

Item 1 – Cover Page

FORM ADV PART 2
DISCLOSURE BROCHURE

QFR Capital Management, L.P.

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New York, NY 10017

212.209.2150

www.QFRCapital.com

March 31, 2011

This brochure (the “Brochure”) provides information about the qualifications and business practices of QFR Capital Management, L.P. If you have any questions about the contents of this Brochure, please contact Nancy Kelly, Chief Compliance Officer, at 212.209.2158 or NKelly@QFRCapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about QFR Capital Management, L.P. is also available on the SEC’s website at www.adviserinfo.sec.gov. You can search this website by a unique identifying number known as a CRD number. The CRD number for QFR Capital Management, L.P. is 150265.

Neither registration with the SEC nor the use of the terms “registered investment adviser” or “registered” throughout this Form ADV Part 2 should be construed to imply a certain level of skill or training.

Effective as of March 31, 2011

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Item 2 – Material Changes

Form ADV Part 2

On July 28, 2010, the United States Securities and Exchange Commission (“SEC”) adopted and published revised Form ADV Part 2. As a result, this Form ADV Part 2 (the “Brochure”) dated March 31, 2011 is a new document prepared in accordance with the SEC’s new requirements and rules. As such, the Brochure is our “initial” filing of what we regard as the “New Form ADV Part 2” and this Brochure is substantially different from previous versions and includes disclosures not specifically required by the “Old Form ADV Part 2.”

This Brochure can be considered “materially new” although you will recognize most of the disclosures as similar or identical to the disclosures you have received from QFR Capital Management, L.P. (the “Adviser” or “QFR”) in the past.

In future filings, this section of the Brochure will address only those “material changes” that have been incorporated since QFR’s last distribution of the Brochure or posting of this document on the SEC’s Investment Adviser Public Disclosure website (“IAPD”) www.adviserinfo.sec.gov.

We will further provide you with an updated Brochure as necessary based on changes or new information, at any time, without charge.

If at any time you would like to receive a copy of this Brochure, please download it from the SEC’s website as indicated above, or you may contact Jennifer Miller, Director of Marketing, at 212.209.2122 or JMiller@QFRCapital.com.

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We have included in this Brochure references to products such as private investment funds only for the purpose of describing QFR's advisory business. This Brochure is not intended as an offer of any of these products, which are privately offered only to qualified investors.

Item 4 – Advisory Business

ADVISORY SERVICES

The Adviser

QFR Capital Management, L.P. was incorporated on April 18, 2007 as a Delaware limited partnership (“QFR” or the “Adviser”). QFR Capital Management, LLC (“QFR Capital”) serves as the general partner to the Adviser. QFR offers investment advisory services directly and through its affiliated entities to private pooled investment vehicles and, may from time-to-time, manage separately managed accounts for institutional investors. Currently, the Adviser provides investment advisory services solely to its affiliated pooled investment vehicles. The Adviser manages assets under investment mandates as specified in investment advisory contracts. As of February 28, 2011, the Adviser has approximately \$2.526 billion assets under management for which it has complete discretionary investment authority. The limited partners of QFR are Jose Luis Daza, Chief Investment Officer (45%); David Sekiguchi, Portfolio Manager (18%); David Xu, Portfolio Manager (18%); Demian Reidel, Portfolio Manager (15%); and Kristen Boyle, Chief Financial Officer (4%).

The Adviser's registration with the SEC as an investment adviser became effective on September 24, 2009. The SEC file number is 801-70591 and CRD number is 150265.

Private Fund Clients

The QFR Master Victoria Fund, L.P. (the “Master Fund”), a Cayman Islands exempted limited partnership, is a “master fund” of a “master-feeder fund” investment structure. QFR Victoria Fund, L.P. (the “Domestic Feeder Fund”), a Delaware limited partnership, and QFR Victoria Fund, Ltd. (the “Offshore Feeder Fund”), a Cayman Islands exempted company limited by shares (collectively, the “Feeder Funds”) invest in the Master Fund. As of July 2008, the Domestic Feeder Fund is inactive.

QFR Capital Group, LLC (“Victoria GP”) serves as the general partner to the Master Fund and the Domestic Feeder Fund. The Master Fund makes investments in accordance with the investment strategies described in the offering documents of the relevant Feeder Funds.

The Master Fund is a global macro/relative value bias private fund that seeks long-term capital appreciation by taking advantage of investment opportunities primarily, but not exclusively, in non-G7 (emerging market) countries. Persons and entities that invest in the Feeder Funds are referred to herein as “Investors.” Such Investors generally must be “qualified purchasers” for the purposes of Section 3(c)(7) of the U.S. Investment Company Act of 1940, as amended, and “accredited investors” for the purposes of Regulation D promulgated under the Securities Act of 1933, as amended. The Master Fund and the Feeder Funds are referred to herein as the Adviser's “Advisory Clients” or “Clients.”

Please refer to offering documents of the Feeder Funds for full disclosure and further information.

Special Purpose Vehicle (“SPV”) Clients

The Adviser also manages an offshore close-ended special purpose vehicle (“SPV”) formed for the sole purpose of facilitating in-kind distributions to certain redeeming Investors in the Offshore Feeder Fund. Management and incentive fees are not charged by the Adviser with respect to the SPV and Investors are not solicited to invest in the SPV.

Separately Managed Account (“SMA”) Clients

In addition to providing investment management services generally to private pooled investment vehicles as described above, the Adviser may from time-to-time provide investment management services to separately managed accounts (“SMA”). At this time, the Adviser does not have any SMA clients.

