

Item 1 – Cover Page

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This Brochure provides information about the qualifications, business practices and nature of advisory services of V2 Capital, LLC (hereinafter “V2 Capital” or “the Firm”). If you have any questions about the contents of this Brochure, please contact us at (847) 201-3620 and/or [info@v2capital.com](mailto:info@v2capital.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

V2 Capital is an SEC registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about V2 Capital also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 2011 is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

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

Currently, our Brochure may be requested by contacting Brett J. Novosel, CFA (Managing Director) at (847) 724-3673 or [brett@v2capital.com](mailto:brett@v2capital.com).

Additional information about V2 Capital is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with V2 Capital who are registered, or are required to be registered, as investment adviser representatives of V2 Capital.

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## **Item 4 – Advisory Business**

V2 Capital, LLC (“V2 Capital”, or “The Firm”), a Delaware limited liability company, is an SEC registered investment advisor.

V2 Capital was founded in 2004 and is solely owned by Victor Viner.

The services provided by V2 Capital are described in the following pages.

### **Advisory Accounts**

V2 Capital offers personalized investment advisory services to individuals and family offices. These services include the management of equity derivative overlay and exit strategies for its advisory clients with concentrated equity holdings. These strategies are actively managed and tailored to the needs and objectives of each client. Individual clients discuss their investment goals and any restrictions with V2 Capital. V2 Capital and the client agree to the level of risk acceptable to the client before any program begins.

V2 Capital also advises advisory clients on investments in private trading funds. These funds can have a variety of trading strategies and may utilize a variety of asset classes. The trading funds are not related to or affiliated with V2 Capital.

### **Separately Managed Accounts**

V2 Capital also advises clients that participate in our Separately Managed Accounts (“SMAs”) strategies. V2 Capital offers the following SMA strategy:

The **V2 Capital CORES™ Dividend Portfolio** incorporates selling index call options to increase the yield on holdings of select dividend paying S&P 500 stocks. The portfolio's investment objective is to provide a total risk adjusted return greater than the benchmark index. The portfolio also seeks to provide a high level of current income through dividends as well as premiums received from the sale of index call options. Clients have the ability to impose restrictions on certain elements of the trading portfolio. Such restrictions are discussed and agreed to in writing prior to any trading.

V2 Capital does not participate in, or manage any wrap fee programs or accounts.

All client accounts are managed on a discretionary basis, using a limited trading authorization agreement which each client signs and approves when an account is opened or an Advisory program is initiated.

As of March 10th, 2011 V2 Capital had a total of \$232,600,000 of assets under management on a discretionary basis. V2 Capital has no non-discretionary basis accounts under management.

## **Item 5 – Fees and Compensation**

**V2 Capital Advisory Account Fees:** V2 Capital's annual standard fee is 0.75% of the assets under management. While it is the general policy of V2 Capital to assess fees to clients in accordance with the fee in effect at the time of the charge, such fees are negotiable. V2 Capital believes that its fees are reasonable in view of the services it provides, however, services similarly described may be available for lower fees from other sources. Additionally, V2 Capital may agree to alternative fee arrangements for specific clients depending on the extent and cost of the services provided to such clients. Factors considered by V2 Capital in negotiating fees may include: the amount of assets under management ("AUM"); the type of AUM; prior relationships with V2 Capital and/or its employees; and the amount of administrative services that will be provided to the client. However, a client's investment advisory agreement with V2 Capital will explicitly indicate the agreed upon fee and will ultimately control any conflict between the preceding statement and the standard fee.

Fees are generally billed to the client, in advance, either monthly or quarterly (the "accounting period") based on the market value of the underlying securities on the last trading day prior to the beginning of the accounting period. Fees are prorated based on the number of days within an accounting period that an account was open. In the event of termination, investment advisory fees are prorated to the date of termination and, to the extent that fees have been paid for periods beyond the termination date, the fees will be refunded on a prorated basis.

