

ITEM 1
COVER PAGE

PART 2A OF FORM ADV: FIRM BROCHURE

Amici Capital, LLC

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*This brochure provides information about the qualifications and business practices of Amici Capital, LLC (formerly known as Porter Orlin LLC) ("**Amici Capital**"). If you have any questions about the contents of this brochure, please contact us at 212-484-5000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "**SEC**") or by any state securities authority.*

Additional information about Amici Capital also is available on the SEC's website at www.adviserinfo.sec.gov.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

ITEM 2

MATERIAL CHANGES

Amici Capital's most recent update to Form ADV Part 2A was made on March 29, 2012. On December 24, 2012, the limited partners of Lightpath Capital L.P. were notified that the fund would be dissolving. That fund is currently being liquidated. On December 31, 2012, Amici Fund International, Ltd. changed its name to Amici Offshore, Ltd. Furthermore, on December 31, 2012, Porter Orlin LLC amended its name and is now known as Amici Capital, LLC. Aside from the change in name, Amici Capital's business activities have not changed materially since the time of the last update to this Form ADV Part 2A.

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ITEM 4
ADVISORY BUSINESS

A. General Description of Advisory Firm.

Amici Capital is a limited liability company formed in the State of Delaware in October 2004 that commenced operations in January 2005. A. Alex Porter and Paul E. Orlin are the owners and managing members of Amici Capital.

B. Description of Advisory Services.

i. **Funds**

Amici Capital provides investment advisory services on a discretionary basis (with discretionary trading authority) to the following private investment funds:

- ***Amici Associates L.P.*** - Amici Associates L.P. ("**Amici Associates**") is a New York limited partnership that commenced operations in October 1976. Amici Associates is exempted from registration under the Investment Company Act of 1940, as amended (the "**Investment Company Act**") in reliance on Section 3(c)(1) thereof;
- ***Amici Qualified Associates, L.P.*** - Amici Qualified Associates, L.P. ("**AQA**") is a Delaware limited partnership that commenced operations in September 2001. AQA is exempted from registration under the Investment Company Act in reliance on Section 3(c)(7) thereof;
- ***The Collectors' Fund L.P.*** - The Collectors' Fund L.P. ("**The Collectors' Fund**") is a New York limited partnership that commenced operations in January 1984. The Collectors' Fund is exempted from registration under the Investment Company Act in reliance on Section 3(c)(1) thereof;
- ***Amici Global Partners, L.P.*** - Amici Global Partners, L.P. ("**AGP**") is a Delaware limited partnership that commenced operations in January 2005. AGP is exempted from registration under the Investment Company Act in reliance on Section 3(c)(7) thereof;
- ***Amici Healthcare, L.P.*** - Amici Healthcare, L.P. ("**Amici Healthcare**") is a Delaware limited partnership that commenced operations in December 2003. Amici Healthcare is exempted from registration under the Investment Company Act in reliance on Section 3(c)(1) thereof;

(collectively, the "**U.S. Funds**");

- ***Amici Offshore, Ltd.*** - Amici Offshore, Ltd. (formerly known as Amici Fund International, Ltd.) ("**Amici Offshore**") is a British Virgin Islands business company that commenced operations in January 2002. With respect to U.S. tax-exempt persons, Amici Offshore is exempted from registration under the Investment Company Act in reliance on Section 3(c)(1) thereof.

Each of the U.S Funds and Amici Offshore may hereinafter be referred to, individually, as a “**Fund**” and collectively, as the “**Funds**”.

The interests in the U.S. Funds are offered on a private placement basis, pursuant to an exemption from registration requirements of Section 5 of the Securities Act of 1933, as amended (the “**Securities Act**”), to persons who are “accredited investors” as defined in Regulation D under the Securities Act, and “qualified clients,” as defined under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”), or “qualified purchasers,” as defined under the Investment Company Act, as applicable and are subject to certain other conditions, which are set forth in the offering documents of the U.S. Funds. CF Advisors, LLC (“**CF Advisors**”), a limited liability company formed in the State of Delaware, is the general partner of the U.S. Funds, and is affiliated with Amici Capital.

Shares in Amici Offshore are offered on a private placement basis to persons who are not “U.S. persons” as defined under Regulation S of the Securities Act, and to U.S. tax-exempt persons who are “accredited investors” as defined in Regulation D under the Securities Act, and who are “qualified clients,” as defined under the Investment Advisers Act, and are subject to certain other conditions, which are set forth in the offering documents of Amici Offshore.

The Funds are managed by Amici Capital in accordance with their respective offering documents and investment management agreement entered into with Amici Capital.

ii. Trading Subsidiaries

From time to time, Amici Capital establishes one or more corporations or other entities (each, a “**Trading Subsidiary**”), which are wholly-owned subsidiaries of one or more of the Funds, for the purpose of engaging in certain trading activities on behalf of such Funds. A Trading Subsidiary may be formed for tax or regulatory reasons or to the extent Amici Capital determines the use of a Trading Subsidiary is necessary or advisable to effect a Fund’s investment program. Such Trading Subsidiaries are and will be managed by Amici Capital (or an affiliate thereof) for the benefit of the Funds.

iii. Third Party Fund

Amici Capital provides investment advisory services on a discretionary basis (with discretionary trading authority) to an unaffiliated third party fund (the “**Third Party Fund**”).

The Third Party Fund is managed by Amici Capital in accordance with an investment advisory agreement entered into between such Third Party Fund and Amici Capital.

iv. Lightpath Capital L.P.

Lightpath Capital L.P. (“**Lightpath Capital**”) is a Delaware limited partnership that commenced operations in November 2003. Lightpath Capital ceased investment activities on December 31, 2012 and is currently in the process of being dissolved.

C. Availability of Customized Services for Individual Clients.

Amici Capital is willing to offer customized services to individual clients. For example, the Third Party Fund, referenced in Item B.iii, employs a customized strategy developed by Amici Capital.

D. Wrap Fee Programs.

Not applicable.

E. Assets Under Management.

Amici Capital's assets under management as of December 31, 2012 were \$1,931,789,000. All assets were managed on a discretionary basis. Amici Capital's regulatory assets under management as of December 31, 2012 were \$2,891,755,000. Regulatory assets under management are calculated on a gross basis without deducting any outstanding indebtedness or other accrued but unpaid liabilities (including short-sale positions, which have not been netted out of gross assets).

ITEM 5
FEES AND COMPENSATION

A. Advisory Fees and Compensation.

i. **Funds**

The advisory fees, allocations and expenses applicable to the Funds are set forth in detail in each Fund's respective offering documents. A summary of such fees, allocations and expenses is provided below (this summary is qualified in its entirety by the actual terms and conditions set forth in each Fund's respective offering documents).

a. **Management Fee**

- ***Amici Associates and The Collectors' Fund*** - No management fee is applicable, as each of Amici Associates and The Collectors' Fund is on an expense model basis whereby CF Advisors charges the expenses described in Item 5.A.i.c. below. Each of Amici Associates and The Collectors' Fund expects that the costs and expenses incurred and paid by each such Fund to conduct the business of Amici Capital will be equal to approximately 1.5% per annum of the beginning net asset value of such Fund, before taking into account the estimated accrued incentive allocation (described in Item 5.A.i.b below), if any, of the capital accounts of such Fund's limited partners (the "Expected Costs"). However, the actual costs and expenses incurred and paid by such Fund in respect of the conduct of Amici Capital's business may be greater than or less than the Expected Costs; additionally, each of Amici Associates and The Collectors' Fund will be responsible for expenses that are unrelated to the conduct of Amici Capital's business, including, but not

limited to, brokerage expenses (including research related expenses), and the fees of such Fund's administrator, auditors, legal counsel and prime brokers.