Advisory Services

The Adviser utilizes a research strategy that integrates modern economics, advanced finance theory, the assessment of market conditions, and judgments provided by the collective experience of the investment team members.

The Adviser trades a wide variety of liquid and relatively illiquid instruments, including, but not limited to, sovereign bonds, credit default swaps, interest rate swaps, local fixed income instruments, U.S. and non-U.S. foreign exchange forwards, options, futures, and distressed debts.

The Adviser has full discretion in investment decisions made on behalf of its Advisory Clients. Investment advice is provided directly to each Advisory Client according to its particular investment objectives and not individually to the Investors.

Item 5 – Fees and Compensation

Management Fees

Each Feeder Fund pays the Adviser a management fee (“Management Fee”) of two percent (2%) per annum of each of the Feeder Fund’s net asset value, calculated and payable at the end of each month. The Adviser invoices Advisory Clients for payment of management fees on a monthly basis.

Incentive Fees

Please refer to Item 6 of this Brochure for additional information.

Redemption Fees

Generally, an Investor in either the Domestic Feeder Fund or the Offshore Feeder Fund may request redemption of its investment, in whole or in part, quarterly upon at least 45 days prior written notice. Any redemptions made during the year following the date of a corresponding investment are subject to an early redemption fee (“Redemption Fee”) equal to 4% of the amount redeemed for redemptions made within the six-month anniversary of the corresponding investment; 3% of the amount redeemed for redemptions made on or after the six-month anniversary date but before the nine-month anniversary date of the corresponding investment or 1% of the amount redeemed for any redemption made on or after the nine-month anniversary but before the one-year anniversary.

Key Man

Redemptions are also permitted in the event that Mr. Jose Luis Daza will imminently cease or has ceased to be directly responsible for investing the assets of the Advisory Clients. The Adviser will provide Investors and Advisory Clients with timely written notice upon receipt of the Adviser’s knowledge of such information.

Negotiability of Fees

In certain circumstances, all fees and account minimums may be negotiable. The Adviser may, in its discretion, waive, rebate, or reduce fees payable by any Advisory Client or Investor, including an Investor who is a shareholder, officer, director, employee, principal, or affiliate of the Adviser.

Prepayment of Fees/Calculation of Fees

Generally, the Adviser does not enter into investment advisory contracts that provide for the prepayment of any fees but may do so at an Advisory Client’s request or if otherwise agreed with an Advisory Client. Upon agreement with the Advisory Client, the Adviser in its sole discretion may elect to calculate fees differently. Advisory Clients may be charged an asset management fee to the extent permitted by applicable law.

Termination

An advisory agreement may be canceled at any time, by either party, for any reason upon receipt of sufficient written notice. Investors and/or Advisory Clients should refer to such advisory agreement(s) for specific information. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. Generally, an Advisory Client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Please refer to the offering documents of the Feeder Funds for further information regarding Fees.

Compensation

None of the Adviser’s associated persons receives, directly or indirectly, any compensation from the sale of securities or investments that are purchased or sold from Advisory Client accounts.

Other Fees or Expenses

Advisory Clients may incur other expenses in addition to the fees paid to the Advisor.

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

Incentive Fees

At the end of each fiscal year, each Feeder Fund pays the Adviser twenty percent (20%) of its realized and unrealized net profits (if any) allocated to each Feeder Fund's interests or shares (as applicable) ("Incentive Fee"), subject to a separate memorandum loss recovery account for each interest or series of shares (as applicable) ("Loss Recovery Account"). Each Loss Recovery Account is debited at the end of each fiscal year with the net losses of each Feeder Fund (if any) attributable to such interests or series of shares for the fiscal year. The Adviser will not receive an Incentive Fee from interests or a series of shares until the interests or series of shares have recovered the net losses, if any, debited from the Loss Recovery Account by the application of the subsequent net profits of each Feeder Fund applicable to the interests or the series of shares, as adjusted for any redemptions by Investors from such interests or series of shares. Please refer to each Feeder Fund's offering documents for further information regarding Incentive Fees and Loss Recovery Accounts.

The Adviser's Incentive Fee may create an incentive for the Adviser to make more speculative investments than it might have made in the absence of such performance-based compensation.

Side-By-Side Management

This is currently not applicable to the Adviser. In the event that this does become applicable, the Adviser has in place policies and procedures to mitigate conflicts of interests to ensure that one Advisory Clients is not unduly favored over another.

Item 7 – Types of Clients

As disclosed in Item 2 of this Form ADV Part 2, the Adviser provides investment advisory services directly and through its affiliated entities to private pooled investment vehicles and may from time-to-time manage separately managed accounts for institutional investors.

The Master Fund and the Feeder Funds are referred to as the Adviser's "Advisory Clients." As of July 2008, the Domestic Feeder Fund is inactive.

From time-to-time, the Adviser may accept separately managed accounts ("SMAs") as Advisory Clients. The Adviser does not generally accept separately managed accounts of less than \$150 million.

Persons and entities that invest in the Feeder Funds are referred to herein as "Investors." Such investors generally must be "qualified purchasers" for the purposes of Section 3(c)(7) of the U.S. Investment Company Act of 1940, as amended, and "accredited investors" for the purposes of Regulation D promulgated under the Securities Act of 1933, as amended. Investors investing in the Feeder Funds are required to contribute a minimum of \$5 million unless such minimum requirement is waived by Victoria GP or the manager of such Feeder Fund, subject to the absolute minimum of \$100,000. Investors may include high net worth individuals and institutional investors, including registered investment companies, private investment funds, financial institutions, charitable institutions, foundations, endowment funds, corporations, corporate pension and profit-sharing plans, and Taft-Hartley plans.