V2 Capital may charge a Fixed Fee instead of percentage of assets under management fee. On a client-by-client basis, the V2 Capital and client may negotiate a Fixed Fee billed either monthly or quarterly. The amount of the Fixed Fee will vary depending on the type of advisory services requested and the size of the client's portfolio. Fees are negotiated from time to time based on size of account, related accounts, and length of relationship. V2 Capital will not accept prepayment of fees in excess of \$500 per client and more than six months in advance.

**V2 Capital SMA Management Fees:** Management fees for the SMA portfolio are generally deducted directly from client assets, monthly in arrears, based on the average daily value of the Client Account. V2 Capital's annual standard fee is 1.50% of the assets under management.

V2 Capital reserves the right to negotiate all management fees, and the above SMA portfolio may be offered at a reduced fee at V2 Capital's discretion. Factors considered by V2 Capital in negotiating fees may include: the amount of AUM; the type of AUM; prior relationships with V2 Capital and/or its employees; and the amount of administrative services that will be provided to the client. However, a client's investment advisory agreement with V2 Capital will explicitly indicate the agreed upon fee and will ultimately control any conflict between the preceding statement and the standard fee.

**SMA Account Termination Procedures:** Generally, either party may terminate the investment management agreement by giving at least ten (10) days' notice in writing to the other. Upon termination, all securities will be liquidated unless otherwise requested in writing and signed by client. Upon termination of any account(s) under the agreement, client shall be responsible for any commissions, redemption, or other fees assessed by custodian.

Management fees will be collected until V2 Capital receives written notice from client to terminate the account and has a reasonable amount of time to act on the instructions. Should the account value drop to a level that V2 Capital is not able to manage efficiently, V2 Capital will notify the client in writing to deposit funds within 3 days. If the account is not adequately funded within the specified time frame, V2 Capital may liquidate and close the account. The account proceeds will be mailed to the address of record and client will be responsible for any tax liabilities incurred.

V2 Capital's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to V2 Capital's fee, and V2 Capital shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that V2 Capital considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.* commissions).

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

V2 Capital does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

V2 Capital has clients in the following categories: family offices, high net worth individuals, limited liability companies, and corporations. We expect this will expand to include pension funds and endowments in the future.

### **Conditions for Managing Advisory Accounts**

V2 Capital generally requires a minimum of \$20,000,000 to open and maintain an advisory account (e.g. management of equity derivative overlay and exit strategies). V2 Capital may waive this requirement in its discretion if, for example, the client appears to have significant potential for increasing its assets under management.

### **Conditions for Managing Separately Managed Accounts**

V2 Capital generally requires a minimum of \$5,000,000 to open and maintain a CORES™ Dividend Portfolio account. V2 Capital may waive this requirement in its discretion.

V2 Capital reserves the right to accept accounts below the minimum requirements, or to retain accounts that have dropped below a minimum requirement due to market fluctuation or investment activity. Accounts that have a family, corporate or other relationship may be aggregated for the purposes of these minimums.

Clients of V2 Capital's SMA Program must sign an investment advisory agreement with V2 Capital and the applicable paperwork with the underlying custodian. V2 Capital currently uses Pershing Advisor Solutions, LLC as custodian for its SMA Program.



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

### **Advisory Accounts**

V2 Capital's management of equity derivative overlay and exit strategies are intended for clients with concentrated equity holdings. These programs are specifically designed and actively managed to meet the needs and objectives of each client. V2's discretionary management begins once a strategy or strategies have been identified and agreed upon by V2 and the client.

Most advisory client strategies employ equity over-the-counter ("OTC") derivatives and listed equity options. As an example, typical yield enhancement strategies involve the sale of equity call options on underlying equity securities already owned by a client. Exit strategies can combine the purchase and sale of different equity derivative contracts based on the needs and goals of the strategy.

These strategies utilize quantitative and statistical analysis. These methods include generating and analyzing probability distributions, correlation analysis, statistical regression, and time-series analysis. These methods are focused on equity security prices as well as the volatility of equity security prices, both historical and that implied by exchange traded option contracts. The main sources of information used as part of these analyses, historical and current stock price as well as option price information, are Bloomberg and the World Wide Web.

From time to time, V2 Capital may also utilize fundamental analysis and technical analysis of underlying equity securities in the management of equity derivative overlay and exit strategies.

