

FORM ADV**Part II - Page 1****Uniform Application for Investment Adviser Registration****OMB APPROVAL**

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Name of Investment Adviser:					
Address:	(Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone number: ()

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

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

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

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Part II - Page 2

Applicant:

SEC File Number:
801-

Date:

- 1. A. Advisory Services and Fees.** (check the applicable boxes) For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

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

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

- B.** Does applicant call any of the services it checked above financial planning or some similar term? ☐ Yes ☐ No

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

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

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

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

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

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

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

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Applicant:

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801-

Date:

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

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

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

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

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

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

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

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

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

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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? ☐ Yes ☐ No
(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

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

On Schedule F, give the:

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

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

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

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

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

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

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

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

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

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Date:

9. Participation or Interest in Client Transactions.

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

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

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

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

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

Yes No

☐ ☐

(If yes, describe on Schedule F)

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

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

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

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Applicant:

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801-

Date:

12. Investment or Brokerage Discretion.

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

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

B. Does applicant or a related person suggest brokers to clients? ☐ Yes ☐ No

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

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

13. Additional Compensation.

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

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

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

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

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

Has applicant provided a Schedule G balance sheet?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
--	---------------------------------	--------------------------------

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

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant:	SEC File Number:	Date:
1492 Capital Management, LLC	801- 69712	01/27/2009

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

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: 1492 Capital Management, LLC		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
1.D	<p>1492 Capital Management, LLC ("1492 Capital Management"), formed in September 2008 as a Delaware limited liability company, primarily provides discretionary asset management services to individuals, corporations, pension and profit sharing plans, foundations, trusts and other separate accounts. 1492 Capital Management's investment focus is on equity securities, particularly stocks of companies with smaller market capitalizations which are defined as companies that have market capitalizations under \$3 billion.</p> <p>This Schedule F narrative provides clients with information regarding 1492 Capital Management and the qualifications, business practices, and nature of advisory services that should be considered before becoming an advisory client of the firm. The information in this Schedule F has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority. Please contact Brian Andrew, Chief Compliance Officer, if you have any questions about this Schedule F narrative. Additional information about 1492 Capital Management is available on the Internet at "www.adviserinfo.sec.gov". You can search this site by a unique identifying number, known as a CRD number. The CRD number for 1492 Capital Management is 148566.</p> <p>1492 Capital Management generally manages in accordance with four model strategies and two model sub-strategies. Clients will determine which strategies they want 1492 Capital Management to pursue for their accounts. The strategies are described below.</p> <p><u>Small Cap Growth.</u> This strategy (referred to as the "Small Cap Growth Strategy") seeks growth of capital by investing primarily in common stocks of small-capitalization companies which are defined as those having market capitalizations within the range of the market capitalizations of companies constituting the Russell 2000 index. The Russell 2000 measures the performance of the 2,000 smallest companies in the Russell 3000 Index (which is made up of the 3,000 largest US companies based on total market capitalization). The Small Cap Growth Strategy targets companies with market capitalizations between \$50 million and \$3 billion. 1492 Capital Management selects companies that it believes exhibit the potential for superior growth based on such factors as above average growth in revenue and earnings, strong competitive position, strong management and sound financial condition. The Small Cap Growth Strategy invests in companies that are at earlier stages in their life cycles and generates returns that are anticipated to be more volatile than those in a large cap strategy.</p> <p><u>Small Cap Value.</u> This strategy (referred to as the "Small Cap Value Strategy") seeks growth of capital by investing primarily in common stocks of small-capitalization companies defined as those having a market capitalization within the range of \$300 million and \$3 billion. The Strategy target companies that pay a dividend. The dividend component of this strategy enables our investment team to manage a portfolio exhibiting lower volatility of returns, while still giving clients exposure to the capital gain opportunity within the small cap market segment. 1492 Capital Management selects companies that it believes are trading below intrinsic value based on fundamental screening criteria such as low price to sales ratio, strong cash flow, sound balance sheet and competent management. Our portfolio management team implements a decision making process that includes thorough analysis of SEC filings, management interviews, industry checks with customers and suppliers and proprietary financial modeling.</p> <p><u>Microcap.</u> This strategy targets companies with similar characteristics as those found in the Small Cap Growth Strategy except targets companies within the range of the Russell Microcap</p>	

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant:

1492 Capital Management, LLC

SEC File Number:

801- 69712

Date:

01/27/2009

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

<p>I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: 1492 Capital Management, LLC</p>	<p>IRS Empl. Ident. No.:</p>																						
<p>Item of Form (identify)</p>	<p>Answer</p>																						
<p>Page 2 of 15[6576929.4]</p>	<p>Index. Thus, the Microcap Strategy generally targets companies with market capitalizations between \$25 million and \$500 million.</p> <p><u>SMID Growth.</u> The third strategy targets companies with similar characteristics as those found in the Small Cap Growth Strategy except targets companies within a market capitalization range of \$500 million to \$7.5 billion.</p> <p>The two model sub-strategies that are offered are called the <u>Microcap Alpha</u> and <u>Small Cap Growth Alpha</u> Strategies. These strategies will be highly concentrated portfolios of no more than 20 securities at any point in time, holding securities within the relevant market capitalization range of the Microcap and Small Cap Growth products shown above. These portfolios are intended to offer clients much more focused portfolio holdings and correspondingly, the potential for higher volatility. These products have the ability to hold cash in lieu of stocks as market conditions dictate.</p> <p>It is expected that accounts which utilize the Small Cap Growth Strategy may have some of the same securities that are held by accounts using the Microcap, SMID Growth, Microcap Alpha and Small Cap Growth Alpha products. Allocations of securities, particularly those involving IPO stocks, with respect to these strategies will be made based on market capitalization of the individual stocks and other factors such as size of the individual accounts. 1492 Capital Management will manage accounts other than pursuant to any of these five strategies as requested by the client or as appropriate given the client's different investment objectives or restrictions.</p> <p><u>Fees</u></p> <p>The minimum investment for the following strategies is \$1 million. For its separate account business, subject to negotiation, 1492 Capital Management generally charges an annual fee as follows:</p> <p><u>Small Cap Growth Strategy</u></p> <table style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Portfolio Market Value</u></th> <th style="text-align: left;"><u>Annual Fee Rate</u></th> </tr> </thead> <tbody> <tr> <td>First \$25 million</td> <td>1.00%</td> </tr> <tr> <td>Next \$25 million</td> <td>0.90%</td> </tr> <tr> <td>Balance of Assets</td> <td>0.80%</td> </tr> </tbody> </table> <p><u>Small Cap Value Strategy</u></p> <table style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Portfolio Market Value</u></th> <th style="text-align: left;"><u>Annual Fee Rate</u></th> </tr> </thead> <tbody> <tr> <td>First \$25 million</td> <td>1.00%</td> </tr> <tr> <td>Next \$25 million</td> <td>0.90%</td> </tr> <tr> <td>Balance of Assets</td> <td>0.80%</td> </tr> </tbody> </table> <p><u>Microcap Strategy</u></p> <table style="width: 100%;"> <thead> <tr> <th style="text-align: left;"><u>Portfolio Market Value</u></th> <th style="text-align: left;"><u>Annual Fee Rate</u></th> </tr> </thead> <tbody> <tr> <td>First \$25 million</td> <td>1.50%</td> </tr> <tr> <td>Balance of Assets</td> <td>1.25%</td> </tr> </tbody> </table>	<u>Portfolio Market Value</u>	<u>Annual Fee Rate</u>	First \$25 million	1.00%	Next \$25 million	0.90%	Balance of Assets	0.80%	<u>Portfolio Market Value</u>	<u>Annual Fee Rate</u>	First \$25 million	1.00%	Next \$25 million	0.90%	Balance of Assets	0.80%	<u>Portfolio Market Value</u>	<u>Annual Fee Rate</u>	First \$25 million	1.50%	Balance of Assets	1.25%
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**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant:

1492 Capital Management, LLC

SEC File Number:

801- 69712

Date:

01/27/2009

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

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: 1492 Capital Management, LLC		IRS Empl. Ident. No.:																
Item of Form (identify)	Answer																	
	<p><u>SMID Cap Growth Strategy</u></p> <table> <tr> <td><u>Portfolio Market Value</u></td> <td><u>Annual Fee Rate</u></td> </tr> <tr> <td>First \$25 million</td> <td>1.00%</td> </tr> <tr> <td>Next \$25 million</td> <td>0.90%</td> </tr> <tr> <td>Balance of Assets</td> <td>0.80%</td> </tr> </table> <p>*****</p> <p>The minimum investment for the following strategies is \$1 million. The following fees include a performance fee or incentive allocation as well as the annual asset based fee:</p> <p><u>Microcap Alpha Strategy</u></p> <table> <tr> <td><u>Portfolio Market Value</u></td> <td><u>Annual Fee Rate</u></td> </tr> <tr> <td>All</td> <td>1.50%</td> </tr> </table> <p>* Performance fee of 15% annually will be assessed in addition to the base asset management fee.</p> <p><u>Small Cap Growth Alpha Strategy.</u></p> <table> <tr> <td><u>Portfolio Market Value</u></td> <td><u>Annual Fee Rate</u></td> </tr> <tr> <td>All</td> <td>1.25%</td> </tr> </table> <p>* Performance fees of 15% annually will be assessed in addition to the base asset management fee.</p> <p>The asset based fees are paid quarterly in arrears and calculated as a percentage of the average market value of all assets in the account during the most recently completed calendar quarter. For any partial calendar quarter the fee is pro rated based on the number of days that the account was open. The fee applicable to assets deposited to the account which exceed \$20,000 is pro-rated from the date of deposit. No adjustment of the fee is made for withdrawals from the account during any quarter.</p> <p>* The performance fee or incentive allocation is paid annually in arrears and calculated based upon the asset value at the end of the calendar year. The incentive allocation is equal to 15% of the cumulative new profit of the account. There is no incentive allocation charged if the account does not exceed the current "high water mark". Cumulative new profit is calculated on a "high water mark" basis and is only recognized to the extent that the account's all time high value as of the end of a calendar year is exceeded in the current calculation period. For purposes of calculating the account's all time high, capital contribution and withdrawals will be excluded. In the event funds are withdrawn at a time when the account has a new profit for incentive allocation purposes, the incentive allocation will be made as of the redemption date. If funds are withdrawn at a time when there is a loss carry forward for incentive payment purposes, such loss carry forward will be reduced in proportion to the amount of funds withdrawn.</p>		<u>Portfolio Market Value</u>	<u>Annual Fee Rate</u>	First \$25 million	1.00%	Next \$25 million	0.90%	Balance of Assets	0.80%	<u>Portfolio Market Value</u>	<u>Annual Fee Rate</u>	All	1.50%	<u>Portfolio Market Value</u>	<u>Annual Fee Rate</u>	All	1.25%
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**Schedule F of
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Continuation Sheet for Form ADV Part II**

Applicant:	SEC File Number:	Date:
1492 Capital Management, LLC	801- 69712	01/27/2009