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

Methods of Analysis

The Adviser utilizes research that integrates modern advanced finance theory, an assessment of market conditions, and judgments provided by the collective experience of the members of the Adviser's investment team. In selecting and implementing an investment strategy, the Adviser conducts extensive research on domestic laws and regulations, including, but not limited to, tax rules, capital repatriation restrictions (if any), and relevant security covenants pertaining to investors' rights and protections.

The Adviser uses an integrated investment process that starts from a top-down view of global political and macroeconomic conditions. The Adviser seeks to examine the implications of such conditions on the emerging markets and considers the relationship of such conditions to the major trends and developments in the asset class. The Adviser seeks to combine fundamental economic research with quantitative analyses that provides information regarding market expectations on a variety of economic processes, including the path on monetary policy in individual countries, expected currency depreciations, and expected default rates by countries or individual corporate issuers. Market data from Bloomberg and counterparty dealers and economic data reported by governments and official international agencies such as the International Monetary Fund are the main sources of information.

Investment Strategies

The Adviser advises the Master Fund primarily with respect to investments that seek to achieve long-term capital appreciation by taking advantage of investment opportunities primarily, but not exclusively in non-G7 ("**emerging market**") countries through fixed income, credit, foreign exchange, and equity products. The Adviser uses financial instruments of G7 countries to hedge systemic risks and balance the portfolio directionality and when opportunities emerge in those countries' financial markets. Such investments in G7 countries may be significant. The investment strategies are generally expected to have long time horizons (typically three months to one year) and seek to exploit opportunities generated by institutional rigidities, relative pricing misalignments, economic trends and overshooting in response to shocks.

On behalf of the Master Fund, the Adviser seeks to

- maintain a low correlation to the movements of U.S. interest rates, the S&P 500 and the G3 currencies (U.S. Dollar, Japanese Yen, and Euro),
- exhibit less volatility than the S&P 500, and
- exhibit low correlation with the Emerging Markets Bond Index (EMBI) and Emerging Local Markets Index (ELMI).

Investment strategies generally are focused on one risk dimension that has been identified as being mispriced. A variety of instruments and hedging strategies are used to isolate the risk to which exposure is being sought. The Adviser implements the investment strategies through a variety of trading techniques, for example: intra-country relative value, inter-country relative value, inter-asset class relative value, directional trades, correlation trades, and capital structure arbitrage. In general, the Adviser employs long-term trading strategies that do not involve frequent trading.

The Adviser has adopted an integrated investment process focused on risk which starts from a top-down view of global political and macroeconomic conditions. The Adviser examines how the global economy and capital flows interact with institutional rigidities in different countries and markets to create price distortions and attempts to integrate modern economics, advanced finance theory, assessment of market conditions, and judgments provided by the collective experience of the Adviser personnel. This involves the combination of fundamental economic research with quantitative analyses, supported by quantitative valuation models, although valuation models are generally used to provide signals regarding opportunities and risks rather than as black-box trading tools. In the ordinary course of making investment decisions, the Adviser analyzes the impact of any new investment on the overall exposure of the portfolio to key risk factors and seeks to implement the most effective strategy to hedge undesired risks, if appropriate.

Effective as of March 31, 2011

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Risk Management

The Adviser intends to structure, size, and lever the Master Fund's trades within the constraints set by the volatility risk budget, with a view towards resisting a large drawdown in the event of a systemic financial crisis, by constructing a portfolio of offsetting trade strategies and by applying conservative trading disciplines. The Adviser seeks to control market risks through a combination of diversification, hedging, positive convexity, and dynamic leverage. This is intended to control risk by limiting the percentage of the Master Fund's portfolio that is exposed to any individual investment strategy.

The Adviser may also simulate scenarios in order to quantify the exposure of the Master Fund's portfolio to market crises. Generally, these stress tests are designed to quantify the risk profile of the Master Fund's portfolio and to size and lever the Master Fund's portfolio and individual trades.

The Adviser routinely monitors the Master Fund's exposures, the credit worthiness of its trading counterparties, and its collateral position in an attempt to control counterparty credit risks.

Risk of Loss

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends, and other distributions), and the loss of future earnings. These risks include market risk, interest rate risk, issuer risk, and general economic risk. Although the Adviser manages the assets in a manner consistent with risk tolerances, there can be no guarantee that its efforts will be successful. Advisory Clients and Investors should be prepared to bear the risk of loss.

An investment in the Feeder Funds, and in turn the Feeder Funds' investment as a limited partner of the Master Fund, involves substantial risks. There can be no assurance that the Master Fund will realize its investment objective or return any capital, and investment results may vary substantially on a quarterly or annual basis. Shares are a potentially suitable investment only for sophisticated investors for whom an investment in the Offshore Feeder Fund does not represent a complete investment program, and who, in consultation with their own investment and tax advisors, fully understand and are capable of assuming the risks of an investment in the Shares. In addition, there are significant actual and potential conflicts of interest that may arise in connection with the affiliated entities.