V2 Capital's yield enhancement and exit strategies, like all investment programs, have certain risks that are borne by the investor. Clients typically maintain ownership of the underlying equity securities during these strategies. Although the strategies may provide some downside protection, the client is still exposed to the risks of owning equity securities, such as the market risk and business risk, both industry specific and issuer specific, and general economic risk. Clients should be prepared to bear these risks of loss. In addition, as part of some strategies, clients bear option exercise risk and may be required to deliver some or all of the equity shares committed to a program or strategy. Furthermore, yield enhancement and exit strategies do not guarantee clients that they will be able to achieve the intended results. Yield enhancement strategies, which incorporate the sale of call options, limit the opportunity to profit from an increase in the market value of the underlying equity security. Also, the performance of the underlying equity security

can potentially prevent a given strategy from achieving its stated goal (e.g. target exit price, target yield enhancement). Unusual market conditions or the lack of a ready market for any particular option at a specific time may reduce the effectiveness of a strategy.

Moreover, OTC derivatives are private party contracts and as a result, clients can be exposed to counterparty risk (i.e. the risk that the counterparty will not live up to its contractual obligations). V2 Capital attempts to mitigate this risk by only working with major financial institutions for OTC derivatives. Also, the terms of an OTC derivative contract may limit a client's ability to modify or terminate the agreement. A client may only be able to modify or terminate the contract by mutual consent of the parties. Accordingly, a client may not be able to modify, terminate or offset its obligation prior to its scheduled termination date. Participants in the OTC markets are not required to make continuous markets in the contracts that they trade. There is no guarantee V2 Capital could reverse, at a favorable price, an OTC transaction for a client.

Yield enhancement and exit strategies typically focus on short term options and derivatives of 30-90 day duration. The shorter duration will increase the frequency of trading required relative to longer duration options and derivatives. This will increase transaction costs (e.g. commissions paid) of a strategy. However, V2 Capital believes that the benefit to the client of the shorter duration options and derivatives used by a strategy will outweigh any increase in costs.

### **V2 Capital CORES™ Dividend Portfolio**

In the management of the equity securities held by (or considered for) the V2 Capital CORES™ Dividend Portfolio, V2 Capital will utilize quantitative and fundamental analysis which incorporates information from a variety of sources. The sources include, but are not limited to: financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, annual reports, filings with the SEC, and company press releases. Additional sources of information that V2 Capital may use include are Bloomberg, Thomson Reuters' Starmine, and the World Wide Web.

The options written for the CORES™ Portfolio utilize the same analysis described above for the equity derivative overlay and exit strategies.

V2 Capital's CORES™ Dividend Portfolio incorporates selling index call options to increase the yield on holdings which consist of select dividend paying S&P 500 stocks. The combination of the stock portfolio, the cash flow from dividends and the sale of index call

options is intended to provide the Portfolio with the majority of the returns associated with equity market investments while exposing investors to less risk (defined as volatility) than other equity investments. The Portfolio also seeks to provide current income through dividends as well as premiums received from the sale of index call options.

V2 Capital utilizes a disciplined, proprietary, rules-based methodology when building and maintaining the CORES™ Dividend Portfolio. The selection criteria for the portfolio equity holdings focus on, but are not limited to, dividend yield, dividend security, dividend policy, market capitalization, sector diversification, correlation with the S&P 500, and overall portfolio risk management.

The Portfolio typically invests in companies with medium or large market capitalizations. Equity securities purchased by for the Portfolio may include U.S.-exchange-listed common stocks, American Depositary Receipts (ADRs), and interests in real estate investment trusts (REITs).

In addition, as part of the CORES™ Dividend Portfolio, V2 Capital systematically sells customized exchange traded (FLEX) and listed S&P 500 index call options to generate portfolio income. The premium received from selling options “enhances” the overall portfolio yield, provides some downside protection, and helps to dampen the volatility of returns. The Portfolio exclusively focuses on selling short-dated (typically 30-65 days to expiration), exchange traded S&P 500 index options. These options are diversified across strike prices as well as maturity dates. These shorter duration options will increase the frequency of trading required relative to longer duration options. This will increase transaction costs of the portfolio (e.g. commissions paid). However, V2 Capital believes that the benefit to the client of the shorter duration options and derivatives used by the portfolio will outweigh any increase in costs.