- **AQA** – Amici Capital receives a monthly management fee for investment management services provided to AQA, equal to: (i) on behalf of the Class A capital accounts of the Class A limited partners admitted to AQA prior to January 1, 2005, 0.0833% (1.0% per annum) of the beginning net asset value, before taking into account the estimated accrued Class A incentive Allocation, if any (described in Item 5.A.i.b below); (ii) on behalf of the Class A capital accounts of the Class A limited partners admitted to AQA on or after January 1, 2005, 0.1250% (1.5% per annum) of the beginning net asset value, before taking into account the estimated accrued Class A incentive allocation, if any (described in Item 5.A.i.b below); and (iii) on behalf of the Class B capital accounts of the Class B limited partners, 0.0833% (1.0% per annum) of the beginning net asset value, before taking into account the estimated accrued Class B incentive allocation, if any (described in Item 5.A.i.b below). The management fee is paid to Amici Capital in advance promptly after the first day of each month, but in no event later than March 15th of the year following the year in which the management fee was earned. The management fee is prorated for any period that is less than a full month and is deducted in determining the net profit or loss of AQA.
- **Amici Offshore** – Amici Capital receives a quarterly management fee from Amici Offshore, calculated at the rate of (i) 1.5% per annum, with respect to Amici Offshore's Class A-Series 1 Shares, Class A-Series 2 Shares, Class B Shares and Class C Shares; and (ii) 1.00% per annum, with respect to Amici Offshore's Class A-Series 3 Shares, subject to the Class A-Series 3 shareholder maintaining a threshold investment in Amici Offshore. The management fee is paid in advance within 15 days after the first day of each calendar quarter and is based on the value of the net assets of Amici Offshore as of the first day of such quarter, without accrual of the incentive fee (described in Item 5.A.i.b. below), if any. The management fee is prorated for any period that is less than a full calendar quarter and is deducted in determining the net profit or loss of Amici Offshore.
- **AGP and Amici Healthcare** - Amici Capital receives a quarterly management fee from each of AGP and Amici Healthcare, calculated at the rate of 1.5% per annum. The management fee is paid in advance within 15 days after the first day of the calendar quarter and is based on the value of the net assets of such Fund as of the first day of such quarter, without accrual of the incentive allocation or the incentive fee (described in Item 5.A.i.b. below), if any. The management fee is prorated for any period that is less than a full calendar quarter and is deducted in determining the net profit or loss of such Fund.

b. Incentive Allocation and Incentive Fee

- ***Amici Associates, The Collectors' Fund, AGP and Amici Healthcare*** - CF Advisors receives an incentive allocation equal to 20% of the net profits (realized and unrealized), if any, provisionally allocated to each limited partner's capital account during the applicable fiscal year. The incentive allocation is made at the end of each fiscal year or when a limited partner withdraws all or part of its capital from the Fund. The incentive allocation is subject to a loss carryforward limitation, or "high watermark", so that no incentive allocation is made to CF Advisors with respect to a limited partner until prior net losses allocated to such limited partner's capital account are recouped. Any such loss carryforward is subject to reduction for withdrawals.
- ***AQA*** - CF Advisors receives an incentive allocation equal to 20% of the net profits (realized and unrealized), if any, provisionally allocated to each Class A limited partner's capital account during the applicable fiscal year. The Class A incentive allocation is made at the end of each fiscal year or when a Class A limited partner withdraws all or part of its capital from AQA. The incentive allocation is subject to a loss carryforward limitation, or "high watermark", so that no Class A incentive allocation is made to CF Advisors with respect to a Class A limited partner until prior net losses allocated to such Class A limited partner's capital account are recouped. Any such loss carryforward is subject to reduction for withdrawals. With respect to Class B limited partners, CF Advisors is entitled to 20% of excess net profits over a three year incentive allocation period, subject to a loss carryforward provision (similar to the Class A loss carryforward limitation) and an incentive allocation clawback. In the event the incentive allocation clawback is applied to the Class B incentive allocation at the end of the incentive allocation period, and CF Advisors fails to satisfy its obligation to restore the Class B limited partner's capital account pursuant to the clawback, Amici Capital has agreed to guarantee CF Advisor's payment and performance obligation. Amici Capital's guarantee to each Class B limited partner in respect of the clawback is unconditional and irrevocable.
- ***Amici Offshore*** - Amici Capital receives an incentive fee (i) equal to 20% of the increase, if any, in the net asset value of each class of share during the applicable fiscal year. The incentive fee is paid at the end of each fiscal year or when a shareholder redeems all or part of its shares. The incentive fee is subject to a loss carryforward limitation, or "high watermark", so that no incentive fee is paid to Amici Capital with respect to a share until prior net losses attributable to such share are recouped. Any such loss carryforward is subject to reduction for redemptions.

c. Expenses

Amici Associates and The Collectors' Fund - Each of Amici Associates and The Collectors' Fund pays or incurs such costs and expenses as CF Advisors determines to be necessary for the conduct of such Fund's business, including

but not limited to costs and expenses for research, legal and accounting services, investment banking expenses, administrator fees and expenses, investment expenses such as commissions, interest on margin accounts and other indebtedness, custodial fees and bank service fees, insurance expenses, compensation to employees, taxes (other than taxes on income), interest, rent, electricity, clerical, bookkeeping and administrative services, and other general office expenses.

If any of the expenses listed above are incurred for the account of such Fund as well as for any other accounts, such expenses will be allocated among such Fund and such other accounts on a pro rata basis, or in proportion to the size of the investment made by each to which such expense relates, or in such other manner as Amici Capital, in its sole discretion, considers fair and equitable.

Each of Amici Associates and The Collectors' Fund expects that the costs and expenses incurred and paid by each such Fund to conduct the business of Amici Capital will be equal to approximately 1.5% per annum of the beginning net asset value of such Fund, before taking into account the estimated accrued incentive allocation (described in Item 5.A.i.b above), if any, of the capital accounts of such Fund's limited partners (the "Expected Costs"). However, the actual costs and expenses incurred and paid by such Fund in respect of the conduct of Amici Capital's business may be greater than or less than the Expected Costs; additionally, each of Amici Associates and The Collectors' Fund will be responsible for expenses that are unrelated to the conduct of Amici Capital's business, including, but not limited to, brokerage expenses (including research related expenses), and the fees of such Fund's administrator, auditors, legal counsel and prime brokers. CF Advisors, in its sole discretion, may waive or reduce certain expenses that reimburse Amici Capital for its overhead expenses with respect to any limited partner.

CF Advisors and its affiliates will not be subject to certain expenses that reimburse Amici Capital for its overhead expenses.

Each of Amici Associates' and The Collectors' Fund's organizational expenses have been fully amortized and discharged by such Fund.

- ***AQA, AGP, Amici Healthcare and Amici Offshore –***

Each of AQA, AGP, Amici Healthcare and Amici Offshore will bear its own expenses including, without limitation, the management fee, administration, legal, accounting, auditing, tax and valuation fees and expenses, investment banking, consultants, experts, translators and other professional fees and expenses, regulatory fees and expenses, insurance fees and expenses, research fees and expenses (including research-related travel), market data fees and expenses, investment fees and expenses (whether or not such investment is consummated) such as commissions, interest on margin accounts and other

indebtedness, expenses relating to short-sales, clearing and settlement charges, custodial fees, bank service fees and interest expenses, and other fees and expenses related to the purchase, sale or transmittal of Fund assets.

Generally, the expenses of each of AQA, AGP and Amici Healthcare, other than the management fee and any expenses which CF Advisors determines in its sole discretion should be allocated to a particular limited partner or limited partners of such Fund, will be charged to the capital accounts of all the limited partners of such Fund on a pro rata basis. To the extent that expenses to be borne by any such Fund are paid by CF Advisors or Amici Capital, such Fund will reimburse such party for such expenses.

Generally, the expenses of Amici Offshore, other than the management fee, the incentive fee and any expenses which the board of directors of Amici Offshore determines in its sole discretion should be allocated to a particular shareholder or shareholders, will be charged against the shares of all the shareholders on a pro rata basis. To the extent that expenses to be borne by Amici Offshore are paid by Amici Capital, Amici Offshore will reimburse Amici Capital for such expenses.

If any of the expenses listed above are incurred for the account of a Fund as well as for any other accounts, such expenses will be allocated among such Fund and such other accounts on a pro rata basis, or in proportion to the size of the investment made by each to which such expense relates, or in such other manner as Amici Capital, in its sole discretion, considers fair and equitable.

Each of AQA's, AGP's, Amici Healthcare's, and Amici Offshore's organizational expenses have been fully amortized and discharged by each such Fund.

Specifically with regards to AGP, due to the nature of AGP's investments, and in particular, AGP's emerging market investments, AGP's expenses may be higher than other funds advised by Amici Capital.