Investments in International and Emerging Markets Involve Particular Risks

The Adviser may invest in financial instruments of non-U.S. issuers (including non-U.S. governments) and financial instruments denominated, or whose prices are quoted, in non-U.S. currencies. Such investments involve certain considerations not usually associated with investing in debt securities of U.S. companies or U.S. markets, including: political and economic considerations, such as greater risks of expropriation and nationalization, confiscatory taxation, the potential difficulty of repatriating funds, general social, political and economic instability and adverse diplomatic developments; the possibility of imposition of withholding or other taxes on dividends, interest, capital gain or other income; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; and certain government policies that may restrict the portfolio's investment opportunities. In particular, the dollar value of portfolio securities of non-U.S. issuers fluctuates with changes in market and economic conditions abroad and with changes in relative currency values. Among the factors that may affect relative currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. In addition, accounting and financial reporting standards that prevail in such countries generally are not equivalent to U.S. standards and, consequently, less information is available to investors in companies located in such countries than is available to investors in companies located in the U.S. There is also less regulation, generally, of the securities markets in such countries than there is in the U.S.

Transaction costs of buying and selling foreign securities, including brokerage, tax, and custody costs, also are generally higher than those involved in domestic transactions. Furthermore, foreign financial markets, while generally growing in volume, have, for the most part, substantially less volume than U.S. markets, and securities of many foreign companies are less liquid and their prices more volatile than securities of comparable domestic companies.

Effective as of March 31, 2011

The fact that evidences of ownership of such financial instruments may be held outside the United States may subject the Adviser to additional risks, which include possible adverse political and economic developments, and the attendant risk of seizure or nationalization of foreign deposits, and possible adoption of governmental restrictions which might adversely affect payments on non-U.S. financial instruments or might restrict payments to investors located outside the country of the issuers, whether from currency blockage or otherwise. Custodial expenses for a portfolio of non-U.S. financial instruments generally are higher than for a portfolio of U.S. securities. This is particularly the case in the developing markets, where custodial and transaction charges generally are significantly higher than in the U.S. In addition, dividend and interest payments from, and capital gains in respect of, certain non-U.S. financial instruments may be subject to non-U.S. withholding or other taxes that may or may not be reclaimable.

With respect to any country, there is the possibility of nationalization, political changes, government regulation, social instability, or diplomatic developments (including war) which could affect adversely the economies of such countries or the value of the investments of the Adviser in those countries.

The economies of individual non-U.S. countries may also differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, volatility of currency exchange rates, depreciation, capital reinvestment, resources self-sufficiency, and balance of payments position.

Moreover, the economies of emerging market countries generally are heavily dependent upon international trade and, accordingly, have been, and may continue to be, adversely affected by the economic conditions, trade barriers, exchange controls, managed adjustments in relative currency values, and other protectionist measures imposed or negotiated by the countries with which they trade.

The Adviser intends to carefully analyze information with respect to political and economic environments before making investments, but no assurance can be given that the Master Fund's portfolio will not be adversely affected by these and similar events.

Securities Markets in Emerging Countries

Trading volume in securities markets of certain emerging countries is substantially less than that in developed countries, particularly the United States. Further, securities of some issuers in emerging countries are often less liquid and more volatile than securities of comparable U.S. issuers. The limited liquidity of the securities markets may thus affect the Master Fund's ability to dispose of securities at the price and time it wishes to do so. Costs associated with transactions in non-U.S. securities (including brokerage, execution, clearing and custodial costs) may be substantially higher than costs associated with transactions in U.S. securities. Such transactions also involve additional costs for the purchase or sale of currencies in which the Master Fund's investments are denominated in order to settle such transactions. Commissions for trading on stock exchanges in the emerging markets are also generally higher than commissions for trading on U.S. exchanges, although the Investment Manager intends to seek favorable net results on its portfolio transactions and may, in certain instances, be able to sell its investments on other stock exchanges where commissions are negotiable.

In addition to their smaller size, less liquidity and greater volatility, disclosure and regulatory standards in securities markets of emerging countries are in many respects less stringent than U.S. standards. Furthermore, there is a low level of monitoring and regulation of the markets and the activities of investors in such markets, and enforcement of existing regulations has been extremely limited. Consequently, the prices at which the Master Fund may sell its investments may be affected by other market participants' anticipation of the Master Fund's activities, by trading by persons with material non-public information, and by securities transactions by brokers in anticipation of transactions by the Master Fund in particular securities.

Securities exchanges in emerging countries are also subject to unexpected closure or disruption in regular trading activities. If this were to occur, the Master Fund would not be able to buy or sell securities on a timely basis on the affected exchange, and the value of investments held by the Master Fund and traded on that exchange could be adversely affected. In this case, the Adviser would attempt to trade on

another exchange; however, there can be no assurance that an alternate exchange will be available or that trading would take place at as favorable a price as the Master Fund would have received had it been able to trade on the primary exchange.

Sovereign Debt

The Master Fund may invest in sovereign debt instruments of emerging market countries. The issuers of sovereign debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due, and the Master Fund may have limited recourse in the event of a default. A sovereign debtor's willingness or ability to repay principal and pay interest in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange on the date a payment is due, the sovereign debtor's policy toward international lenders and the political constraints to which a sovereign debtor may be subject.

Investments in Unlisted Securities

Some of the Master Fund's investments may be in unlisted emerging market securities, including investments in new and early-stage issuers, which may involve a high degree of business and financial risk that can result in substantial losses. Because there is no trading market for unlisted securities, it may take longer to liquidate these positions than would be the case for publicly traded securities. In addition, issuers of securities that are not publicly traded may be subject to even fewer disclosure and other investor protection requirements than issuers of publicly traded securities.