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

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: 1492 Capital Management, LLC		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
Item 3	<p>The performance fee applies to <i>qualified clients</i> in accordance with the requirements set forth in applicable laws, rules and regulations. Generally, clients must have a net worth of at least \$1.5 million, or have at least \$750,000 of investment under management with 1492 Capital Management. Under this fee arrangement, there is the potential for a conflict of interest in that the performance fee may be an incentive for 1492 Capital Management to make investment that are riskier or more speculative than would be the case absent a performance fee arrangement.</p> <p><u>Other Costs.</u> 1492 Capital Management's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, custody and other related costs and expenses which shall be incurred by the client. However, 1492 Capital Management shall not receive any portion of these commissions, fees and costs.</p> <p>Types of Investments</p> <p>1492 Capital Management invests primarily in equity securities, including common stocks of micro, small, and mid-capitalization companies. Such equity securities will include stocks traded on a national exchange (such as the New York Stock Exchange) and over-the-counter (such as the Nasdaq National and Small Cap Markets). Stocks of small-capitalization companies tend to be more volatile and are less actively traded than stocks of larger companies. Such equity securities may include stocks issued in private placements or that otherwise are not publicly traded. Such stocks would generally have legal and practical restrictions on their resale. 1492 Capital Management may also invest in stocks of foreign issuers that are either listed on a United States exchange or represented by American Depositary Receipts. Investments in foreign securities are subject to special risks which differ from those related to investments in securities of domestic issuers, including political, social or economic instability in the country of the issuer, greater price fluctuations and less trading volume and liquidity. 1492 Capital Management may invest in companies at the time of their initial public offerings and often will sell those stocks within 12 months. 1492 Capital Management may also invest in other equity securities such as preferred stocks, warrants and other convertible securities.</p> <p>1492 Capital Management may sell securities short to generate additional investment returns and to protect against price declines of the securities in the portfolio. A short sale involves the risk of loss if the underlying security were to appreciate in value. Short selling is profitable if the predicted decline in value actually occurs.</p> <p>1492 Capital Management may also utilize derivative instruments such as the purchase or writing (sale) of securities and index options, futures contracts and options on futures contracts in an attempt to manage market or business risk or enhance return. A call option on a security gives the purchaser the right to buy, and the writer the obligation to sell, the underlying security at the exercise price at any time before the option expires. A put option gives the purchaser the right to sell, and the writer the obligation to buy, the underlying security at the exercise price at any time before the option expires. Options on stock indices are similar to stock options except that an option on an index gives the holder the right to receive, upon exercise, an amount of cash rather than the individual securities that make up the index. The purchase price for a put or call option is the premium paid by the purchaser for the right to sell or buy. A futures contract obligates one party to purchase, and the other to sell, a specified security at a specified price on a future certain date. Losses involving options and futures can sometimes be significant in part because a relatively small price movement may result in an immediate and</p>	

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Item 4.A and 4.C	<p>substantial loss for an account. There may also be an imperfect correlation between movements in prices of options and futures contracts and movements in the value of the stock or index that the instrument is designed to simulate or match, and the possibility of a lack of a liquid secondary market for an option or futures contract.</p> <p>Methods of Analysis and Investment Strategies</p> <p>In making investment decisions 1492 Capital Management will primarily use fundamental analysis. For the accounts it manages, 1492 Capital Management generally implements either a Microcap, Small Cap Growth, Small Cap Value or a SMID Cap Growth Strategy.</p> <p><u>Microcap:</u> A bottom-up fundamental process is used in conjunction with a top-down thematic approach. The bottom-up approach focuses on the company's management, growth prospects, competitive advantages, financial condition and valuation. Theme based investing is used to emphasize areas of the economy that are performing better than others. Themes can be macro, such as energy or interest rates, or micro, such as those driven by technology trends, regulatory changes or industry specific demand cycles. Once a theme is identified we try to find as many companies that will be beneficiaries of this theme. Then, only the companies with the best overall business models, management teams, and valuations are placed in the portfolio. As a theme plays out we would expect the general theme to perform better than the index and the selected stocks within the theme to outperform the overall theme. This process is overlaid with a top-down assessment of current and anticipated economic conditions and their impact on the company in question. Our focus is on companies with market capitalizations less than \$500 million. Generally, the weighted average market cap will be in line with the Russell Microcap benchmark. Ideas are generated by running screens on databases, investor conferences, in-house analysts and management interviews. All purchase/sales decisions are the responsibility of the portfolio managers of each respective strategy. Analysts have significant input at all stages of the investment decision making process which includes fundamental, valuation and technical inputs. The actual decision process is a collaborative effort among the portfolio managers and analysts with the lead portfolio manager ultimately having final decision authority. We do not utilize a formal investment committee. The <u>Microcap Alpha</u> sub-strategy will utilize the same investment process as described above but will only hold a maximum of 20 securities at any point in time.</p> <p><u>Small Cap Growth:</u> A bottom-up fundamental process is used in conjunction with a top-down thematic approach. The bottom-up approach focuses on the company's management, growth prospects, competitive advantages, financial condition and valuation. Theme based investing is used to emphasize areas of the economy that are performing better than others. Themes can be macro, such as energy or interest rates, or micro, such as those driven by technology trends, regulatory changes or industry specific demand cycles. Once a theme is identified we try to find as many companies that will be beneficiaries of this theme. Then, only the companies with the best overall business models, management teams, and valuations are placed in the portfolio. As a theme plays out we would expect the general theme to perform better than the index and the selected stocks within the theme to outperform the overall theme. This process is overlaid with a top-down assessment of current and anticipated economic conditions and their impact on the company in question. Our focus is on companies with market capitalizations less than \$3 billion. Generally, the weighted average market cap will be 10%-15% less than the Russell 2000 Growth benchmark. Ideas are generated by running screens on databases, investor conferences, in-house analysts and management interviews. All purchase/sales decisions are the responsibility of the portfolio managers of each respective</p>	

