a diversified portfolio of common stocks on a tax-advantaged basis for investors as discussed in more detail in Item 8 in this Brochure.

Clients who meet certain qualifications as discussed in Item 7 of this Brochure may invest in the Diversified Shelter Fund LLC, once organized although we do not actively solicit unrelated existing advisory clients to invest in the Diversified Shelter Fund LLC.

Our relationship with the Funds may create a conflict of interest with other clients. Participation in specific investment opportunities may be appropriate, at times, for one or both of the Funds and the accounts of one or more other clients advised by us (the “Other Clients”). One or both of the Funds and the Other Clients may be managed in parallel and, if we determine that participation in certain investment opportunities is appropriate for a Fund and one or more Other Clients, each participating account will generally invest on a pro rata basis in each such investment opportunity based on the net assets of each such account. We may vary from a pro rata allocation where we determine that it is advisable to do so, taking into account concentration of holdings, investment objectives and guidelines and available cash in allocating such investment opportunity among the Funds and the Other Clients. We will act in a manner, which we consider fair and equitable in allocating investment opportunities among the Funds and the Other Clients.

Situations may arise in which our activities on behalf of the Other Clients may disadvantage a Fund, such as the inability of the market to fully absorb orders for the purchase or sale of particular securities placed for the Fund or one or more Other Clients at prices and quantities which could be obtained if the order was placed only for the Fund.

Item 11 – Code of Ethics

CK LLC has adopted a Code of Ethics (the “Code”) for the Firm and all of the Firm’s supervised persons, describing the Firm’s high standard of business conduct. The Code includes policies and procedures regarding, among other things, the confidentiality of client information, insider trading, the acceptance and reporting of certain gifts and business entertainment items and personal securities trading procedures. All supervised persons at CK LLC must acknowledge in writing that s/he understands the terms of the Code and that s/he has complied (and will comply) with the Code, at least annually and upon each amendment of the Code.

Clients or prospective clients (including investors or prospective investors in a Fund) may request a copy of the Firm's Code by contacting George M. Cohen, Chief Compliance Officer, at (212) 757-0235.

Summary of Employee Personal Trading Policy

CK LLC anticipates that, in appropriate circumstances, it may recommend that clients buy or sell securities in which CK LLC or its related persons (such as affiliates or employees), directly or indirectly, have a position of interest. CK LLC’s employees, affiliates and persons associated with CK LLC are required to follow CK LLC’s Code. Subject to complying with the personal trading policy and applicable laws, officers, directors and employees of CK LLC and our affiliates may trade for their own accounts in securities that are recommended to and/or purchased for CK LLC’s clients.

Our Code is designed to assure that the personal securities transactions, activities and interests of CK LLC’s related persons will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities, such as debt securities issued by the U.S. government, agencies and instrumentalities, banker’s acceptance, bank certificates of deposit, commercial paper, municipal bonds, stock indices and securities of unaffiliated mutual funds, have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of CK LLC’s clients. In addition, the Code requires pre-clearance of many non-exempt transactions, and restricts trading in the same security in close proximity to client trading activity. Employee trading is monitored under the Code to reasonably prevent conflicts of interest between CK LLC and our clients. Nonetheless, because the Code in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client.

Gifts and Entertainment Policy

No supervised person may seek any gift, favor, gratuity or preferential treatment from any person or entity that:

- does business with or on behalf of the Firm;
- is or may appear to be connected with any present or future business dealings between the Firm and that person or organization; or
- may create or appear to create a conflict of interest.

Gifts, favors and gratuities valued at less than \$300 and meals and entertainment valued at less than \$500 may be accepted. Access Persons should notify the Chief Compliance Office when accepting gifts, favors and gratuities valued at more than \$300 and entertainment valued at more than \$500.

Discretion should be used in accepting invitations for dinners, entertainment, golf outings, sporting events or theater. In accepting such invitations, the Chief Compliance Officer requires that the person offering the invitation be in attendance in order for a CK LLC employee to accept the invitation. No supervised person should offer any gifts, favors or gratuities that could be viewed as influencing decision-making or otherwise could be considered as creating a conflict of interest on the part of the recipient.

Item 12 – Brokerage Practices

We may use soft dollars to pay for brokerage research and certain back-office services that are within the section 28(e) of the safe harbor rule. Other than the aforementioned, we will not enter into arrangements with brokers or dealers in which such firms assume some of the operational and overhead costs relating to brokerage and research services in exchange for the Firm directing our clients' brokerage business to such broker-dealers, or any other so-called "Soft Dollar" arrangements. At the present time, CK LLC does not direct clients' brokerage transactions to any party that is affiliated with the Firm.