Derivative Instruments

Derivative instruments, or "derivatives," include instruments and contracts that are based on, and are valued by reference to, one or more underlying securities, financial benchmarks, or indices. Derivatives typically allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark, or index at a fraction of the cost of acquiring, borrowing, or selling short the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives trading. However, there are a number of additional risks associated with derivatives trading.

Investments in Fixed-Income Securities

The Master Fund invests in fixed-income securities, including, without limitation: bonds, convertible bonds, notes and debentures issued by corporations, debt securities issued or guaranteed by local, regional, non-U.S. governments or agencies, supranationals or the U.S. Government or one of its agencies or instrumentalities, commercial paper, and "higher yielding" (and, therefore, higher risk) debt securities of the former categories. These securities may pay fixed, variable, or floating rates of interest, and may include zero coupon obligations. Fixed-income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (*i.e.*, credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (*i.e.*, market risk).

Availability of Investment Strategies

The success of the Master Fund's investment and trading activities depends on the ability of the Adviser to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in global financial markets, each of which involves a high degree of uncertainty. No assurance can be given that the Adviser will be able to identify suitable investment opportunities in which to deploy all of the Master Fund's capital. A reduction in overall market volatility and liquidity, as well as other marked factors, may reduce the pool of profitable investment opportunities for the Master Fund.

Certain of the investment strategies employed by the Master Fund are based on historical relationships among securities prices, derivative prices, exchange rates, interest rates and bond prices. There can be no assurance that these historical relationships will continue and no representation is made by the Adviser or Victoria GP as to what results the Master Fund will or is likely to achieve based on these trends and relationship.

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Quantitative Model Risks

The Adviser may employ quantitatively based financial and analytical models to aid in the selection of the investments for the Master Fund, to allocate investments across various strategies and to determine the risk profile of the Master Fund. The success of the investment and trading activities may depend on the viability of these analytical models. There can be no assurance that the models are currently viable, or if the models are currently viable, that they will remain viable during the life of the Master Fund. In addition, there can be no assurance that the investment professionals utilizing the models will be able to

- determine that any model is or will become not viable or not completely viable; or
- notice, predict, or adequately react to any change in the viability of a model.

The use of a model that is not viable or not completely viable could have a material adverse effect on the performance of the Master Fund.

There can be no assurance that the Adviser will be able to successfully implement the investment objective of its Advisory Clients. Accordingly, the past performance of the Adviser should be considered only as indicative of the Offshore Feeder Fund's objectives, and not as an indication of future results.

The success of the Master Fund depends in large part upon the skill and expertise of the Adviser. Although the Adviser believes that success is not dependent upon any one Adviser principal or employee there can be no assurance that any of the Adviser personnel will continue to be associated with the Adviser. Failure to recruit and retain such qualified, motivated, and talented Adviser personnel might have an adverse effect.

Risk Control Framework

The Adviser has implemented a risk control system to help the Master Fund manage its risk exposure. No risk control system is fail-safe and no assurance can be given that the Adviser's risk control frameworks will achieve their objectives. No assurance can be given that the Master Fund's risk management framework or pricing models will accurately predict future trading patterns or the manner in which investments are priced in financial markets in the futures.

Conflicts of Interest

There are certain inherent and potential conflicts of interest among the Adviser, its affiliated entities, its officers, directors, principals, employees and members. Employees, officers, directors, principals and members of the Adviser and its affiliated entities are not obligated to devote their full-time to the business of the Adviser but will devote such time as the Adviser, its affiliated entities deem necessary to carry out the operations effectively.

The Adviser and its respective affiliates and their employees, officers, directors, principals, and members may conduct any other business including with respect to securities. Certain of the employees, officers, directors, principals, and members of the Adviser and the general partner may acquire substantial investments in certain other investment vehicles managed by the Adviser and its affiliates and conflicts of interest may arise in allocating management time, services, or functions among such affiliates including ones in which the Adviser, its affiliates, employees, officers, directors, principals or members may have a greater financial interest.

Incentive fees may create an incentive for the Adviser to make more speculative investments for Advisory Clients than it would have made in the absence of such performance based compensation. In addition, the method of calculating the Adviser's incentive fee may result in conflicts of interest between the Adviser, its affiliated entities, and Advisory Clients.

Material nonpublic information – the Adviser or their respective members, officers, directors, employees, principals, or affiliates may come into possession of material non-public information. The possession of such information may limit the ability of the Master Fund to buy or sell a security or otherwise to participate in an investment opportunity.

Types of Investments

The Adviser is authorized to enter into any type of investment transaction that it deems appropriate for its Investors and/or Advisory Clients, pursuant to the terms of the applicable partnership or investment advisory agreement. The Adviser may offer investment advice on the following types of investments:

- Exchange rates and their derivatives
- Option contracts on securities
- Futures contracts
- Indices with debt, equity, or other financial instruments as their underlying components
- Corporate debt securities
- Equity securities, including exchange listed securities, securities traded over the counter, and foreign issues;
- U.S. government securities
- Limited partnership interests
- Private investment funds

The Adviser trades principally, but not solely, in debt and equity securities that are traded in non-U.S. and U.S. public markets. When deemed appropriate, the Adviser also invests in long or short positions in options, bonds, Treasury bills, convertible debt, preferred stock, swaps, including, but not limited to, interest rate swaps, variance swaps, volatility swaps, commodity swaps, credit default swaps, asset swaps, total return swaps, equity swap including baskets and emerging market swaps, variations on the foregoing and any other type of over-the-counter instrument, notes, bills, warrants, rights, futures, derivatives, non-U.S. currencies.