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	<p>strategy. Analysts have significant input at all stages of the investment decision making process which includes fundamental, valuation and technical inputs. The actual decision process is a collaborative effort among the portfolio managers and analysts with the lead portfolio manager ultimately having final decision authority. We do not utilize a formal investment committee. The <u>Small Cap Growth Alpha</u> sub-strategy will utilize the same investment process as described above but will only hold a maximum of 20 securities at any point in time.</p> <p><u>Small Cap Value:</u> In making investment decisions 1492 Capital Management will primarily use fundamental analysis. This is a bottom up process that evaluates the company's valuation, effectiveness of business strategy, competency of management, competitive advantages, financial strength and sector dynamics that may affect revenue growth and profit margins. The key concept when selecting stocks for the Value Strategy is identifying a margin of safety that will help protect investors principal capital during economic or market downturns. This is why valuation is the first criteria listed in the investment philosophy. The majority of the criteria listed for the investment strategy are company specific, but in addition, the portfolio manager does a thorough analysis of macro-sector dynamics that will affect the company's business prospects. Typically when a positive macro trend is identified that will benefit a specific economic sector, the portfolio manager and analysts will target the companies in that sector that will best capitalize on the positive trend. Examples of macro trends include input costs such as energy, commodities and labor. Other factors may include demographic shifts that will affect macro supply-demand curves. The portfolio manager and analysts will often conduct primary research by attending industry trade shows and interviewing practicing specialists to obtain proprietary data. The investment team will also conduct numerous interviews with comparables of the portfolio company to fully understand the competitive landscape.</p> <p><u>SMID Cap Growth:</u> A bottom-up fundamental process is used in conjunction with a top-down thematic approach. The bottom-up approach focuses on the company's management, growth prospects, competitive advantages, financial condition and valuation. Theme based investing is used to emphasize areas of the economy that are performing better than others. Themes can be macro, such as energy or interest rates, or micro, such as those driven by technology trends, regulatory changes or industry specific demand cycles. Once a theme is identified we try to find as many companies that will be beneficiaries of this theme. Then, only the companies with the best overall business models, management teams, and valuations are placed in the portfolio. As a theme plays out we would expect the general theme to perform better than the index and the selected stocks within the theme to outperform the overall theme. This process is overlaid with a top-down assessment of current and anticipated economic conditions and their impact on the company in question. Our focus is on companies with market capitalizations between \$500 million and \$7.5 billion. Generally, the weighted average market cap will be 10%-15% less than the Russell 2500 Growth benchmark. Ideas are generated by running screens on databases, investor conferences, in-house analysts and management interviews. All purchase/sales decisions are the responsibility of the portfolio managers of each respective strategy. Analysts have significant input at all stages of the investment decision making process which includes fundamental, valuation and technical inputs. The actual decision process is a collaborative effort among the portfolio managers and analysts with the lead portfolio manager ultimately having final decision authority. We do not utilize a formal investment committee.</p>	

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Item 5	<p>Education and Business Standards</p> <p>1492 Capital Management requires that its portfolio managers, research analysts and other investment advisory representatives have at least an undergraduate university degree, significant investment-related experience and preferably a CFA designation. In addition, all such individuals shall have attained all required investment related licenses.</p>	
Item 6	<p>Education and Business Background of Principals</p> <p><u>Joseph A. Frohna, CFA, CPA-Founding Principal and Portfolio Manager</u> Mr. Frohna is a Founding Principal and Portfolio Manager of 1492 Capital Management, LLC since September 2008. He is the lead portfolio manager of the firm's Microcap, Small Cap Growth and SMID Cap Growth Strategies. From April, 2004 through February, 2007, Mr. Frohna was the Founder and CEO of Cortina Asset Management, LLC and was the lead portfolio manager for Cortina's Small Cap Growth and SMID Cap Growth portfolios. From February, 1995 through March 2004, Mr. Frohna was an analyst, Microcap Fund portfolio manager, and Small Cap Growth portfolio manager while employed at Firststar Investment Research/U.S. Bancorp Asset Management in Milwaukee, WI. Mr. Frohna began his investment career in 1994 at Salomon Brothers in New York where he worked in the Sales and Trading division. From July 1986-August 1992, Mr. Frohna worked as a CPA in the tax division of Arthur Andersen & Co. Mr. Frohna earned a BBA in Accounting from the University of Wisconsin-Whitewater in 1986 and an MBA from the University of Michigan in 1994. He holds a Chartered Financial Analyst (CFA) designation and successfully passed the Certified Public Accountant exam. He was born on July 22, 1964.</p> <p><u>Timothy T. Stracka, Founding Principal and Head of Institutional Sales and Marketing</u> Mr. Stracka is a Founding Principal, Head of Institutional Sales and Marketing of 1492 Capital Management, LLC since September 2008. From November 1993 through July 2003 Mr. Stracka was with Morgan Stanley, he worked in Research Sales with Susquehanna International Group from August 2003 until December 2005, he was a Principal with Summit Investment Management, Ltd from January 2006 through February 2008, a Partner with Global Funds from March 2006 through May 2008. Mr. Stracka earned a BBA in Finance and Risk Management from the University of Wisconsin-Madison in 1982. He was born September 27, 1959.</p> <p><u>Brian K. Andrew, CFA, Chief Operating Officer and Chief Compliance Officer</u> Mr. Andrew is Chief Operating Officer and Chief Compliance Officer of 1492 Capital Management, LLC since October 2008. He was previously the Chief Investment Officer and President of the money management subsidiary and mutual fund company of the Ziegler Cos., Inc. He has 21 years of experience in the investment industry. Mr. Andrew is a Chartered Financial Analyst (CFA), member of the CFA Institute and CFA Societies of Milwaukee and Chicago. He received a Bachelor of Science in Finance from the University of Minnesota. He was born October 31, 1962.</p> <p><u>Duc Rodney Hathaway, CFA, Portfolio Manager</u> Mr. Hathaway is a Portfolio Manager for 1492 Capital Management, LLC since October 2008. He has 15 years experience as an investment professional. He has spent the last 10 years with Heartland Advisors, Inc., 6 of those years as the lead manager of a \$300M fund focused on U.S. small cap equities. Mr. Hathaway earned his Bachelor of Business Administration from the University of Wisconsin-Milwaukee (cum laude) and his M.B.A. from Fisher College of</p>	