Selection of Executing Brokers

Generally, CK LLC selects brokers on their perceived ability to obtain best price and execution. Unless a client directs us otherwise, in most cases, CK LLC may employ, retain or use any brokers, dealers, investment banks and other firms or services to execute transactions. In making such determinations, we take into account a variety of factors, including the following: price, the broker's facilities, ability to achieve prompt and reliable executions at favorable terms (including order size and timing); the operational efficiency with which transactions are effected; the financial strength, integrity and ability of the broker; the broker's recordkeeping capabilities; and the quality, comprehensiveness and frequency of available research and related services considered to be of value to the Firm in providing services, even where the client does not directly benefit from such services.

The commission rate is only one factor considered together with other factors in selecting a broker for the execution of trades. We are not obligated to seek out, in advance, the most favorable commission rate applicable to any particular transaction nor to select any broker by comparing its posted commission rate with those that may be offered by other brokers. Consequently, CK LLC may pay a broker a commission in excess of that which another broker might have charged for effecting the same transaction, in recognition of the quality of execution received or the value of the brokerage, research or other services provided by the broker, whether in connection with a particular transaction or considering CK LLC's overall responsibility to the client. The client understands that its account will bear all charges for such services.

Research

Research provided may include furnishing advice, either directly or through publications or writings, as to the value of securities, the advisability of purchasing or selling specific securities and the availability of securities, or purchases or sellers of securities; furnishing analyses and reports concerning issuers, industries, securities, trading markets and methods, changes in accounting practices, economic factors and trends and portfolio strategy; access to research

analysis; comparative performance evaluation and technical measurement services and quotation services, and products and other services (such as third party publications, reports and analyses, and computer and electronic access, including the research described above) that assist the Firm in carrying out its responsibilities.

Research received from brokers or dealers is supplemental to our own research efforts. We may use research products and services in servicing any or all of our clients and such research may not necessarily be used by the Firm in connection with the accounts, which paid commissions to the broker/dealer providing such research products and services.

Client Referrals

We do not receive any client referrals for selecting or recommending certain broker-dealers or third parties. CK LLC does not generally suggest brokers or custodians to clients. We suggest brokers or custodians to clients only at their specific request.

Client-Directed Brokerage

Clients may, at their discretion, instruct CK LLC to use a specified broker in accordance with arrangements between the client and such broker. When a client requests or instructs CK LLC to direct all or a portion of the securities transactions for a client's account to a specified broker-dealer, the Firm will treat the client direction as a decision by the client to retain discretion we would otherwise have in selecting broker-dealers to effect transactions and in negotiating commissions generally for the client's account. Although we will attempt to effect such transactions in a manner consistent with our policy of seeking best execution and price on each transaction, there may be occasions where we are unable to do so. Even if we are unable to obtain best execution and price, we will attempt to comply with the client's instructions.

The client, therefore, should consider whether under its direction, commissions, price, execution, clearance and settlement capabilities, and fees for custodial or other services provided to the client by the broker-dealer (if applicable) will be comparable to those otherwise obtainable. A client making such a designation also should understand that it might lose the possible advantage that non-designating clients derive from aggregation of orders for several clients as a single transaction for the purchase or sale of particular securities because the client-designated trades may be excluded from and executed subsequent to aggregated orders. However, when appropriate, we will include in aggregated orders, transactions for clients that have made such a designation. In such cases, the executing broker will transfer the directing client's portion of the aggregated order to the broker designated by the client. The client who directs us to use a specific broker may pay higher commissions or receive less favorable execution on some transactions at least in part because the directed broker may maintain a higher commission schedule or provide less favorable service. In addition, such client may not be able to participate in an allocation of shares of a new issue if another broker sells those shares.

Aggregation of Transactions

CK LLC may aggregate orders for multiple clients as a single transaction for the purchase or sale of particular securities across client accounts when in the best interests of each affected client. Generally, we will aggregate orders across multiple clients or accounts in order to obtain the efficiencies that may be available in larger transactions when we determine that investment opportunities are appropriate for more than one client or account. Such aggregation of orders may not always be to the benefit of each client or account with regard to the price or quantity executed. The Firm may open “average price” accounts with brokers, in which purchase and sale orders placed during a trading day on behalf of clients are combined, and securities bought and sold pursuant to such orders are allocated among such accounts on an average price basis.