In consideration for the management fee, Amici Capital will be responsible for and will pay all overhead expenses of an ordinary and recurring nature such as rent, supplies, secretarial expenses, stationery, charges for furniture and fixtures, employee insurance, payroll taxes and compensation of employees.

Amici Capital, CF Advisors (with respect to the U.S. Funds) and the board of directors (with respect to Amici Offshore) reserve the right to waive or reduce the management fee (or in the case of Amici Associates and The Collectors' Fund, the expenses related to Amici Capital's overhead), the incentive allocation and/or the incentive fee, or impose different fees or allocations or otherwise modify the fee or allocation arrangements of existing investors that are former, current or future members or employees of Amici Capital or its affiliates, members of the family of such persons or trusts or other entities for their benefit, and for certain strategic investors, with the consent of such investors. In

addition, each Fund reserves the right to impose different fees and allocations with respect to future investors.

ii. Trading Subsidiaries

Amici Capital does not receive any management fee, incentive allocation, incentive fee or other asset-based compensation or performance-based compensation with respect to its Trading Subsidiaries. If an affiliate of Amici Capital manages a Trading Subsidiary, such affiliate may compensate Amici Capital and reimburse it for expenses as may be agreed by the parties in accordance with an agreement entered into between such affiliate and Amici Capital.

iii. Third Party Fund

Amici Capital receives a negotiated management fee and performance fee with respect to the Third Party Fund it advises. Such fees are set forth in the investment advisory agreement entered into between the Third Party Fund and Amici Capital.

iv. Lightpath Capital L.P.

Lightpath Capital, which ceased investment activities on December 31, 2012 and is currently in the process of being dissolved, will pay or incur such fees, allocations and expenses necessary for the purpose of, and during the course of, completing any incomplete transactions, winding up its affairs, and distributing its assets.

B. Payment of Fees.

Please refer to Item 5.A. above.

C. Additional Fees and Expenses.

Please refer to Item 5.A. above.

D. Prepayment of Fees.

Please refer to Item 5.A. above.

E. Additional Compensation and Conflicts of Interest.

Not applicable.

**ITEM 6
PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

CF Advisors and Amici Capital accept performance-based compensation in the form of the incentive allocations and the incentive fees described in Item 5.A.i.b. above.

ITEM 7 TYPES OF CLIENTS

As stated in Item 4.B. above, Amici Capital provides investment advice to the Funds and the Third-party Fund. Amici Capital, its affiliates and employees may, in the future, provide investment advisory services to other private investment funds, third-party funds, managed accounts, entities and/or persons.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies.

i. **Funds**

The Funds are managed in accordance with the investment objectives and guidelines set forth in their respective offering documents. A summary of such investment programs is provided below (which summary is qualified in its entirety by the actual terms and conditions set forth in each Fund's respective offering documents).

- ***Amici Associates, AQA and Amici Offshore*** - The investment strategy of each of Amici Associates, AQA and Amici Offshore, is to achieve positive absolute returns in all market environments with a hedged portfolio of long and short-sale positions and a concurrent focus on capital preservation.

For each of Amici Associates, AQA and Amici Offshore, Amici Capital will adhere to a flexible investment approach that encompasses investments primarily in publicly-traded securities of companies in a broad spectrum of industries. These Funds seek to have a core of long-term, large investments in relatively few stocks on the long side utilizing Amici Capital's research and analysis of those companies and a complement of short-sale positions that represent both profit opportunities and a market hedge. Common characteristics of many of these funds' long investments will include: a low multiple of price/cash flow; above-average return on equity and strong free cash flow generation; a strong balance sheet with low debt levels and significant liquidity; substantial inside ownership and shareholder-oriented management.

For each of Amici Associates, AQA and Amici Offshore, Amici Capital typically will not invest in momentum or concept plays and instead, will rely on bottom-up fundamental analysis. However, due to the volatile nature of the markets, Amici Capital continues to develop additional methods of investing and hedging to seek to achieve the investment objective of these Funds. In the discretion of Amici Capital, these funds may invest long in companies that do not share the characteristics listed above, including speculative, venture, or rapidly growing companies that trade at high multiples of earnings or book value. Such investments may be made for hedging or investment purposes.

In selecting short-sale positions, Amici Capital will emphasize stocks at the other end of the spectrum from these Funds' long positions (e.g., those characterized by

high multiples of book value, cash flow and revenues). Such characteristics are often found in stocks that are broadly favored by investors and analysts and that may trade in volatile fashion. Amici Capital will evaluate these short-sale candidates by focusing on those companies with perceived fundamental problems as evidenced by accounting issues, insider sales, and the suspected misrepresentation of company and industry conditions, among other factors. Amici Capital will seek greater diversification on the short side than on the long side and expects to trade these securities more frequently than their long positions to manage risk and to take advantage of the higher volatility.

Amici Capital may take a more proactive role with respect to a portfolio company when it believes that taking such a role may protect or enhance the value of the a Fund's holdings. In taking such a role, Amici Capital may seek to effect positive changes in the operations, policies, and structure of the portfolio company through various means.

Amici Capital, on behalf of Amici Associates, AQA and Amici Offshore, may invest in securities meeting its investment criteria without geographic limitation, including those issued by companies in emerging and developing markets. The investments may at any time include, on margin or otherwise, long or short-sale positions in U.S. or non-U.S. publicly traded or privately issued or negotiated common stocks, preferred stocks, stock warrants and rights, corporate debt, bonds, notes or other debentures, debt participations or trust receipts, convertible securities, options (purchased or written), futures contracts (and options on futures contracts), commodities, currency forward and spot contracts, swaps (including credit default swaps) and other derivative instruments, partnership interests and other securities or financial instruments including those of investment companies. Amici Capital may make these investments for investment or hedging purposes.

- ***The Collectors' Fund*** – The Collector Fund's investment strategy is substantially similar to that of Amici Associates, AQA and Amici Offshore. However, the The Collectors' Fund's weightings and distribution of invested capital will favor securities of smaller companies (as measured by total enterprise value).
- ***AGP*** - AGP primarily invests in equity, debt and currencies across global markets. AGP's investment strategy is substantially similar to that of Amici Associates, AQA and Amici Offshore. However, AGP will invest a substantial portion of its assets in non-U.S. markets, including Asia, Eastern Europe and Latin America.
- ***Amici Healthcare*** - Amici Healthcare primarily invests in the equity securities of companies in the healthcare industry and in the equity securities of those companies that provide services and/or products to the healthcare industry. For this purpose, companies in the healthcare industry may include, but are not limited to, biotechnology companies; pharmaceutical companies; medical device, system and equipment companies; and medical care managers, providers and insurers.

While it is anticipated that Amici Healthcare will invest primarily in common equities (including both long and short-sale positions) of companies in the healthcare industry, Amici Healthcare has broad and flexible investment authority and may seek other related opportunities when appropriate.

Amici Healthcare may invest in securities meeting its investment criteria without geographic limitation, including those issued by companies in emerging and developing markets. Accordingly, its assets may at any time include long or short-sale positions in U.S. or foreign publicly traded or privately issued or negotiated common stocks, preferred stocks, stock warrants and rights, corporate or sovereign debt, bonds, notes or other debentures, debt participations or bank debt, partnership interests, privately placed securities, interests in investment companies, convertible securities, swaps (including credit default swaps), options, futures contracts, commodities and other derivative instruments and other securities or financial instruments.

ii. Trading Subsidiaries

Certain Funds may invest in securities meeting their investment criteria without geographic limitation, including those issued by companies in emerging and developing markets. In order to comply with securities regulations in various jurisdictions and for tax-efficiency, certain Funds may utilize such custodial structures and other arrangements as may be necessary and appropriate. In addition, from time to time, Amici Capital may establish one or more Trading Subsidiaries, which are wholly-owned subsidiaries of one or more of the Funds, for the purpose of engaging in certain trading activities on behalf of such Funds. A Trading Subsidiary may be formed for tax or regulatory reasons or to the extent Amici Capital determines the use of a Trading Subsidiary is necessary or advisable to effect a Fund's investment program. Such Trading Subsidiaries are and will be managed by Amici Capital (or an affiliate thereof) for the benefit of the Funds.

iii. Third Party Fund

The Third Party Fund is managed in accordance with the investment objectives and guidelines set forth in the investment advisory agreement entered into between the Third Party Fund and Amici Capital. In summary, the investment strategy of the Third Party Fund is a concentrated and leveraged version of the investment strategy of Amici Associates, AQA and Amici Offshore (this summary is qualified in its entirety by the actual terms and conditions set forth in the investment advisory agreement entered into between the Third Party Fund and Amici Capital).

iv. Lightpath Capital, L.P..