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	<p>Business at Ohio State University. He is a member of the CFA Institute and The CFA Society of Milwaukee. He was born July 14, 1968.</p> <p><u>Robert C. Damron, Co-Portfolio Manager - Growth Strategy</u> Mr. Damron is a Co-Portfolio Manager for 1492 Capital Management, LLC since October 2008. He was previously owner and President of 21st Century Equities, an independent equity research firm focused on undiscovered small cap companies since 2003. He has over 16 years of investment industry experience, including working as a research analyst with Cleary Gull and Southwest Securities. Mr. Damron earned his undergraduate degree in Finance from the Miami University (Ohio) and his MBA from Cleveland State University. He was born September 15, 1965.</p> <p><u>Nancy E. Frohna, CFA, CPA - Equity Analyst - Financial Services, Consumer and Healthcare</u> Most recently, Nancy served as a regional finance manager at Office Depot, Inc. overseeing the profitability of more than 300 stores and nearly \$2 billion in revenues in seven states and Puerto Rico. Prior to that, Nancy attained over 10 years of investment industry experience from fund operations and compliance to credit analysis. She began her professional career with Strong Capital Management (nka Wells Fargo Funds Management, LLC) in the mutual fund accounting and operations group, followed by Firststar Corp. (nka U.S. Bancorp) serving in a similar capacity before going to Citadel Investment Group where she worked with the credit team focusing on distressed debt. Nancy earned a B.B.A in Accounting from the University of Wisconsin-Whitewater and an M.B.A. from the University of Chicago Booth School of Business with concentrations in Finance and Economics. Nancy also holds the Chartered Financial Analyst designation and is a CPA. She was born September 16, 1967.</p> <p><u>Jacob Fink, Trading/Operations Manager</u> Prior to starting with 1492 Capital Management, Jacob most recently served as head equity trader for Ziegler Capital Management, where he executed trades for their sponsored mutual funds and institutional strategies. He was responsible for research related to the equity and fixed income investment process, as well as providing investment manager due diligence for Ziegler's managed account platform. Also while employed at Ziegler, he was a research analyst within their private equity group. Jacob holds a B.S. in Business Economics from Wisconsin Lutheran College, and a Master's Degree in Applied Economics from Marquette University. He was born October 7, 1982.</p>	
Item 8.C	<p>Affiliations</p> <p>The Hawthorne Group, Inc. ("Hawthorne") is a private investment firm based in Pittsburgh, PA. Hawthorne owns 22.5% of 1492 Capital Management and controls two of five board seats. Hawthorne is owned and operated by members of the Henry Posner and Thomas Wright families.</p>	
Item 9.E	<p>Interest in Transactions/Code of Ethics</p> <p>1492 Capital Management's Code of Ethics applicable to all persons who have access to confidential Client records or to recommendations being made for Client accounts. Designed to prevent conflicts of interest between the financial interests of Clients and the interest of the firm's staff, the Code requires such "access persons" to obtain pre-approval of certain securities transactions, to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow</p>	
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Item 11.A	<p>supervisors at the firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities for Client accounts. The Code also establishes certain bookkeeping requirements relating to federal reporting rules. The Code is required to be reviewed annually and updated as necessary. A complete copy of the firm's Code is available upon request by writing, mailed to 309 North Water Street, Suite 505, Milwaukee, Wisconsin 53202 or calling Tim Stracka at (414) 276-1492.</p> <p>Review of Accounts</p> <p>The responsible portfolio managers regularly and continuously manage the investments in the model portfolios to buy and sell. After an account is established with 1492 Capital Management, the portfolio manager responsible for managing that account will review the account at least annually with the client to determine whether the securities held in the account are consistent with the client's stated investment goals. The portfolio manager will also review an account more frequently when and as requested by the client and following any material change to the client's stated investment goals, risk profile, tax situation, needs and limitations. An account may also be reviewed upon the occurrence of triggering events that, in 1492 Capital Management's discretion, warrant a review, such as significant and unexpected gains or losses in the account, a lack of diversification, concentration, foreign risk or a shift in weighted average or median market capitalization of the companies owned by the account.</p>	
Item 11.B	<p>Reports</p> <p>Separate account clients receive an account statement from the custodian for their account on at least a quarterly basis. That statement will show the transaction activity in the account during the applicable period and the value of the holdings in the account at the end of the period. In addition, clients will receive quarterly performance information from 1492 Capital Management, which will show quarterly total return information and will include a commentary from 1492 Capital Management explaining the performance for the quarter.</p>	
Item 12.A	<p>Investment Brokerage Discretion</p> <p>As described above, 1492 Capital Management performs advisory services by exercising discretionary authority while managing a client's account. In general, there is no limitation on 1492 Capital Management's, or any of its related person's authority to select securities or the amount of securities to purchase or sell. In addition to having authority to effect transactions on a client's behalf, 1492 Capital Management can also establish accounts and process transactions through one or more securities brokerage firms as 1492 Capital Management may select. 1492 Capital Management's authority may be subject to client-imposed conditions, e.g., where the client restricts or prohibits transactions in certain types of securities or directs that transactions be effected through a specific broker-dealer.</p> <p>In the event that an order error should occur, 1492 Capital Management will arrange for correction of the order in a manner that will not effect a client's account.</p> <p><u>Selection of Broker-Dealers.</u> 1492 Capital Management may select, and establish securities accounts and process transactions through one or more securities brokerage firms. It selects brokers and dealers to execute transactions for the purchase or sale of portfolio securities based upon a judgment of their professional capability to provide the service, and in a manner</p>	
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	<p>deemed fair and reasonable to clients. 1492 Capital Management recognizes its fiduciary duty to seek "best execution" for its clients' securities transactions. Thus, the primary consideration in selecting broker-dealers is prompt and efficient execution of orders in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances. In deciding what constitutes "best execution", 1492 Capital Management will consider whether the transaction represents the best qualitative execution and the full range of the broker-dealer's services, including the value of research provided, execution and operational capability, commission rate, responsiveness, and financial condition and responsibility under the circumstances. 1492 Capital Management periodically evaluates the execution performance of broker-dealers executing securities transactions for its client accounts. While commission rates are a factor in 1492 Capital Management's analysis, they are not the sole determinative factor in selecting brokers and dealers. A number of judgmental factors may enter into the decision. These factors may include, for example: knowledge of negotiated commission rates and transaction costs; the nature of the security being purchase or sold; the size of the transaction; and historical and anticipated trading volume in the security and security price volatility. Among the brokers that may be used are electronic communication networks (ECNs), which are fully disclosed agency brokers that normally limit their activities to electronic execution of securities transactions. Occasionally, clients will request or require 1492 Capital Management to select certain broker-dealer to execute transaction on their behalf. In directing brokerage, clients may forgo potential benefits from savings on commissions and execution costs that 1492 Capital Management may be able to obtain from other clients through negotiated volume discounts on batched orders. 1492 Capital Management does not have any commission recapture agreements with broker-dealers under which a portion of the commission dollars are used to pay 1492 Capital Management's operating costs or expenses.</p> <p><u>Soft Dollars.</u> As permitted by Section 28(e) of the Securities Exchange Act of 1934, 1492 Capital Management engages in the long-standing investment management industry practice of selecting a broker not based on best execution if the broker or dealer provides brokerage and research services ("research services"). As long as, the higher commission resulting from this choice is deemed reasonable in relation to the value of research services provided. 1492 Capital Management uses these research services in its investment decision-making processes. These types of transactions are commonly referred to as "soft dollar" transactions.</p> <p>Two different types of research services are typically acquired through these transactions: (i) proprietary or in-house research services offered by the broker or dealer executing a trade and (ii) other research services offered by third parties through the executing broker or dealer. Research services that may be obtained by 1492 Capital Management through soft dollar transactions include, but are not limited to: economic, industry or company research reports or research data compilations; compilations of securities prices, earnings, dividends and similar data; computerized databases; quotation equipment and services; research or analytical computer software and services; and services of economic and other consultants concerning markets, industries, securities, economic factors and trends, portfolio strategy and performance of accounts.</p> <p>Research services so received enable 1492 Capital Management to supplement its own research and analysis used in connection with providing advice to its clients as to the value of securities; the advisability of investing in, purchasing or selling securities, and the availability of securities or purchasers or sellers of securities; the furnishing to clients of analyses and reports; and the effecting of securities transactions and performing functions incidental thereto (such as clearance and settlement) on behalf of clients.</p>	