The Adviser may offer advice on the following: common stock, preferred stock or other equity securities; bonds, notes, and debentures of sovereigns, debt participants, trade claims, loans and other debt securities; futures contracts on financial products (including stock market indices, fixed income products and foreign swaptions and other “synthetic” or derivative instruments on financial products and non-financial commodities; listed and unlisted put and call options (including the writing of put and call options) of any and all type, including options on securities, market indices, fixed income products and currencies; commodities, commodity futures, forward and option contracts and other commodity interests; securities lending; cash equivalent investments under certain market conditions; and restricted securities subject to legal or contractual restrictions on resale or for which there is an inactive trading market.

The Adviser trades a wide variety of liquid and relatively illiquid instruments, including, but not limited to, sovereign bonds, credit default swaps, interest rate swaps, local fixed income instruments, U.S. and non-U.S. foreign exchange forwards, options, futures, and distressed debts. Although the Master Fund seeks to provide U.S. dollar denominated returns, the Master Fund will take exposure to both U.S. dollar and non-U.S. dollar denominated products.

The Master Fund applies the investment strategies in global markets and financial products.

The above categories are not intended to limit the ability of the Adviser to invest in other instruments that it believes will achieve an Advisory Client’s investment objective. The Adviser seeks to maintain maximum flexibility in the Master Fund’s portfolio by utilizing a variety of trading strategies and financial products. The offering documents of each Feeder Fund describes in greater detail the permissible investments of each of the Feeder Funds.

Please refer to Item 10 of this ADV Part 2 as well as the offering documents for each of the Feeder Funds for additional information.

Item 9 – Disciplinary Information

QFR is not currently aware of any material proceedings or similar matters against the Adviser, its affiliated entities, or any of its principals.

While QFR does not believe this to be material, recently a complaint was filed against a number of individuals who had previously acted as an officer and/or director for either or both Trinsum Group, Inc. and Marakon Associates, Inc., including one of the principals of QFR, in his individual capacity.

This principal is vigorously defending the action and believes the claims against him are meritless. In any event, neither the Complaint nor any of the claims asserted therein are expected to have any material impact on the business or operations of QFR.

Item 10 – Other Financial Industry Activities and Affiliations

Mr. Daza, in his individual capacity, serves as Director for Moneda Asset Management S.A. AFI, a Chilean private company. The Adviser does not provide advisory services to this company and none of the Adviser's current Advisory Clients nor the Investors in the Feeder Funds will be offered the services and/or products of this company. This relationship is not considered to be material to QFR's advisory business or to Advisory Clients.

Mr. Daza is the managing member of each of Victoria GP and QFR Capital.

QFR is not registered with and does not have an application pending as a securities broker-dealer, futures commission merchant, or commodity pool operator. The Adviser currently relies on an exemption from registering with the U.S. Commodity Futures Trading Commission ("CFTC") as a commodity trading advisor.

QFR and its principals do not have any arrangements that are material to its advisory business with a related person that is a broker-dealer, investment company, other investment adviser, financial planning firm, commodity pool operator, commodity trading advisor, futures commission merchant, bank or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, or real estate broker or dealer.

Item 11 – Code of Ethics

The Adviser has adopted a Code of Ethics (the “Code”) pursuant to Rule 204A-1 of the Investment Advisers Act of 1940, as amended describing the Adviser's high standard of business conduct, and the fiduciary duty the Adviser and its supervised persons owe its Advisory Clients and Investors. The Code includes provisions, that, among other things,

- require compliance with federal securities laws,
- reflect QFR's fiduciary responsibilities and those of its advisory personnel,
- protect the confidentiality of client information,
- prohibit insider trading,
- restrict the acceptance of significant gifts
- mandate the reporting of certain gifts and business entertainment items, and
- set protocols for personal securities trading by employees.

Each supervised person has reviewed the Code and has signed an acknowledgement of receipt of the Code. The Code is supplemented with annual training and on-going monitoring of supervised persons' activity.

Subject to satisfying the Code and applicable laws, officers and employees of the Adviser and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for the Adviser's Advisory Clients. The Code is designed to allow employees to invest in their own accounts while assuring that the personal securities transactions, activities, and interests of the employees of the Adviser will not interfere with

- making decisions in the best interests of Advisory Clients and
- implementing such decisions.

Under the Code, transactions in certain types of securities have been designated as exempt from the Code's restrictions, based upon a determination that transactions in these types of securities would not interfere with the best interests of the Advisory Clients. In addition, the Code requires pre-clearance of many transactions and restricts the timing of securities trading for employees to avoid a conflict with trading on behalf of Advisory Clients.

Employees, officers, principals and members of the Adviser may purchase and sell financial instruments for their personal accounts that the Adviser recommends to Advisory Clients. This may create a conflict of interests. It is possible that an employee might benefit from market activity of an Advisory Client in a security held by that employee. Personal trading by employees is monitored continually under the Code to detect, prevent, and address such conflicts of interest. It is the policy of the Adviser that no person associated with the Adviser shall place his or her interests ahead of those of an Advisory Client.