Lightpath Capital ceased investment activities on December 31, 2012 and is currently in the process of being dissolved.

B. Material, Significant, or Unusual Risks Relating to Investment Strategies.

The risks set forth herein with respect to the Funds are also applicable to the Third-party Fund and any other private investment fund or managed account managed by Amici Capital in the future to the extent the investment program overlaps with that of the Funds. Any reference in this section to "a fund" or "funds" is intended to mean any one of the Funds and/or the Third-party Fund advised by Amici Capital now or in the future.

General Investment Risks. All investments made by Amici Capital on behalf of a fund risk the loss of capital. There can be no guarantee or representation that an investment program will be

successful, and investors should be prepared to lose all or a portion of their investment in a fund.

Limited Liquidity. An investment in a fund has limited liquidity because investors will generally have only limited rights to withdraw capital from such fund or transfer their investments in such fund, and a fund may have the right to suspend withdrawals. Investors must be prepared to bear the financial risks of an investment in a fund for an indefinite period of time.

Diversification and Concentration. Amici Capital may select investments that are concentrated in a limited number or types of financial instruments. In addition, a fund's portfolio may become significantly concentrated in financial instruments related to a single or a limited number of issuers, industries, sectors, strategies, countries or geographic regions. This limited diversification may result in the concentration of risk, which, in turn, could expose a fund to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in such financial instruments.

Fundamental Analysis. Certain trading decisions made by Amici Capital may be based on fundamental analysis. Data on which fundamental analysis relies may be inaccurate or may be generally available to other market participants. To the extent that any such data are inaccurate or that other market participants have developed, based on such data, trading strategies similar to a fund's trading strategies, such fund may not be able to realize its investment goals. In addition, fundamental market information is subject to interpretation. To the extent that Amici Capital misinterprets the meaning of certain data, a fund may incur losses.

Leverage and Borrowing.

Leverage for Investment Purposes. The use of leverage will allow a fund to make additional investments, thereby increasing its exposure to assets, such that its total assets may be greater than its capital. However, leverage will also magnify the volatility of changes in the value of a fund's portfolio. The effect of the use of leverage by a fund in a market that moves adversely to its investments could result in substantial losses to that fund, which would be greater than if such fund were not leveraged.

Borrowing for Cash Management Purposes. A fund may have the authority to borrow for cash management purposes, such as to satisfy withdrawal requests. The rates at and terms on which a fund can borrow for cash will affect the operating results of such fund.

Collateral. The instruments and borrowings utilized by a fund to leverage investments may be collateralized by all or a portion of that fund's portfolio. Accordingly, a fund may pledge its assets in order to borrow or otherwise obtain leverage for investment or other purposes. Should the assets pledged to brokers to secure a fund's margin accounts decline in value, such fund could be subject to a "margin call", pursuant to which that fund must either deposit additional funds or assets with the broker or suffer mandatory liquidation of the pledged assets to compensate for the decline in value. The banks and dealers that provide financing to a fund can apply essentially discretionary margin, "haircut", financing and collateral valuation policies. Changes by counterparties in any of the foregoing may result in large margin calls, loss of financing and forced liquidations of positions at disadvantageous prices. Lenders that provide other types of asset-based or secured financing to a fund may have similar rights. There can be no assurance that a fund will be able to secure or maintain adequate financing.

Costs. Borrowings will be subject to interest, transaction and other costs, and other types of leverage also involve transaction and other costs. Any such costs may or may not be recovered by the return on a fund's portfolio.

Counterparty Risk. A fund may establish relationships to obtain financing, derivative intermediation and prime brokerage services that permit such fund to trade in any variety of markets or asset classes over time. However, there can be no assurance that a fund will be able to establish or maintain such relationships. An inability to establish or maintain such relationships could limit a fund's trading activities, create losses, preclude a fund from engaging in certain transactions or prevent a fund from trading at optimal rates and terms. Moreover, a disruption in the financing, derivative intermediation and prime brokerage services provided by any such relationships could have a significant impact on a fund's business due to such fund's reliance on such counterparties.

Some of the markets in which a fund may effect transactions are not "exchange-based", including "over-the-counter" or "interdealer" markets. The stability and liquidity of over-the-counter transactions depends in large part on the creditworthiness of the parties to the transactions. The participants in such markets are typically not subject to the credit evaluation and regulatory oversight to which members of "exchange-based" markets are subject. The lack of evaluation and oversight of over-the-counter markets exposes a fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing a fund to suffer a loss. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where a fund has concentrated its transactions with a single or small group of counterparties. Generally, a fund will not be restricted from dealing with any particular counterparties. Amici Capital's evaluation of the creditworthiness of counterparties may not prove sufficient. The lack of a complete and "foolproof" evaluation of the financial capabilities of a fund's counterparties and the absence of a regulated market to facilitate settlement may increase the potential for losses by a fund.

If there is a default by a counterparty, a fund under most normal circumstances will have contractual remedies pursuant to the agreements related to the transaction. However, exercising such contractual rights may involve delays or costs which could result in the net asset value of a fund being less than if such fund had not entered into the transaction. Furthermore, there is a risk that any of such counterparties could become insolvent and/or the subject of insolvency proceedings. In such case, the recovery of a fund's assets from such counterparty or the payment of claims therefor may be significantly delayed and such fund may recover substantially less than the full value of the assets entrusted to such counterparty.

In addition, a fund may use counterparties located in jurisdictions outside the United States. Such local counterparties usually are subject to laws and regulations in foreign jurisdictions that are designed to protect customers in the event of their insolvency. However, the practical effect of these laws and their application to a fund's assets are subject to substantial limitations and uncertainties. Because of the range of possible factual scenarios involving the insolvency of a counterparty and the potentially large number of entities and jurisdictions that may be involved, it is impossible to generalize about the effect of such an insolvency on a fund and its assets. Investors should assume that the insolvency of any such counterparty would result in significant delays in recovering a fund's assets from or the payment of claims therefor by such counterparty and a loss to such fund, which could be material.

Systemic Risk. Credit risk may arise through a default by or because of one of several large institutions that are dependent on one another to meet their liquidity or operational needs. A default by or because of one institution may cause a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing houses, banks, securities firms and exchanges with which a fund interacts. A systemic failure could have material adverse consequences on a fund and on the markets for the financial instruments in which a fund seeks to invest.

Risk of Loss. No guarantee or representation is made that a fund's investment program, including, without limitation, a fund's investment objective, diversification strategies or risk monitoring goals, will be successful. Investment results may vary substantially over time. No assurance can be made that profits will be achieved or that substantial or complete losses will not be incurred. Past investment results of a fund and Amici Capital (or investments otherwise made by the investment professionals of Amici Capital) are not necessarily indicative of their future performance.

Long/Short. The success of a fund's long/short investment strategy depends upon Amici Capital's ability to identify and purchase assets that are undervalued and identify and sell short assets that are overvalued. The identification of investment opportunities in the implementation of a fund's long/short investment strategies is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. In the event that the perceived opportunities underlying a fund's positions were to fail to converge toward, or were to diverge further from values expected by Amici Capital, such fund may incur a loss. In the event of market disruptions, significant losses can be incurred which may force a fund to close out one or more positions. Furthermore, the valuation models used to determine whether a position presents an attractive opportunity consistent with Amici Capital's long/short strategies may become outdated and inaccurate as market conditions change.

Competition; Availability of Investments. Certain markets in which a fund may invest are extremely competitive for attractive investment opportunities. As a result, there can be no assurance that Amici Capital will be able to identify or successfully pursue attractive investment opportunities in such environments.

Volatility Risk. A fund's investment program may involve the purchase and sale of relatively volatile instruments and/or investments in volatile markets. Fluctuations or prolonged changes in the volatility of such instruments and/or markets can adversely affect the value of investments held by a fund.