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	<p>Soft dollar transactions are not effected pursuant to any agreement or understanding with any broker or dealer regarding a specific dollar amount of commissions to be paid to that broker or dealer. However, 1492 Capital Management does in some instances request a particular broker or dealer to provide a specific research service which may be proprietary to that firm or produced by a third party and made available by that firm. In such instances, the broker or dealer, in agreeing to provide the research service, frequently will indicate to 1492 Capital Management a specific or minimum amount of commissions which it expects to receive by reason of its provision of the particular research service. Although 1492 Capital Management does not agree to direct a specific or minimum commission amount to a firm in that circumstance, it does maintain an internal procedure to identify those brokers who provide it with research services and the value of such research services, and endeavors to direct sufficient commissions (including commissions on transactions in fixed income securities effected on an agency basis, dealer selling concessions on new issues of securities and certain riskless principal transactions) to ensure the continued receipt of research services it feels are useful in managing client accounts.</p> <p>In a few instances, 1492 Capital Management receives from broker's products or services which are used both for investment research and for administrative, marketing, or other non-research or brokerage purposes. 1492 Capital Management has a policy of not allocating brokerage business in return for products or services other than brokerage or research services in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934. In such instances, it makes a good faith effort to determine the relative proportion of its use of such product or service which is for investment research or brokerage, and that portion of the cost of obtaining such product or service may be defrayed through brokerage commissions generated by client transactions, while the remaining portion of the costs obtaining the product or service is paid by it in cash. In making such allocations, 1492 Capital Management has a conflict of interest and has established reasonable procedures designed to address such conflicts.</p> <p>Research or brokerage products or services provided by brokers may be used by 1492 Capital Management in servicing any or all of its clients, and such research products or services may not necessarily be used by it in connection with client accounts which paid commissions to the brokers providing such product or service. In recognition of these factors, clients may pay higher commissions to brokers than might be charged if a different broker had been selected, if, in 1492 Capital Management's opinion, this policy furthers the objective of obtaining best price and execution. In addition, 1492 Capital Management does not modify or reduce its fees based on the amount of brokerage or research services it receives from soft dollar transactions.</p> <p>Aggregation and Allocation of Trades.</p> <p>Purchases and sale for all accounts managed by 1492 Capital Management for its clients are allocated on a basis which it deems to be fair and equitable based on the characteristics and needs of the accounts. 1492 Capital Management may, when appropriate, aggregate purchases or sales of securities and allocate such trades among two or more accounts. By so doing, 1492 Capital Management anticipates that it may be able to decrease brokerage transaction costs to its clients through volume discounts, reduction of brokerage commissions through negotiations not available to purchasers or sellers of smaller volumes of securities, and/or by obtaining a better pricing than is possible for smaller trades. In general, investment opportunities are allocated pro rata among clients that have comparable investment objectives and positions where sufficient quantities or trading volumes of a security make such allocation</p>	