Further, certain employees, officers, principals, affiliates and partners of the Adviser may participate as a shareholder in the investments of the Offshore Feeder Fund or through a direct investment in the General Partner. Through this participation, the employees, officers, affiliates, principals, and partners of the Adviser have a financial interest in the financial products recommended to the Offshore Feeder Fund. Conflicts of interest may arise from the participation of the employees, officers, affiliates, principals and partners of the Adviser who hold interests in the Offshore Feeder Funds.

The Adviser and its affiliated entities may be the general partner of private funds managed by the Adviser and may, from time-to-time, purchase general partnership interests or redeem all or part of its general partnership interest. Such purchases and redemptions are subject to restrictions disclosed in the limited partnership agreement.

Employees, officers, directors, principals and members of the Adviser may acquire substantial investments in the Offshore Feeder Fund, and when active, the Domestic Feeder Fund. Through this ownership, such associated persons will have a financial interest in the financial instruments the Adviser recommends to the Master Fund, Offshore Feeder Fund, and Domestic Feeder Fund. From time-to-time,

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these employees, officers, directors, principals and members of the Adviser may increase or decrease these ownership interests in the Offshore Feeder Fund or, when active, the Domestic Feeder Fund.

Conflicts of interest might arise from the right to increase or decrease these ownership interests in the Feeder Funds. These conflicts of interest are mitigated by the limitations on the purchase and redemption of these interests which are the same limitations to which all Investors are subject. The limitations on purchase and redemptions of interest in the Feeder Funds is provided in detail in each of the Feeder Fund's offering documents.

Current and prospective Advisory Clients and Investors may receive a copy of the Adviser's Code of Ethics upon receipt by contacting the CCO at NKelly@QFRCapital.com.

Item 12 – Brokerage Practices

Brokerage Discretion

Generally, under an investment advisory agreement with its Advisory Clients, the Adviser has broad authority to: (i) select trading counterparties; (ii) negotiate commissions with those trading counterparties; and (iii) has a fiduciary duty to achieve best execution when it places trades with trading counterparties on behalf of its Advisory Clients.

The Adviser will seek best execution for any given Advisory Client trade so that the Adviser Client's total costs or proceeds in the transaction are the most favorable under the circumstances.

Using the factors below, the Adviser will create and maintain a list of trading counterparties approved to execute Advisory Client trades.

Amongst other considerations, the Adviser will consider the following factors when placing a trade for an Advisory Client with a particular trading counterparty:

- The executing counterparty's expertise in providing timely execution services for the products traded by the Adviser;
- The ability of the executing counterparty to execute transactions of size in both liquid and illiquid markets at competitive prices without disrupting the market for the financial instrument traded;
- The ability of the executing counterparty to maintain the confidentiality of all proprietary position information provided;
- The executing counterparty's fees;
- The range of services offered by the executing counterparty, including the range of markets and products covered;
- The quality and timeliness of market information provided by the executing counterparty;
- The executing counterparty's financial responsibility; and
- The executing counterparty's credit worthiness.

For counterparties to derivative transactions, the following factors will also be taken into consideration:

- The range of derivative products offered by the counterparty;
- The operational expertise of the counterparty in providing confirmation, documentation, timely settlement and ongoing operational support for derivative products;
- The terms and appropriate documentation of the derivative transaction products offered by the counterparty;
- The counterparty's financial responsibility;
- The availability of the particular derivative product; and
- The counterparty's credit worthiness.

The Adviser will continually monitor and evaluate trading counterparty's execution performance.

Certain counterparties through whom QFR executes trades may provide unsolicited proprietary research (research created or developed by the broker) to us. This research is used for all Advisory Client accounts. This research may include a wide variety of reports, charts, publications, or proprietary data on economic and political strategy, credit analysis, or stock and bond market conditions and projections. In addition to unsolicited research, certain counterparties may provide invitations to attend conferences and meetings with management representatives of issuers or with other analysts and specialists.

QFR does not have any commitments or understandings to trade with specific brokers or trading counterparties or to generate a specified level of business with a particular broker or trading counterparty in order to receive brokerage or research services. The receipt of such research does create a possible conflict of interest of which Advisory Clients and Investors should be aware when assessing the Adviser's recommendation.

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Aggregating Securities Orders

It is the Adviser's policy to aggregate (or bunch) orders of two or more Advisory Clients to achieve better trade execution, provided the aggregation of the orders is fair and equitable to all Advisory Clients participating in the bunched trade. These bunched or block trades can result in lower transaction costs than if the Adviser placed multiple single orders. If used, this process is intended to improve the efficiency of trade placement. However, such a process may not necessarily result in better prices and may in fact result in inferior prices and/or failure to obtain executions in the desired volume.

The Adviser, in no case, will aggregate an Advisory Client's trade with another if any Advisory Client's trade will not be made on a best execution basis.

Currently, due to the number of Advisory Clients, trade aggregation is not applicable.

Trade Allocation

The Adviser will allocate an order for more than one Advisory Client fairly and equitably. The Adviser will place an order for two or more Advisory Clients for the same security or financial instrument in accordance with its trade aggregation procedures. The Adviser, in advance of placing an aggregated order, will:

- Designate the proportion of the aggregated order to be allocated to each specific Advisory Client account; or
- Make a pro rata allocation of the security or financial instrument to each Advisory Client account based upon account size or other determining factor.

The Adviser may make exceptions to its trade allocation procedures only if all Advisory Clients receive fair treatment.