Significant Positions in Securities; Regulatory Requirements. In the event a fund acquires a significant stake in certain issuers of securities and such stake exceeds certain percentage or value limits, a fund may be subject to regulation and regulatory oversight that may impose notification and filing requirements or other administrative burdens on a fund. Any such requirements may impose additional costs on a fund and may delay the acquisition or disposition of the securities or a fund's ability to respond in a timely manner to changes in the markets with respect to such securities.

In addition, "position limits" may be imposed by various regulators that may limit a fund's ability to effect desired trades. Position limits are the maximum amounts of gross, net long or net short-sale positions that any one person or entity may own or control in a particular issuer's securities. All positions owned or controlled by the same person or entity, even if in different

accounts, may be aggregated for purposes of determining whether the applicable position limits have been exceeded. To the extent that a fund's position limits were aggregated with an affiliate's position limits, the effect on a fund and resulting restriction on its investment activities may be significant. If at any time positions managed by Amici Capital were to exceed applicable position limits, Amici Capital would be required to liquidate positions, which might include positions of a fund, to the extent necessary to come within those limits. Further, to avoid exceeding any position limits, a fund might have to forego or modify certain of its contemplated trades.

In addition, if a fund, acting alone or as part of a group, acquires beneficial ownership of more than 10% of a certain class of securities of a public company or places a director on the board of directors of such a company, under Section 16 of the U.S. Securities Exchange Act of 1934, as amended, a fund may be subject to certain additional reporting requirements and may be required to disgorge certain short-swing profits arising from purchases and sales of such securities. Furthermore, in such circumstances, a fund will be prohibited from entering into a short-sale position in such issuer's securities, and therefore limited in its ability to hedge such investments. Similar restrictions and requirements may apply in non-U.S. jurisdictions.

As noted herein, a fund, acting either alone or as part of a group, may acquire a "control" position in an issuer's securities. This may subject a fund to additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations and other types of liability in which the limited liability generally characteristic of business operations may be ignored.

Exposure to Material Non-Public Information. From time to time, Amici Capital may receive material non-public information with respect to an issuer of publicly traded securities. In such circumstances, a fund may be prohibited, by law, policy or contract, for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer, and (iii) pursuing other investment opportunities related to such issuer.

Legal and Regulatory Environment for Private Investment Funds and their Managers. The legal, tax and regulatory environment worldwide for funds and their managers is evolving, and changes in the regulation of funds, their managers, and their trading and investing activities may have a material adverse effect on the ability of a fund to pursue its investment program and the value of investments held by such fund. There has been an increase in scrutiny of the alternative investment industry by governmental agencies and self-regulatory organizations. New laws and regulations or actions taken by regulators that restrict the ability of a fund to pursue its investment program or employ brokers and other counterparties could have a material adverse effect on a fund and the investors' investments therein. In addition, Amici Capital may, in its sole discretion, cause a fund to be subject to certain laws and regulations if it believes that an investment or business activity is in a fund's best interest, even if such laws and regulations may have a detrimental effect on one or more investors.

Increased regulation and regulatory oversight of private investment funds and their managers may impose administrative burdens on Amici Capital, including, without limitation, responding to examinations and other regulatory inquiries and implementing policies and procedures. Such administrative burdens may divert Amici Capital's time, attention and resources from portfolio management activities. Such regulatory inquiries are generally confidential in nature, may involve a review of an individual's or a firm's activities or may involve studies of the industry or industry practices, as well as the practices of a particular institution.

Dodd-Frank Act. With the passage of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), there have been and will continue to be extensive rulemaking and regulatory changes that will affect private fund managers, the funds that they manage and the financial industry as a whole. In particular, under the Dodd-Frank Act, the SEC has mandated new recordkeeping and reporting requirements for investment advisers, which will add costs to the legal, operations and compliance obligations of Amici Capital and the funds and increase the amount of time that Amici Capital spends on non-investment related activities. The Dodd-Frank Act will affect a broad range of market participants with whom the funds interact or may interact, including banks, non-bank financial institutions, rating agencies, mortgage brokers, credit unions, insurance companies, payday lenders and broker-dealers. Regulatory changes that will affect other market participants are likely to change the way in which the funds, and Amici Capital conduct business with their counterparties. Parts of the Dodd-Frank Act, such as the "Volker Rule" and the "Push-Out Provision," may change the landscape of the financial industry. Until the implementation of all such regulatory changes, it is difficult to anticipate the impact on Amici Capital and the funds. It may take years to understand the impact of the Dodd-Frank Act on the financial industry as a whole, and therefore, the continued uncertainty may make markets more volatile, and make it difficult for Amici Capital to execute the investment strategies of the funds.

U.S. Regulatory Changes with respect to Derivatives. In addition to the legal, tax and regulatory changes discussed above, with the passage of the Dodd-Frank Act, there is a process of extensive rulemaking and regulatory changes that may affect the derivatives industry, private fund managers and the funds that they manage. Regulatory changes are likely to change the way in which Amici Capital conducts business with its counterparties. The rules and regulations are expected to require or influence the margin that a fund will have to post against over-the-counter derivative positions, leverage constraints applicable to a fund, certain compliance and recordkeeping obligations of a fund, the trading information that will become available to the public (potentially exposing a fund and its positions to the public), and the types and credit risk of counterparties with whom a fund will be permitted to trade, among many others. As the market anticipates the publication of rules and regulations resulting from the Dodd-Frank Act, the uncertainty in the market may lead to less liquidity and more volatility. The regulatory regime may make certain products cost prohibitive. Therefore, it may be difficult to enter into transactions to achieve a particular financial objective or to mitigate risk at the price that would otherwise be available during more liquid times.

Assumption of Business, Terrorism and Catastrophe Risks. A fund may be subject to the risk of loss arising from exposure that it may incur, indirectly, due to the occurrence of various events, including, without limitation, hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events. These risks of loss can be substantial and could have a material adverse effect on a fund and the investors' investments therein.

Dependence on Amici Capital, Certain Personnel and Certain Third Parties. The success of a fund is dependent upon the ability of Amici Capital to manage a fund and effectively implement a fund's investment program. A fund's governing documents will not permit investors to participate in the management and affairs of a fund. If a fund managed by Amici Capital were to incur substantial losses or were subject to an unusually high level of withdrawals, the revenues of Amici Capital may decline substantially. Such losses and/or withdrawals may impair Amici Capital's ability to retain employees, provide the same level of service to a fund as

it has in the past, and continue operations. The loss of the services of Amici Capital or its key personnel could have a material adverse effect on a fund and the investors' investments therein.

A fund is also dependent upon its counterparties and certain third-party service providers, such as an administrator. Errors are inherent in the business and operations of any business, and although Amici Capital will adopt measures to prevent and detect errors by, and the misconduct of, counterparties and third-party service providers, and transact with counterparties and third-party service providers it believes to be reliable, such measures may not be effective in all cases. Errors or misconduct could have a material adverse effect on a fund and the investors' investments therein.

Exemption from Registration Under the Investment Company Act. Generally, fund interests or securities are not expected to be registered under the securities laws of any country. In particular, a fund will not be registered as an investment company under the Investment Company Act, and, therefore, will not be required to adhere to the restrictions and requirements under the Investment Company Act. Accordingly, the provisions of the Investment Company Act (which, among other things, require investment companies to have a majority of disinterested directors, require securities to be held in custody by a bank or broker in accordance with rules requiring the segregation of securities, prohibit the investment companies from engaging in certain transactions with its affiliates and regulate the relationship between advisers and investment companies) are not applicable.

Significant Fees and Expenses. The fees and expenses of a fund may be significant. A fund must generate sufficient income to offset such fees and expenses to avoid a decrease in the net asset value of such fund.

Governmental Entity Investors. Governmental entities, including, but not limited to, pension plans maintained by governmental agencies and instrumentalities, may invest in a fund. Such investors may be subject to laws that affect the applicability or enforcement of certain terms generally governing a fund. For example, exculpation, indemnification, confidentiality, choice of law and choice of venue provisions may be applied differently with respect to such investors. In addition, investment in a fund by certain governmental entities may subject a fund, and/or Amici Capital to increased regulatory burdens and public disclosures about such fund, its investors and its activities.