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	<p>practicable. Generally, clients participating in aggregated trades will receive the same average execution price on any given aggregated order on a given business day and transaction costs will be shared pro rata based on each client's participation in the transaction unless the client has designated a specific broker and negotiated a separate commission rate with that broker. An aggregated purchase or sale order that is only partially filled will generally be allocated on either a pro rata or random basis among the clients participating in the order.</p> <p><u>Other Information.</u></p> <p>On August 1, 2007, the SEC filed a complaint against Joseph Frohna in the U.S. District Court for the Eastern District of Wisconsin Case No. 07-CV-702 (E.D. WIS. 2007) The complaint alleged that Mr. Frohna, who neither admitted nor denied the allegations, violated Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder by misappropriating material, non-public information during 2002 regarding a drug being developed by Xoma, Ltd. and Genentech, Inc. and using that information as a basis to sell the shares of Xoma owned by the mutual fund he managed at U.S. Bancorp Asset Management. The fund avoided a loss of \$954,776. Mr. Frohna was ordered to pay disgorgement in the amount of \$954,776 along with prejudgment interest of \$315,886.57. He was also ordered to pay a civil penalty of \$954,776. All amounts were paid in August 2007. Mr. Frohna was enjoined permanently from violating Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.</p> <p>On August 16, 2007, pursuant to Section 203(f) of the Investment Advisers Act of 1940 ("IA ACT"), the Securities and Exchange Commission began and settled an administrative proceeding against Mr. Frohna. IA ACT Release No. 2635 (Aug. 16, 2007). In the order beginning the proceeding and accepting Mr. Frohna's offer of settlement, the SEC made findings, which Mr. Frohna neither admitted nor denied, that it alleged that Mr. Frohna violated Section 17(A) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder by allegedly misappropriating material, non-public information during 2002 regarding a drug being developed by Xoma, Ltd. and Genentech, Inc. and using that information as a basis to sell shares of Xoma owned by a mutual fund he managed at U.S. Bancorp Asset Management. The mutual fund avoided a loss of \$954,776. The administrative proceeding was both instituted and settled on August 16, 2007. Mr. Frohna was suspended from associating with any investment adviser for a one-year period which ended August 28, 2008. He has submitted an affidavit to the SEC demonstrating full compliance with the suspension.</p> <p>Summary of Proxy Voting Policy and Procedures</p> <p>The following information summarizes 1492 Capital Management's Policy and Procedures regarding how 1492 Capital Management votes proxies when providing advisory services to its clients.</p> <p><u>Guiding Principals.</u> 1492 Capital Management's Policies and Procedures relating to voting proxies are designed to ensure that proxies are voted in the best interests of clients. The Policies and Procedures do not apply to those situations where the client has retained voting discretion. In those situations, 1492 Capital Management will cooperate with the client to ensure proxies are voted as directed by the client. In addition, 1492 Capital Management will abide by specific voting guidelines on certain policy issues as requested by particular clients on a case-by-case basis.</p>	