The CORES™ Portfolio not only strives for the majority of the returns associated with equity market investments, but also returns in excess of those available from other investments comparable in volatility. With its core investment in equities, the Portfolio is significantly less vulnerable to fluctuations in value caused by interest rate volatility, a risk factor present in both fixed income investments and “hybrid investments” (blends of equity and short-term fixed income). The Portfolio intends that its index option-based strategy will limit the volatility inherent in equities while sacrificing less of the higher equity returns than hybrid investments.

All investment programs have certain risks that are borne by the investor. Investing in equity securities, as with the V2 Capital CORES™ Dividend Portfolio, involves risk of loss that clients should be prepared to bear. The principal risks of investing in the Portfolio are summarized below. The Portfolio does not represent a complete investment program. Clients may lose money by investing in the Portfolio.

*Correlation Risk:* The effectiveness of the CORES™ Portfolio's index option-based yield enhancement strategy may be reduced if the performance of the Portfolio's equity portfolio does not correlate to that of the index underlying its option positions.

*Equity Securities Risk:* The value of the Portfolio's investments in equity securities could be subject to unpredictable declines in the value of individual securities and periods of below-average performance in individual securities or in the equity market as a whole. Equity Securities may include common stocks, preferred stocks, warrants, securities convertible into common and preferred stocks and other equity-like interests in an entity. In the event an issuer is liquidated or declares bankruptcy, the claims of owners of the issuer's bonds and preferred stock generally take precedence over the claims of those who own common stock. Mid-capitalization companies may be subject to more abrupt price movements, limited markets and less liquidity than larger, more established companies, which could adversely affect the value of the Portfolio.

*Management Risk:* A strategy used by the Portfolio's managers may fail to produce the intended result.

*Market Risk:* The market value of a security will move up and down, sometimes rapidly and unpredictably, based upon a change in an issuer's financial condition, as well as overall market and economic conditions.

*Options Risk:* The value of the Portfolio's positions in index options could fluctuate in response to changes in the value of the underlying index. Writing index call options can reduce the volatility of returns associated with owning stocks, but it limits the opportunity to profit from an increase in the market value of stocks in exchange for up-front cash at the time of selling the call option. Unusual market conditions or the lack of a ready market for any particular option at a specific time may reduce the effectiveness of the Portfolio's option strategies, and for these and other reasons the Portfolio's option strategies may not reduce the Portfolio's volatility to the extent desired.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of V2 Capital or the integrity of V2 Capital's management. V2 Capital and its management have no legal or disciplinary events to report.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Neither V2 Capital nor its management is registered as a broker-dealer, nor do they have any applications pending to register as a broker-dealer or as representative of a broker-dealer.

Neither V2 Capital nor its management is registered as a futures commission merchant, nor do they have any applications pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of the foregoing entities.

When V2 Capital does offer advice to Advisory clients on investments in private trading funds, we do not receive any compensation from the private trading fund.

V2 Capital has no other financial industry activities and affiliations.

## **Item 11 – Code of Ethics**

V2 Capital has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at V2 Capital must acknowledge the terms of the Code of Ethics annually, or as amended.

In their personal investment activities, all officers, directors and staff of V2 Capital are directed to place the interests of clients before their own personal interests. All personal securities transactions must be conducted consistent with the Code and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust or responsibility. No one affiliated with V2 Capital may take advantage of his or her position. All persons abiding by the Code must seek to comply with federal securities laws to the best of their ability.

Generally, V2 Capital personnel may not effect transactions in securities for their own account, or for accounts in which they have an interest or control if such securities are simultaneously contemplated for purchase or sale for a client account or are the subject of an unexecuted order for a client account. In addition, V2 personnel may not purchase and sell the same security for a gain within any 30-day period.