In-Kind Distributions. Because a fund may make distributions in-kind, a withdrawing investor may receive assets in lieu of, or in combination with, cash. Such distributions may include interests in one or more special purpose vehicles holding assets owned by a fund, or participations therein. To the extent a withdrawing investor is distributed interests in special purpose vehicles, such withdrawing investor will continue to be at risk with respect to a fund's business. The value of assets distributed in-kind may increase or decrease before they are sold either by the withdrawing investor, if received directly, or by Amici Capital or its affiliates, if held through a special purpose vehicle. In either case, the withdrawing investor will incur transaction costs in connection with the sale of any such assets and, in the case of interests in special purpose vehicles, will bear a proportionate share of the operating and other expenses borne by such vehicle. Assets distributed in-kind may not be readily marketable. The risk of loss and delay in liquidating these assets will be borne by the investor, with the result that such investor may ultimately receive less cash than it would have received on the date of withdrawal if it had been paid in cash. Furthermore, to the extent that a withdrawing investor receives interests in special purpose vehicles, such withdrawing investor will generally have no voting

rights or any control over when and at what price the assets in which such vehicles have an interest are sold.

Notwithstanding the foregoing, a fund will not distribute redemption proceeds in-kind to any investor subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”) and/or the prohibited transaction provisions of Section 4975 of the Internal Revenue Code of 1986, as amended (“**IRC**”), to the extent that an investor informs Amici Capital that the holding of a particular asset to be distributed in-kind could result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the IRC with respect to such investor. Instead, such fund will sell such asset at the investor's sole expense and distribute the proceeds to such investor.

Access to Information and Effect on Withdrawals. Because of the wide range of potential investments, potentially rapid shifts in the concentration of investments among types of assets or strategies, the inherent complexity of many of a fund's investment strategies and other factors, prospective investors will not have sufficient information to analyze or evaluate in detail the specific risks and potential returns of a fund's investment program prospectively. Furthermore, in response to questions and requests and in connection with due diligence meetings and other communications, Amici Capital may provide additional information (including information about a fund's portfolio holdings) to certain investors and prospective investors that is not distributed to other investors and prospective investors. Such information may affect a prospective investor's decision to invest in a fund, and investors (which may include personnel and affiliates of Amici Capital) may be able to act on such additional information and withdraw their capital potentially at higher values than other investors. Any such withdrawals may result in reduced liquidity for other investors and, in order to meet larger or more frequent withdrawals, a fund may need to maintain a greater amount of cash and cash-equivalent investments than it would otherwise maintain, which may reduce the overall performance of a fund. Each investor is responsible for asking such questions as it believes are necessary in order to make its own investment decisions, must decide for itself whether the limited information provided by Amici Capital and a fund is sufficient for its needs and must accept the foregoing risks.

Systems and Operational Risks. A fund depends on Amici Capital to develop and implement appropriate systems for a fund's activities. A fund relies heavily on a daily basis on financial, accounting and other data processing systems to execute, clear and settle transactions across numerous and diverse markets and to evaluate certain assets, to monitor its portfolio and capital, and to generate risk management and other reports that are critical to oversight of a fund's activities. In addition, a fund relies on information systems to store sensitive information about a fund, Amici Capital, their affiliates and investors. Certain of a fund's and Amici Capital's activities will be dependent upon systems operated by third parties, including prime brokers, an administrator, market counterparties and other service providers, and Amici Capital may not be in a position to verify the risks or reliability of such third-party systems. Failures in the systems employed by Amici Capital, prime brokers, an administrator, counterparties, exchanges and similar clearance and settlement facilities and other parties could result in mistakes made in the confirmation or settlement of transactions, or in transactions not being properly booked, evaluated or accounted for. Disruptions in a fund's operations may cause a fund to suffer, among other things, financial loss, the disruption of its businesses, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing failures or disruptions could have a material adverse effect on a fund and the investors' investments therein.

Identity of Beneficial Ownership and Withholding on Certain Payments. In order to avoid a U.S. withholding tax of 30% on certain payments (including payments of gross proceeds) made with respect to certain actual and deemed U.S. investments, a fund will be required to enter into an agreement with the United States Internal Revenue Service (the “**Service**”) by December 31, 2013 identifying certain direct and indirect U.S. account holders (including debt holders and equity holders). A non-U.S. investor in a fund will generally be required to provide information which identifies its direct and indirect U.S. ownership. Any such information provided to a fund will be shared with the Service. A non-U.S. investor that is a "foreign financial institution" within the meaning of Section 1471(d)(4) of the IRC, will generally be required to enter into an agreement with the Service by December 31, 2013 identifying certain direct and indirect U.S. account holders (including debt holders and equity holders). A non-U.S. investor who fails to provide such information to a fund or who fails to enter into such an agreement with the Service, as applicable, would be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of such fund. Investors should consult their own tax advisors regarding the possible implications of these rules on their investments in a fund.

C. Risks Associated With Particular Types of Securities.

General. As noted above, Amici Capital utilizes different securities and instruments in pursuing the investment objectives and strategies of the Funds and Third Party Fund. Risks associated with these securities and instruments are more fully described below. Risks shown below may or may not be applicable to a fund depending upon such fund's investment mandate and/or investment restrictions.

Short Selling. The success of a fund's short selling investment strategy depends upon Amici Capital's ability to identify and sell short assets that are overvalued. A short-sale creates the risk of a theoretically unlimited loss, in that the price of the underlying instrument could theoretically increase without limit, thus increasing the cost to a fund of buying those assets to cover the short-sale position. There can be no assurance that a fund will be able to maintain the ability to borrow assets sold short. In such cases, a fund can be "bought in" (i.e., forced to repurchase instruments in the open market to return to the lender). There also can be no assurance that the instruments necessary to cover a short-sale position will be available for purchase at or near prices quoted in the market. Purchasing instruments to close out a short-sale position can itself cause the price of such instruments to rise further, thereby exacerbating the loss. Short strategies can also be implemented synthetically through various instruments and can be used with respect to indices or in the over-the-counter market and with respect to futures and other instruments. In some cases of synthetic short-sales, there is no floating supply of an underlying instrument with which to cover or close out a short-sale position and a fund may be entirely dependent on the willingness of over-the-counter market makers to quote prices at which the synthetic short-sale position may be unwound. There can be no assurance that such market makers will be willing to make such quotes. Short strategies can also be implemented on a leveraged basis. Lastly, even though a fund secures a "good borrow" of an instrument sold short at the time of execution, the lending institution may recall the lent instrument at any time, thereby forcing a fund to purchase the instrument at the then-prevailing market price which may be higher than the price at which such instrument was originally sold short by a fund.

Futures Contracts. The value of futures contracts depends upon the price of the assets, such as commodities, underlying them. The prices of futures contracts are highly volatile, and price

movements of futures contracts can be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, as well as national and international political and economic events and policies. In addition, investments in futures contracts are also subject to the risk of the failure of any of the exchanges on which a fund's positions trade or of its clearing houses or counterparties. Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a fund from promptly liquidating unfavorable positions and subject a fund to substantial losses or prevent it from entering into desired trades. Also, low margin or premiums normally required in such trading may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce a disproportionately larger profit or loss. In extraordinary circumstances, a futures exchange or the CFTC could suspend trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract.

Equity Securities Generally. The value of equity securities of public and private, listed and unlisted companies and equity derivatives generally varies with the performance of the issuer and movements in the equity markets. As a result, a fund may suffer losses if it invests in equity instruments of issuers whose performance diverges from Amici Capital's expectations or if equity markets generally move in a single direction and a fund has not hedged against such a general move. A fund also may be exposed to risks that issuers will not fulfill contractual obligations such as, in the case of convertible securities or private placements, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

Options. The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, either to purchase or sell the underlying security, commodity or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received (which could result in a potentially unlimited loss). Over-the-counter options also involve counterparty solvency risk.

Debt Securities Generally. Debt securities of all types of issuers may have speculative characteristics, regardless of whether they are rated. The issuers of such instruments (including sovereign issuers) may face significant ongoing uncertainties and exposure to adverse conditions that may undermine the issuer's ability to make timely payment of interest and principal in accordance with the terms of the obligations.