Trade Error

The Adviser attempts to detect all trade errors, and when an error is discovered, the Adviser will take steps to rectify the error so that the Advisory Client account is corrected. The Adviser will employ procedures reasonably designed to detect trade errors, and when an error is detected, to rectify the error in an Advisory Client's account.

When an associated person of the Adviser discovers a trade error, the Adviser requires that the error be immediately reported to the CIO; that the CIO determine any actions to be taken; and that the associated person that executed the trade error prepare a written report detailing the circumstances of the error and deliver the report to the CIO and CCO. The Adviser will maintain a file documenting the occurrence and correction of trade errors which will be periodically reviewed to verify that trade errors were corrected fairly and promptly and to determine if procedures to reduce the frequency of trade errors should be implemented. For the avoidance of doubt, the Adviser will not be liable for trade errors that may result from ordinary negligence, such as errors in the investment-decision making process or in the trade process.

Agency Cross Transactions

It is the Firm's policy when purchasing a security for an Advisory Client from the account of another Advisory Client, for purposes of rebalancing investments or any other purpose, to determine independently for each Advisory Client that such purchase or sale would be appropriate based upon the Advisory Client's investment/risk parameters, assets under management, liquidity and asset exposure. In the event that such a transaction between Advisory Clients has occurred, the Firm will disclose the transaction to the Advisory Clients involved in the transaction (although it may be done after the fact.)

Item 13 – Review of Accounts

The Adviser reviews the investment portfolios of Advisory Clients and monitors the risks associated with these portfolios on a daily basis. Additionally, specific individuals within the investment team have daily responsibility for monitoring certain asset classes and sectors within the Advisory Clients' portfolios.

QFR's Chief Investment Officer ("CIO"), Jose Luis Daza, jointly with the rest of the investment team, reviews all accounts managed by QFR on an ongoing basis. The reviews focus on consistency of portfolio investments with objectives and risk tolerances. Asset allocation, cash management, market prospects are all considered. Account reviews may also be triggered by potential changes in economic and market conditions, company news, interest rate movement as well as other factors.

Mr. Daza is responsible for managing the portfolio, along with the other portfolio managers. Generally, the decisions are collective among the CIO and the portfolio managers; however, the CIO makes the ultimate decision.

Generally, the Adviser provides existing Investors with the following communications and written reports:

- Investor letter – monthly
- Mid-month estimate – monthly
- Preliminary month-end estimate – generally on the second business day of the month
- Risk report – monthly
- Year-end audited consolidated financial statements of QFR Victoria Fund, Ltd. and subsidiaries
- Amended annual updated Form ADV Part 2
- Annual privacy policy notice
- Monthly investor call
- Updated due diligence questionnaire – quarterly
- PFIC statement annually (if applicable)

BNP, the Fund's third-party administrator, prepares, provides, and distributes a monthly account statement to Investors.

Item 14 – Client Referrals and Other Compensation

The Adviser currently does not engage any third parties for client referrals and/or marketing services. The Adviser continues to compensate third parties for past services.

Item 15 – Custody

QFR does not maintain physical possession of Advisory Client's or Investor's funds or securities. Advisory Client and Investor funds and/or securities are maintained with unaffiliated qualified custodians (the Master Fund or Feeder Fund's banks, prime brokers) and trading counterparties. The Administrator maintains the register of Investors and subscription documentations as well as distributes monthly account statements to Investors in the Funds.

QFR is deemed to have custody since an affiliate of the Adviser is a managing member, general partner or such other capacity whereby giving such affiliate access to Advisory Client funds and/or securities.

The Offshore Feeder Fund and its subsidiaries are audited on an annual basis by Rothstein, Kass & Company, P.C. Investors in the Offshore Feeder Fund are sent copies of the audited financial statements.

Item 16 – Investment Discretion

The Adviser usually receives discretionary authority from Advisory Client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, the Adviser observes the investment policies, limitations and restrictions of the clients for which it advises.

Generally, under an investment advisory agreement or investment management agreement with its Advisory Clients, the Adviser is granted broad authority to determine the type and amount of financial products to be bought and sold for an Advisory Client account.

It is the Adviser's policy to obtain each Advisory Client's investment objectives and restrictions in writing and continuously review each Advisory Client's investments for consistency with that Advisory Client's investment objectives and restrictions.

Item 17 – Voting Client Securities

The Adviser accepts authority to vote securities held by its Advisory Clients. It is the policy of the Adviser when exercising voting rights to do so on behalf of Advisory Clients in the interest of maximizing Advisory Client investor value. To that end, the Adviser will vote in a way that it believes, consistent with its fiduciary duty, will, over time, cause the value of the investment to increase the most or decline the least. Consideration will be given to both the short and long-term implications of the proposal to be voted on when considering the optimal vote. The Adviser has in place voting procedures designed to enable it to resolve material conflicts of interest that may arise between the Adviser, its Advisory Clients, and its Investors before exercising voting rights.

Advisory Clients, including, as appropriate, their boards of directors or trustees, may obtain information about how the Adviser has exercised voting rights with respect to assets held by such Advisory Clients by request to the Adviser. It is the Adviser's policy not to reveal or disclose to any Investor how the Adviser may have voted (or intends to vote) on a particular matter. The Adviser will never disclose such information to unrelated third parties unless doing so would be in the Advisory Client's best interest.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the Adviser's financial condition. The Adviser has no financial commitment that would impair its ability to meet contractual and fiduciary commitments to Advisory Clients, and has not been the subject of a bankruptcy proceeding.