Limitations also exist on V2 Capital personnel's ability to participate in initial public offerings and private placements. All personnel are required to have duplicate copies of confirmations or statements with respect to every brokerage account they have sent to V2 Capital in order to monitor compliance with V2 Capital's personal trading policies and restrictions. Personnel must report all personal securities transactions no less than quarterly. V2 Capital's policies and procedures with respect to employees' personal trading in securities in which V2 Capital invests on behalf of its clients are consistent with the requirements of V2 Capital's Code of Ethics.

V2 Capital's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Brett J. Novosel, CFA (Managing Director) at (847) 724-3673 or [brett@v2capital.com](mailto:brett@v2capital.com).

It is V2 Capital's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. V2 Capital will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated fund or portfolio and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

V2 Capital does not direct commissions to broker-dealers in return for soft dollar benefits.

### **Brokerage for Client Referrals.**

V2 Capital does not consider referrals when we select or recommend broker-dealers to clients.

### **Advisory Account Suggestion of Brokers**

For Advisory client accounts, V2 Capital will select or recommend brokerage firms. Such selections or recommendations will take into account a number of factors, some of which may include: custodial fees charged by the broker for holding securities for the client, commission rates, quality of execution, record keeping, reporting capabilities, and financial stability/condition of broker, among others. V2 Capital reviews its choices of broker regularly to ensure it is meeting its best execution obligations. When selecting a broker, V2 Capital will attempt to minimize the total cost for all brokerage services while maintaining quality of execution and service.

V2 Capital does not recommend, request, or require that Advisory clients direct brokerage.

Under certain circumstances, such as a pre-existing brokerage relationship, V2 Capital does permit Advisory clients to direct brokerage. However, this may prevent V2 Capital from achieving the most favorable execution for the client. As a result, this can cost the client more money than if they had selected the V2 Capital recommendation.

### **CORES™ Dividend Portfolio Account Suggestion of Brokers**

V2 Capital recommends CORES™ Dividend Portfolio clients that do not have a custodial relationship with a bank to custody their account with Pershing Advisor Solutions (“PAS”). We do not receive compensation from PAS for accounts our clients open with them.

V2 Capital does not recommend, request, or require that Advisory clients direct brokerage.

Under certain circumstances, such as a pre-existing relationship, V2 Capital does permit CORES™ Dividend Portfolio investors to direct brokerage. However, V2 Capital may not be able to achieve the most favorable execution of these client transactions. Consequently, this may cost clients money and limit our ability to maximize our clients’ investment performance. PAS is our recommended broker for clients without a bank custodian

relationship because of their low commission structure, effective trade execution platform and the ability to aggregate client trades, which leads to a decrease in potential dispersion of returns amongst accounts.

With regard to FLEX option trading for CORES™ Dividend Portfolio accounts, V2 Capital has the authority to select, without specific client consent, broker-dealers and the commission rates to be paid. The primary consideration in placing portfolio FLEX option transactions with broker-dealers is to seek the best execution of orders. The determination of what constitutes best execution in a equity derivative securities transaction involves a number of judgmental considerations, including the overall direct net economic result to a client (involving both price paid or received, any commissions and other costs), and the efficiency with which a transaction is affected.

### **Trade Aggregation/Allocation**

V2 Capital may purchase the same individual security for multiple CORES™ Dividend Portfolio SMAs. V2 Capital generally aggregates multiple orders for the purchase or sale of the same security in order to take advantage of any resulting economies of scale ("bunched order"). As a general rule, securities purchased in a bunched order are allocated based on the desired target weighting of the security in the account. As a general matter, targeted weightings are based on account AUM and are determined prior to submitting an order to the trading desk. Bunched orders executed at varying prices during the trading day are generally allocated to each account participating in the bunched order at an average price. Notwithstanding the foregoing, V2 Capital is not obligated to place the same security in all managed accounts with a similar investment objective. V2 Capital may determine not to buy a particular security for an account based on the unique circumstances of each account, including, without limitation, cash availability, desired position size, the account's investment policies and restrictions or tax considerations.