High-Yield. Bonds or other fixed-income securities that are "higher yielding" (including non-investment grade) debt securities are generally not exchange traded and, as a result, these securities trade in the over-the-counter marketplace, which is less transparent and has wider bid/ask spreads than the exchange-traded marketplace. High-yield securities face ongoing

uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer's inability to meet timely interest and principal payments. High-yield securities are generally more volatile and may or may not be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured by substantially all of the issuer's assets. High-yield securities may also not be protected by financial covenants or limitations on additional indebtedness. The market values of certain of these lower-rated and unrated debt securities tend to reflect individual corporate developments to a greater extent than do higher-rated securities which react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher-rated securities. Companies that issue such securities may be highly leveraged and may not have available to them more traditional methods of financing. In addition, a fund may invest in bonds of issuers that do not have publicly traded equity securities, making it more difficult to hedge the risks associated with such investments.

A fund may invest in obligations of issuers that are generally trading at significantly higher yields than had been historically typical of the applicable issuer's obligations. Such investments may include debt obligations that have a heightened probability of being in covenant or payment default in the future or that are currently in default and are generally considered speculative. The repayment of defaulted obligations is subject to significant uncertainties. Defaulted obligations might be repaid only after lengthy workout or bankruptcy proceedings, during which the issuer might not make any interest or other payments. Typically such workout or bankruptcy proceedings result only in partial recovery of cash payments or an exchange of the defaulted security for other debt or equity securities of the issuer or its affiliates, which may in turn be illiquid or speculative.

Restricted Securities. Restricted securities cannot be sold to the public without registration under the Securities Act. Unless registered for sale, restricted securities can be sold only in privately negotiated transactions or pursuant to an exemption from registration (e.g., under Rule 144A of the Securities Act). Although these securities may be resold in privately negotiated transactions, because there is often little liquidity for these securities, they may be difficult and take a substantial amount of time to sell, and the prices realized from these sales could be less than those originally paid by a fund. Restricted securities may involve a high degree of business and financial risk which may result in substantial losses.

Credit Default Swaps. The buyer of a credit default swap is obligated to pay the seller a periodic stream of payments over the term of the contract in return for a contingent payment upon the occurrence of a credit event with respect to an underlying reference obligation or entity. Generally, a credit event means bankruptcy, failure to pay, cross default/acceleration, obligation acceleration, repudiation/moratorium, restructuring, or rating decline. A fund may be either the buyer or seller in a transaction. If a fund is a buyer and no credit event occurs, a fund will have made fixed payments and received nothing. However, if a credit event occurs, a fund, as a buyer, typically will receive full notional value for a reference obligation that may have little or no value. As a seller, a fund receives a fixed rate of income throughout the term of the contract, which typically is between one month and five years, provided that no credit event occurs. If a credit event occurs, the seller may pay the buyer the full notional value of the reference obligation, which may have little or no value.

In addition to general market risks, credit default swaps are subject to liquidity risk and credit risk. Swap contracts that are not traded on an exchange are not otherwise regulated, and as a

consequence, investors in such contracts do not benefit from regulatory protections. The selling of credit default swaps involves greater risks than if a fund had invested in the reference obligation directly. If a credit event were to occur, the value of the reference obligation received by the seller, coupled with the periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value. The buyer of credit default swaps will incur a loss if the seller fails to perform on its obligation should a credit event occur. In certain circumstances, the buyer can receive the notional value of a credit default swap only by delivering a physical security to the seller, and is at risk if such a deliverable security is unavailable or illiquid.

Securities of Healthcare-Related Companies. Healthcare-related companies are generally subject to greater governmental regulation than other companies at both the state and federal levels. Changes in governmental policies may have a material effect on the demand for, or costs of, certain products and services. A healthcare-related company must receive government approval before introducing new drugs and medical devices or procedures. This process may delay the introduction of these products and services to the marketplace, resulting in increased development costs, delayed cost-recovery and loss of competitive advantage to the extent that rival companies have developed competing products or procedures, adversely affecting the company's revenues and profitability. Certain healthcare-related companies depend on the exclusive rights or patents for the products they develop and distribute. Patents have a limited duration and, upon expiration, other companies may market substantially similar "generic" products which cost less to develop and may cause the original developer of the product to lose market share or reduce the price charged for the product, resulting in lower profits for the original developer. Finally, because the products and services of healthcare-related companies affect the health and well-being of many individuals, these companies are especially susceptible to product liability lawsuits. The share price of a healthcare-related company can drop dramatically not only as a reaction to an adverse judicial ruling, but also from the adverse publicity accompanying threatened litigation.

Rapid Growth Industry and Related Risks. Investing in companies involved in the healthcare industry (e.g. biotechnology, healthcare) will expose a fund to the risks of rapidly changing technology, evolving industry standards, evolving customer demands, frequent new product and service introductions and extensive governmental regulation, over which a fund will have no control. As a result, no assurance can be given that a fund's investments will not result in substantial or complete losses. Risks generally applicable to the companies in the biotechnology, life sciences and healthcare-related industries include, but may not be limited to, product development (uncertainty about the timing, efficacy, side effects, and market potential of new products), commercial (new/existing competition, third-party reimbursement/pricing pressures/manufacturing), regulatory (timing/status of FDA approvals, label changes on existing products), patent (market share/price erosion, potential litigation), personnel retention (management, scientist, sales representatives, clinical investigators), and delays/overestimating in-house and outsourced abilities (products, regulatory, management, in-licensing).

The future success of a portfolio company may depend in significant part on its ability to improve the performance and reliability of its services in response to both the evolving demands of the market and competitive product offerings. A portfolio company's efforts in these areas may not be successful and a portfolio company's business could be adversely affected if it were to incur delays in developing new products or enhancements, or if such products or enhancements did not gain market acceptance. In addition, there can be no assurance that

products or technologies developed by others will not render a portfolio company's products uncompetitive or obsolete.

Micro, Small and Medium Capitalization Companies. Investments in securities of micro and smaller-capitalization companies involve higher risks in some respects than do investments in securities of larger "blue-chip" companies. For example, prices of securities of micro- and small-capitalization and even medium-capitalization companies are often more volatile than prices of securities of large-capitalization companies and may not be based on standard pricing models that are applicable to securities of large-capitalization companies. Furthermore, the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) may be higher than for larger, "blue-chip" companies. Finally, due to thin trading in the securities of some micro- and small-capitalization companies, an investment in those companies may be illiquid.

Investing in Technology Companies. Investing in securities and other instruments of technology companies involves substantial risks. These risks include: the fact that certain companies in the portfolios of a fund may have limited operating histories; rapidly changing technologies and products which may quickly become obsolete; cyclical patterns in information technology spending which may result in inventory write-offs, cancellation of orders and operating losses; scarcity of management, engineering and marketing personnel with appropriate technological training; the possibility of lawsuits related to technological patents; changing investors' sentiments and preferences with regard to technology sector investments (which are generally perceived as risky) with their resultant effect on the price of underlying securities; and volatility in the U.S. stock markets affecting the prices of technology company securities, which may cause the performance of a fund to experience substantial volatility.

Non-U.S. Investments. Investing in the securities of companies (and, from time to time, governments) outside of the United States involves certain considerations not usually associated with investing in securities of U.S. companies or the U.S. government, including political and economic considerations, such as greater risks of expropriation, nationalization, confiscatory taxation, imposition of withholding or other taxes on interest, dividends, capital gains, other income or gross sale or disposition proceeds, limitations on the removal of assets and general social, political and economic instability; the relatively 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; the evolving and unsophisticated laws and regulations applicable to the securities and financial services industries of certain countries; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict a fund's investment opportunities. In addition, accounting and financial reporting standards that prevail outside of the United States generally are not as high as U.S. standards and, consequently, less information is typically available concerning companies located outside of the United States than for those located in the United States. As a result, a fund may be unable to structure its transactions to achieve the intended results or to mitigate all risks associated with such markets. It may also be difficult to enforce a fund's rights in such markets. For example, instruments traded on non-U.S. exchanges and the non-U.S. persons that trade these instruments are not subject to the jurisdiction of the SEC or the CFTC or the securities and commodities laws and regulations of the United States. Accordingly, the protections accorded to a fund under such laws and regulations are unavailable for transactions on foreign exchanges and with foreign counterparties.