Item 13 – Review of Accounts

CK LLC's managing members review all accounts on a regular and periodic basis. If general and economic conditions do not change substantially, a periodic review, at least once per quarter of each account is sufficient. In times of significant change to the economic or investment environment or changes regarding a specific investment, the managing managers will review client portfolios more frequently. This assessment consists of reviewing holdings within the portfolio to ensure they are within a client's investment guidelines and investment goals. Investment decisions are typically based on our own research and market views within client(s) guidelines.

The Firm supplies written reports at least quarterly and more frequently, depending on the client's instructions, the client's need for current information, and the size of the account. The written quarterly portfolio holdings statement includes current holdings and the market value of those positions as of the end of the quarter. A managing member also provides each portfolio's performance in a quarterly client letter.

The Firm also supplies Schedule K-1s and other applicable tax information to clients and investors.

Item 14 – Client Referrals and Other Compensation

CK LLC does not receive any compensation or economic benefit, such as prizes or sales awards, from any parties, for providing investment advice or other advisory services to our clients, other than our advisory fees.

The Firm does not pay (and has not since inception paid) any compensation for client referrals. In the future, we may pay cash fees under certain circumstances, to persons who refer clients to the Firm, including investors to one or more of the Funds.

Item 15 – Custody

All client assets are held in an account at a qualified custodian. We look to the client to select his or her own qualified custodian. We will suggest a qualified custodian to the client if s/he does not indicate a custodian to hold portfolio assets.

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains a client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the portfolio holdings statements that we separately provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities. Please contact Joyce Nissim, Trader, at (212) 757-0235 or jnissim@cohenklingenstein.com with any questions or concerns you may have concerning any discrepancies between the two statements.

Because the Firm serves as managing member of the Funds, it is deemed to have “custody” over the Funds within the meaning of Rule 206(4)-2 under the Advisers Act. To comply with this Rule, each Fund is subject to a surprise audit during the year and each Fund's assets are physically custodied at a qualified custodian. Investors should receive at least quarterly statements from the qualified custodian that holds and maintains a Fund's investment assets. We urge you to carefully review such statements. If an investor has invested in a Fund and has not received such statements in a timely manner, such investor should contact the Firm immediately.

Item 16 – Investment Discretion

CK LLC manages client accounts on a full discretionary basis in accordance with any applicable restrictions requested by the client. Clients may place restrictions on the discretion granted to CK LLC as discussed in Item 4 in this Brochure. Members in the Diversified Shelter Fund LLC may place restrictions on their investment in the fund in accordance with the governing documents of the Fund.

CK LLC manages each Fund on a full discretionary basis in accordance with the governing documents of the Fund.

Prior to trading, each client signs an investment advisory agreement giving the Firm power of attorney to trade his or her account on a discretionary basis.

Item 17 – Voting Client Securities (i.e., Proxy Voting)

As a registered investment adviser and to the extent that CK LLC has been granted the requisite authority, CK LLC has a fiduciary obligation to our clients to vote proxies with respect to securities held in those clients' accounts in the best interests of its clients. The Firm has therefore adopted and implemented policies and procedures that are reasonably designed to (i) ensure that CK LLC votes proxies in the best interests of its clients, (ii) disclose to clients information about these policies and procedures, and (iii) disclose to clients how they may obtain information on how CK LLC has voted their proxies.

These policies and procedures also contain record-keeping requirements in regard to proxy voting as required by law. These policies and procedures do not mandate that we vote every proxy that we receive for securities held in client accounts. There may be circumstances when refraining from voting a proxy is in the client's best interest; such as if CK LLC determines that the cost of voting the proxy exceeds the expected benefit to the client.

Further, CK LLC does not have the authority and will not vote proxies for which the client has expressly retained voting authority. When CK LLC has the discretionary authority to vote the proxies of our clients and determines that it is in the best interests of our clients to do so, we will vote those proxies in accordance with the Firm's policies and procedures in the client's best interest.

CK LLC votes our client's proxies through the corporate proxy voting process. CK LLC believes that the right to vote proxies is a significant asset of its clients' holdings. In order to facilitate the proxy voting for our clients, CK LLC has created the position of Proxy Manager (the "Proxy Manager") and adopted proxy-voting guidelines (the "guidelines"). The Proxy Manager votes on all matters presented in proxies and mails or responds electronically in a timely manner in compliance with the guidelines, subject to the supervision of the Chief Compliance Officer. CK LLC may also use or consult with one or more outside proxy voting services (the "outside services") to help manage the proxy voting process. These outside services may also facilitate CK LLC's voting according to the guidelines (or, if applicable, according to guidelines submitted by CK LLC's clients) and help maintain CK LLC's proxy voting records.