### **Item 13 – Review of Accounts**

The client Advisory accounts (e.g. management of equity derivative overlay and exit strategies) are monitored at least weekly. All reviews are conducted by Michael R. Holleb (Chief Financial Officer/Chief Compliance Officer), Brett J. Novosel, CFA (Managing Director/Portfolio Manager), Victor P. Viner (Chief Executive Officer) or another qualified representative of the Firm. V2 Capital engages in a review of Advisory accounts under management, including a daily review by senior officer(s) of the prior day's trading activity. On a day-to-day basis, accounts may be reviewed as necessitated by account or security specific needs. In the event of developments that V2 Capital believes make a review of



client accounts desirable, a review will be made to determine if investment changes are warranted to assure conformity with the account's investment guidelines and such client's investment objectives.

All CORES™ Dividend Portfolio accounts are managed in accordance with the portfolio's investment objectives and restrictions. The day-to-day management of the portfolio is system-based and continuously monitored by Michael R. Holleb (Chief Financial Officer/Chief Compliance Officer), Brett J. Novosel, CFA (Managing Director/Portfolio Manager), or Victor P. Viner (Chief Executive Officer). Investment decisions are subject to adherence with our investment guidelines.

### **Reports to Clients**

V2 Capital Advisory clients are furnished directly with a weekly statement containing a detailed schedule of investments and summary of the transactions effected during the week. Client's are also provided a detailed summary after any trade is executed.

Not less than quarterly, V2 Capital sends all CORES™ Dividend Portfolio clients portfolio updates/market reports and other correspondence designed to keep them fully apprised of V2 Capital's investment decisions and strategies. These include performance and fee summaries.

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

V2 Capital does not pay for, or provide any other forms of compensation for client referrals.

### **Item 15 – *Custody***

V2 Capital has authority to debit fees directly from client CORES™ Dividend Portfolio accounts. For this reason only, we are deemed to have custody of client funds. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. V2 Capital urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures (e.g. accrual of dividends as of ex-dividend date), reporting dates, or valuation methodologies of certain securities. CORES™ Dividend Portfolio clients receive a detailed statement from the account custodian reflecting current

portfolio holdings and balances as well as transactions made within their accounts not less than quarterly. The account custodian provides V2 Capital clients with all required year-end tax information.

## **Item 16 – Investment Discretion**

V2 Capital receives discretionary authority from the client through a signed Investment Advisory Agreement, at the outset of an Advisory or SMA 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, V2 Capital observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to V2 Capital in writing.

## **Item 17 – Voting *Client* Securities**

Clients may obtain a copy of V2 Capital's complete proxy voting policies and procedures as well as information about how V2 Capital voted any proxies on behalf of their account(s) by contacting Brett J. Novosel, CFA (Managing Director) at (847) 724-3673 or [brett@v2capital.com](mailto:brett@v2capital.com).

V2 Capital does not accept authority to vote proxies for clients participating in its Advisory Accounts strategies. V2 Capital will not be required to take any action or render any advice with respect to voting proxies solicited by, or with respect to, the issuers of securities in which Advisory client assets may be invested. V2 Capital will not offer advice regarding corporate action and the exercise of proxy voting rights.

Clients invested in the CORES™ Dividend Portfolio give V2 Capital authority to vote proxies. Clients can request in writing the right to vote such proxies at Client's discretion. In the absence of such request, V2 Capital shall vote proxies for securities held by the Portfolio. In the event V2 Capital has been given the right to vote proxies, V2 Capital has retained an

independent, third party expert in proxy voting and corporate governance to assist with voting proxies and the overall proxy voting process.

Proxy voting is always voted in the best interest of CORES™ Dividend Portfolio investors irrespective of V2 Capital's interests.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about V2 Capital's financial condition. V2 Capital has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

## **ADV Part 2B – Brochure Supplement**

**Victor P. Viner**  
Chief Executive Officer & Founder

**V2 Capital, LLC**  
2700 Patriot Blvd. Suite 420  
Glenview, IL 60026  
(847) 201-3620  
www.v2capital.com  
March 2011

**This Brochure Supplement provides information about Victor P. Viner that supplements the V2 Capital, LLC Brochure. You should have received a copy of that Brochure. Please contact Brett J. Novosel, CFA (Managing Director) if you did not receive V2 Capital's Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Victor P. Viner is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2- Educational Background and Business Experience**

Victor P. Viner was born in 1960. Mr. Viner earned his BS in Finance from Arizona State University in 1982. He has been Chief Executive Officer of V2 Capital, LLC since he founded the firm in 2004.