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<p>I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: 1492 Capital Management, LLC</p>	<p>IRS Empl. Ident. No.:</p>
<p>Item of Form (identify)</p>	<p>Answer</p>
	<p><u>Primary Objective.</u> In general, proxies will be voted in a manner designed to maximize the value of client investments. In evaluating a particular proxy proposal, 1492 Capital Management takes into consideration, among other things, the period of time over which the voting share of the company are expected to be held, the size of the position, the costs involved in the proxy proposal and the existing governance documents of the affected company, as well as its management and operations.</p> <p>Generally, it is 1492 Capital Management's policy to vote in accordance with management's recommendations on most issues since the capability of management is one of the criteria used by 1492 Capital Management in selecting investments. Proxy proposals that change the existing status of a company will be reviewed to evaluate the desirability of the change, and to determine the benefits to the company and its shareholders, but 1492 Capital Management's primary objective is always to protect and enhance the economic interests of its clients.</p> <p><u>Exceptions.</u> When 1492 Capital Management believes management is acting on its own behalf, instead of on behalf of the well-being of the company and its shareholders, or when 1492 Capital Management believes that management is acting in a manner that is adverse to the rights of the company's shareholders, 1492 Capital Management will take steps to represent the interests of its clients and, as a result, may elect to vote against management's recommendations. Examples of such activity include (i) attempts by management to insulate itself from accountability to shareholders or otherwise entrench itself; and (ii) proposals that have the effect of deterring potential interest in an acquisition or similar corporate transaction at a fair price, which proposals 1492 Capital Management believes might have a negative impact on the value of the company or might otherwise be detrimental to company shareholders.</p> <p>1492 Capital Management generally favors cumulative voting for directors. In situations where 1492 Capital Management is extremely displeased with management's performance, it may withhold votes or vote against management's slate of directors and other management proposals as a means of communicating its dissatisfaction. This occasion most often develops when 1492 Capital Management believes that management has displayed a consistent inability or lack of interest in moving the company toward achieving its potential and that a message needs to be sent that the company's shareholders are not satisfied with the status quo. 1492 Capital Management reviews all proposals relating to management and director compensation in light of the company's performance and corporate governance practices. 1492 Capital</p> <p>Management normally will vote against significant compensation increases or compensation not tied to company performance in instances where it believes the company is under performing and/or management has not added value to the company.</p> <p><u>Other Factors 1492 Capital Management Considers.</u> 1492 Capital Management recognizes that the activity or inactivity of a company with respect to matters of social, political or environmental concern may have an effect upon the economic success of the company and the value of its securities. However, 1492 Capital Management does not consider it appropriate, or in the interests of its clients, to impose its own moral standards on others. Therefore, it normally supports management's position on matters of social, political or environmental concern, except where it believes that a different position would be in the economic interest of company shareholders.</p> <p><u>Conflicts.</u> In evaluating a proxy proposal, 1492 Capital Management's Lead Portfolio Manager or any person designated by him (the "Designated Voter") is responsible for considering whether there are any circumstances that may give rise to a conflict of interest on the part of 1492 Capital Management in connection with voting client proxies either because of a business</p>

**Schedule F of
Form ADV
Continuation Sheet for Form ADV Part II**

Applicant:

1492 Capital Management, LLC

SEC File Number:

801- 69712

Date:

01/27/2009

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

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: 1492 Capital Management, LLC		IRS Empl. Ident. No.:
Item of Form (identify)	Answer	
	<p>relationship between 1492 Capital Management and the company or otherwise. If the Designated Voter believes that a potential conflict of interest exists, he or she refers the matter to the Lead Portfolio Manager for consideration.</p> <p><u>Voting Procedures.</u> All proxy proposals are reviewed by 1492 Capital Management's Designated Voter and voted on an individual basis. In general, when the Designated Voter determines a conflict actually exists with respect to a particular proxy vote, the Designated Voter discusses the matter with 1492 Capital Management's Lead Portfolio Manager and, based on the advice of legal counsel, determines whether the proxy may be voted by 1492 Capital Management or whether it should be referred to the client (or another fiduciary of the client) for voting purposes. Alternatively, 1492 Capital Management may consult directly with a client to obtain the client's consent before voting the proxies. 1492 Capital Management will not refrain from voting proxies just because a conflict exists because 1492 Capital Management has a fiduciary duty to take action on all proxies.</p> <p><u>How to Obtain More Information.</u> For additional information regarding 1492 Capital Management's proxy voting policies and procedures, please contact us by writing to 1492 Capital Management, LLC at 309 North Water Street, Suite 505, Milwaukee, Wisconsin 53202, or calling 414-276-1492.</p>	

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Continuation Sheet for Form ADV Part II**

Applicant:

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<p>1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: 1492 Capital Management, LLC</p>	<p>IRS Empl. Ident. No.:</p>
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	<p>Privacy Policy</p> <p><u>Why we Collect and How we Use Information</u> When we evaluate our clients' request for our services, provide investment advice to our clients and process transactions for their accounts, our clients typically provide us with certain personal information necessary for these transactions. We may also use that information to offer our clients other services we provide which may meet their investment needs.</p> <p><u>What Information we Collect</u> The personal information we collect may include:</p> <ul style="list-style-type: none"> • Name and address; • Social Security or taxpayer identification number; • Assets; • Liabilities; • Age; • Occupation; • Income; • Account balance; • Investment objectives, risk tolerance and tax position; • Investment activity; • Accounts at other institutions; and • Other financial and personal information. <p><u>How we Protect Information</u> We do not sell our clients' personal information to anyone. We treat information about current and former clients and their accounts in a confidential manner. Our employees may access information and provide it to third parties only when completing a transaction at our clients' request or providing our other services to our clients. At our clients' request, we may disclose information to attorneys, accountants, lawyers, securities professionals and others to assist us, or them, in providing services to our clients. We may also share information with companies that perform services with respect to our clients' accounts, such as investment managers or custodians. Companies we may hire to provide support services are not allowed to use our clients' personal information for their own purposes. We may make additional disclosures as permitted or required by law. We also maintain physical, electronic, and procedural safeguards to protect information. Employees and our managers and counselors are required to comply with our established information confidentiality provisions.</p> <p><u>Access to and Correction of Information</u> Generally, upon our clients' written request, we will make available information for their review. Information collected in connection with, or in anticipation of, any claim or legal proceeding will not be made available. If our clients' personal information with us becomes inaccurate, or if our clients need to make a change to that information, they can contact us at the number shown below so we can update our records.</p> <p><u>Further Information</u> For additional information regarding our privacy policy, please contact us at: 1492 Capital Management, LLC 309 North Water Street, Suite 505 Milwaukee, Wisconsin 53202 or call 414-276-1492</p>