Proxy-Voting Guidelines

The guidelines provide a basis for decision-making in the voting of proxies for clients of CK LLC. When voting proxies, CK LLC's utmost concern is that all decisions be made solely in the

interests of the client and with the goal of maximizing the value of the client's investments. With this goal in mind, the guidelines cover various categories of voting decisions and specify whether CK LLC will vote for or against a particular type of proposal. In some cases, proxy-voting issues will be decided on a case-by-case basis.

The Guidelines are summarized below. Upon request, CK LLC provides proxy-voting records to our clients. These records, which are compiled either by CK LLC's Proxy Manager or by an outside service, state how votes were cast on behalf of client accounts and shows, among other things, whether or not CK LLC voted in line with management recommendations. CK LLC assumes the obligation to explain to clients the rationale for votes cast on behalf of client accounts.

The following summary is organized by broad categories of decisions commonly presented to shareholders in the proxy voting process. Within each category, decisions are organized as to whether, according to the guidelines, CK LLC votes in favor, withholds its vote, or decides on a case-by-case basis. While the guidelines provide a basis for making proxy-voting decisions, CK LLC may from time-to-time determine to deviate from the guidelines on a case-by-case basis in our discretion, consistent with our obligations to clients. With the understanding that many of the issues below are dealt with in detail in these guidelines, the current policies of CK LLC for some common issues are briefly summarized as follows:

CK LLC typically votes with the recommendations of a company's Board of Directors on routine or non-controversial issues.

- In general, CK LLC opposes anti-takeover proposals, unless unusual circumstances dictate otherwise.
- In general, CK LLC votes to support the elimination of anti-takeover policies, unless unusual circumstances dictate otherwise.
- CK LLC generally votes on issues relating to social and/or political responsibility in accordance with the recommendation of management, unless directed by a client to vote in a certain manner.

Examples of Proxy Voting with Management on Non-Controversial Matters

- Election of directors, in the absence of a contest or controversy.
- Ratification of selection of independent auditors, in the absence of controversy.
- Fixing number of directors, unless the proposal is of an anti-takeover nature.
- Stock splits, if not for anti-takeover purposes.
- Changes of state of incorporation for specific corporate purposes and not for anti-fraud takeover purposes.

CK LLC or the relevant investment professional(s) will evaluate proposals not covered by the guidelines on a case-by-case basis.

Conflict Resolution

It is unlikely that serious conflicts of interest will arise in the context of CK LLC's proxy voting, because CK LLC does not engage in investment banking or the managing or advising of public companies. In the event a potential conflict does arise, CK LLC will seek to avoid the conflict by disclosing it to its affected clients and voting according to the clients' directives. If CK LLC is unable to contact a client or otherwise obtain its written consent by the time the vote of the proxy is due, then CK LLC will vote the proxy according to the guidelines, or based upon the recommendations of an outside service.

Proxy Voting Information and Record keeping

Upon request, CK LLC provides proxy-voting records to our clients. These records state how votes were cast on behalf of client accounts, whether the company or a shareholder (if disclosed) proposed a particular matter, and whether or not CK LLC voted in line with management recommendations. Clients may obtain a copy of CK LLC's Proxy Voting Policies and Procedures or information about how CK LLC voted his or her proxy by contacting the Proxy Manager at gacohen@cohenklingenstein.com or (212) 757-0235.

CK LLC or our agent will keep records of the following items: (i) our proxy voting policies and procedures; (ii) proxy statements received regarding client securities (unless such statements are available on the SEC's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system); (iii) records of votes we cast on behalf of clients, which may be maintained by a third party service provider if the service provider undertakes to provide copies of those records promptly upon request; (iv) records of written requests for proxy voting information and CK LLC's response (whether a client's request was oral or in writing); and (v) any documents prepared by CK LLC that were material to making a decision how to vote, or that memorialized the basis for the decision. Additionally, CK LLC or its agent will maintain any documentation related to an identified material conflict of interest.

CK LLC or its agent will maintain these records in an easily accessible place for at least five years. For the first two years, CK LLC or its agent will store such records at its principal office.

Item 18 – Financial Information

Not Applicable.