Before starting V2, Mr. Viner co-founded and was CEO and President of Volaris Advisors, a multibillion dollar asset management firm specializing in volatility management and equity derivatives trading. Credit Suisse acquired Volaris in 2003, at which time Mr. Viner became Managing Director at Credit Suisse and held that position until he left in 2004 to start V2 Capital. Prior to co-founding Volaris, he was one of the senior members of UBS's Global Executive Group, responsible for overseeing and developing yield enhancement and risk management solutions for the bank's top private clients.

## **Item 3- Disciplinary Information**

Victor P. Viner has not had any civil or criminal actions brought against him.

Victor P. Viner has not had any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

Victor P. Viner has not had any proceedings before a self-regulatory organization.

Victor P. Viner has not had proceedings in which a professional attainment, designation, or license was revoked or suspended.

## **Item 4- Other Business Activities**

Victor P. Viner is not engaged in any investment-related businesses outside of V2 Capital, LLC, nor does he have any applications pending to register with a broker-dealer or other investment firm. Mr. Viner does not receive any commissions, bonuses or other compensation based on the sale of securities or other investment products.

Victor P. Viner does not engage in any other business that provides a substantial source of his income. Mr. Viner has other, non-investment related business interests that may, from time to time, consume a substantial portion of his time.

### **Item 5- Additional Compensation**

Victor P. Viner does not receive any additional compensation for providing advisory services.

### **Item 6 - Supervision**

Victor P. Viner, is Chief Executive Officer and Founder of V2 Capital, LLC. Mr. Viner's phone number is (847) 724-3643. Mr. Viner, Brett J. Novosel, CFA, and Michael Holleb, CPA coordinate investment advice provided to clients as well as portfolio management responsibility. Ultimately, Mr. Viner is responsible for supervision of the individuals providing investment advice to clients. Given the small number of clients and employees at V2 Capital, this is done on an individual client basis.

## **ADV Part 2B – Brochure Supplement**

**Brett J. Novosel, CFA**  
**Managing Director & Portfolio Manager**

**V2 Capital, LLC**  
**2700 Patriot Blvd. Suite 420**  
**Glenview, IL 60026**  
**(847) 201-3620**  
**www.v2capital.com**  
**March 2011**

**This Brochure Supplement provides information about Brett J. Novosel, CFA that supplements the V2 Capital, LLC Brochure. You should have received a copy of that Brochure. Please contact Brett J. Novosel, CFA (Managing Director) if you did not receive V2 Capital's Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Brett J. Novosel, CFA is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2- Educational Background and Business Experience**

Brett J. Novosel, CFA was born in 1972. Mr. Novosel earned his MBA from the University of Chicago with concentrations in analytical finance and accounting in 2000 and his BS in mechanical engineering from the University of Illinois (Urbana/Champaign) in 1994. He has been with V2 Capital, LLC since its founding in 2004.

Prior to joining V2 in 2004, Mr. Novosel specialized in equity derivatives at Bear Stearns & Co. Inc. (2000-2002) and later worked with Nuveen Investments (2003-2004). He also held consulting positions with Andersen Consulting (now Accenture)(1994-1998).

Mr. Novosel earned the Chartered Financial Analyst (CFA) designation in 2003. The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 90,000 CFA charterholders working in 134 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 22 countries and territories recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and



universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org).

### **Item 3- Disciplinary Information**

Brett J. Novosel, CFA has not had any civil or criminal actions brought against him.

Brett J. Novosel, CFA has not had any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

Brett J. Novosel, CFA has not had any proceedings before a self-regulatory organization.

Brett J. Novosel, CFA has not had proceedings in which a professional attainment, designation, or license was revoked or suspended.

### **Item 4- Other Business Activities**

Brett J. Novosel, CFA is not engaged in any investment-related businesses outside of V2 Capital, LLC, nor does he have any applications pending to register with a broker-dealer or other investment firm. Mr. Novosel does not receive any commissions, bonuses or other compensation based on the sale of securities or other investment products.

Brett J. Novosel, CFA does not engage in any other business that provides a substantial source of his income or consumes a substantial portion of his time.

#### **Item 5- Additional Compensation**

Brett J. Novosel, CFA does not receive any additional compensation for providing advisory services.

#### **Item 6 - Supervision**

Victor P. Viner, is Chief Executive Officer and Founder of V2 Capital, LLC. Mr. Viner's phone number is (847) 724-3643. Mr. Viner, Brett J. Novosel, CFA, and Michael Holleb, CPA coordinate investment advice provided to clients as well as portfolio management responsibility. Ultimately, Mr. Viner is responsible for supervision of the individuals providing investment advice to clients. Given the small number of clients and employees at V2 Capital, this is done on an individual client basis.

## **ADV Part 2B – Brochure Supplement**

**Michael R. Holleb, CPA**  
Chief Financial Officer & Chief Compliance Officer

V2 Capital, LLC  
2700 Patriot Blvd. Suite 420  
Glenview, IL 60026  
(847) 201-3620  
www.v2capital.com  
March 2011

**This Brochure Supplement provides information about Michael R. Holleb, CPA that supplements the V2 Capital, LLC Brochure. You should have received a copy of that Brochure. Please contact Brett J. Novosel, CFA (Managing Director) if you did not receive V2 Capital's Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Michael R. Holleb, CPA is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2- Educational Background and Business Experience**

Michael R. Holleb, CPA was born in 1965. Mr. Holleb earned his BS in finance from Indiana University in 1987. He has been Chief Financial Officer with V2 Capital, LLC since its founding in 2004.

Prior to joining V2 Capital in 2004, Mr. Holleb was a Manager with Michael J. Liccar & Co. a CPA firm specializing in Hedge Fund accounting and administration (2003-2004), Chief Compliance Officer at Direct Trading Group, LLC (2002-2003), Vice President Investments at Prudential Financial (2001-2002), Vice President Managed Futures at Man Financial (1999-2001), Vice President Managed Futures at Commerz Futures, LLC (1997-1999), Vice President Managed Futures at LIT Asset Management, Inc.(1996-1997), Sakura Dellsher, Inc.(1995-1996), Chief Financial Officer at Gryphon Financial Services, LLC (1996-2002), Senior Auditor at National Futures Association,(1987-1995).

Mr. Holleb is a Certified Public Accountant (CPA). CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include minimum college education (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period). Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services. The vast majority of state boards of accountancy have adopted the AICPA's Code of Professional Conduct within their state accountancy laws or have created their own.

## **Item 3- Disciplinary Information**

Michael R. Holleb, CPA has not had any civil or criminal actions brought against him.

Michael R. Holleb, CPA has not had any administrative proceedings before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.

Michael R. Holleb, CPA has not had any proceedings before a self-regulatory organization.

Michael R. Holleb, CPA has not had proceedings in which a professional attainment, designation, or license was revoked or suspended.

#### **Item 4- Other Business Activities**

Michael R. Holleb, CPA is not engaged in any investment-related businesses outside of V2 Capital, LLC, nor does he have any applications pending to register with a broker-dealer or other investment firm. Mr. Holleb does not receive any commissions, bonuses or other compensation based on the sale of securities or other investment products.

Michael R. Holleb, CPA does not engage in any other business that provides a substantial source of his income. Mr. Holleb has other, non-investment related business interests that may, from time to time, consume a substantial portion of his time.

#### **Item 5- Additional Compensation**

Michael R. Holleb, CPA does not receive any additional compensation for providing advisory services.

#### **Item 6 - Supervision**

Victor P. Viner, is Chief Executive Officer and Founder of V2 Capital, LLC. Mr. Viner's phone number is (847) 724-3643. Mr. Viner, Brett J. Novosel, CFA, and Michael Holleb, CPA coordinate investment advice provided to clients as well as portfolio management responsibility. Ultimately, Mr. Viner is responsible for supervision of the individuals providing investment advice to clients. Given the small number of clients and employees at V2 Capital, this is done on an individual client basis.