Investments in Emerging Markets. Investing in emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or markets. Such risks may include (i) increased risk of nationalization or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalization of markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on realization of investments, repatriation of invested capital and on the ability to exchange local currencies for U.S. dollars; (viii) increased likelihood of governmental involvement in and control over the economy; (ix) governmental decisions to cease support of economic reform programs or to impose centrally planned economies; (x) differences in auditing and financial reporting standards which may result in the unavailability or unreliability of material information about issuers; (xi) less extensive regulation of the markets; (xii) longer settlement periods for transactions and less reliable clearance and custody arrangements; (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors; (xiv) imposition of withholding or other taxes on dividends, interest, capital gains, other income or gross sale or disposition proceeds; and (xv) risks regarding the maintenance of a fund's assets with non-U.S. brokers and securities depositories.

Individual economies may differ substantially with respect to growth of gross national product, rates of inflation, capital reinvestment, resources, self-sufficiency and balance of payments position. An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other. Repatriation of investment income, assets and the proceeds of sales by foreign investors may require governmental registration and/or approval in some emerging countries. In addition, for example, if there is deterioration in a country's balance of payments, an emerging market country may impose restrictions on foreign capital remittances abroad. The Fund could be adversely affected by delays in or a refusal to grant any required governmental registration or approval for such repatriation.

Certain of the risks associated with international investments and investing in smaller capital markets are heightened for investments in emerging markets. For example, some emerging market currencies have experienced steady devaluations relative to the U.S. dollar, and major adjustments have been made in certain of such currencies periodically. In addition, governments in certain emerging markets have exercised and continue to exercise substantial influence over many aspects of the private sector. In certain cases, the government owns or controls many companies, including the largest in the country. Accordingly, government actions in the future could have a significant effect on economic conditions in such countries, which could affect private sector companies and the value of securities in the portfolio.

Some emerging markets prohibit or impose substantial restrictions on investments in their capital markets, particularly their equity markets, by foreign entities. Certain emerging markets require governmental approval prior to investment by foreign persons, limit the amount of such investment in a particular company or limit such investment to only a specific class of securities which may have less advantageous terms than securities available for purchase by nationals.

Less-developed markets frequently have smaller capital markets and the currencies and securities traded in these markets are generally less liquid and the prices of various instruments

are generally more volatile than in developed markets. The limited liquidity of these securities markets may also affect a fund's ability to acquire or dispose of currencies or securities at the price and time it wishes to do so. In addition, currency and securities markets in emerging markets are susceptible to influence by large investors trading in significant volume or by large dispositions of positions resulting from failure to meet margin calls when due.

Brokerage commissions, custodial services and other costs relating to investment activities are generally more expensive in less-developed markets than in developed markets. Such markets have different clearance and settlement procedures, and settlements may lag, making it difficult to close securities transactions. Satisfactory custodial services may be unavailable and the Fund may experience additional costs and delays in transporting and maintaining custody of securities outside such countries. The inability to dispose of a portfolio security on a timely basis due to settlement problems could result in losses to a fund.

Disclosure and regulatory standards in emerging markets are in many respects less stringent than those in other international securities markets, with a low level of monitoring and regulation of the market and market participants, and limited and uneven enforcement of existing regulations. Consequently, the prices at which a fund may acquire investments may be affected by other market participants' anticipation of such fund's investing and by trading by persons with material non-public information. There may be less publicly available information about an issuer in a less-developed market than would be available in a developed market, and the issuer may not be subject to accounting, auditing and financial reporting standards comparable to those of companies in developed markets. Balance sheet and income statement data appearing in the financial statements of emerging markets issuers may not reflect the financial position or results of operations of such issuers in the same way as financial statements prepared in accordance with generally accepted accounting principles in the U.S., Western Europe or Japan. Emerging markets issuers that operate in certain inflationary economies may be required to keep records according to inflation accounting rules that require that certain balance sheet assets and liabilities be restated annually in order to express such items in terms of currency of constant purchasing power. This process may indirectly generate losses or profits. As a result, traditional investment measurements, such as price/earnings ratios, may not be useful in certain emerging markets.

In emerging markets, there may be less government supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers and issuers than in other more established countries. Whatever supervision is in place may be subject to manipulation, control or undue influence by certain individuals or groups in power. While many emerging market countries have mature legal systems comparable to those of more developed countries, others do not. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments which could result in investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional and national requirements. In certain cases, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary appreciation or interpretation. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. There may also be a lack of proper checks and balances or other procedures in place to ensure proper division of power among the different branches of government or political groups. A fund may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in non-U.S. courts.

Taxation of interest, dividends, capital gains, other income recognized, and gross sale or disposition proceeds received by non-residents varies among emerging countries and, in some cases, tax rates may be high. In addition, emerging countries typically have less well-defined tax laws and procedures. With respect to certain countries, there is a possibility of expropriation, confiscatory taxation and imposition of withholding or other taxes on dividends, interest, capital gains or other income.

Some countries in which a fund may invest have experienced substantial rates of inflation in recent years. Inflation and rapid fluctuations in inflation rates have had, and may in the future have, negative effects on the economies and securities markets of certain emerging economies. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on a fund's investments in these countries or a fund's returns from such investments.

Investments in Currencies. A principal risk in trading currencies is the rapid fluctuation in the market prices of currency contracts. Prices of currency contracts traded by a fund are affected generally by relative interest rates, which in turn are influenced by a wide variety of complex and difficult to predict factors such as money supply and demand, balance of payments, inflation levels, fiscal policy, and political and economic events. In addition, governments from time to time intervene, directly and by regulation, in these markets, with the specific effect, or intention, of influencing prices which may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations.

Currency Exchange Exposure. A fund may invest in instruments denominated in currencies other than the U.S. dollar. A fund, however, may value its assets in U.S. dollars. A fund may or may not seek to hedge its non-U.S. currency exposure by entering into currency hedging transactions. There can be no guarantee that instruments suitable for hedging currency or market shifts will be available at the time when a fund wishes to use them, or that hedging techniques employed by a fund will be effective. Furthermore, certain currency market risks may not be fully hedged or hedged at all. To the extent unhedged, the value of a fund's positions denominated in currencies other than the U.S. dollar will fluctuate with U.S. dollar exchange rates as well as with the price changes of the investments in the various local markets and currencies.

General Economic and Market Conditions. The success of a fund's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of a fund's investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of the prices and the liquidity of a fund's investments. Volatility or illiquidity could impair a fund's profitability or result in losses. A fund may maintain substantial trading positions that can be adversely affected by the level of volatility in the financial markets.

Current Economic Conditions in European Countries. Certain European countries, including Greece, Ireland, Italy, Portugal and Spain, are currently experiencing varying degrees of financial distress. Risks from the debt crisis in Europe could result in a disruption of the financial markets, which could have a detrimental impact on global economic conditions.

Recently, contagion fears have expanded to Spain and Italy, and credit spreads widened further in European peripheral countries and European banks. There remains considerable uncertainty as to future developments in the European debt crisis and the impact on global financial markets. A significant deterioration of the European debt crisis could result in material reductions in the value of sovereign debt and other asset classes, disruptions in capital markets, widening of credit spreads, loss of investor confidence in the financial services industry, a slowdown in global economic activity, and other adverse developments that could negatively impact the performance of a fund.

Accounting for Uncertainty in Income Taxes. The Financial Accounting Standards Board has released Accounting Standards Codification Topic 740 ("ASC 740") (formerly known as "FIN 48"), to provide consistent guidance on the recognition of uncertain tax positions. ASC 740 prescribes, among other things, the minimum recognition threshold that a tax position is required to meet before being recognized in an entity's financial statements. Prospective investors should be aware that, among other things, ASC 740 could have a material adverse effect on the periodic calculations of the net asset value of a fund, including reducing the net asset value of a fund to reflect reserves for income taxes that may be payable in respect of prior periods by a fund. This could adversely affect certain investors, depending upon the timing of their purchase and withdrawal of interests or shares in a fund.

ITEM 9 DISCIPLINARY INFORMATION

Amici Capital has no previous or existing disciplinary events that are material to a client's or prospective client's evaluation of Amici Capital's investment advisory business or the integrity of Amici Capital's management.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-Dealer Registration Status.

Amici Capital and its management persons are not registered as, and do not have any application to register as, a broker-dealer or registered representative of a broker-dealer.

B. Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Adviser Registration Status.

Amici Capital and its management persons are not registered as, and do not have any application to register as, a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

C. Material Relationships or Arrangements with Industry Participants.

The following entities are related persons of Amici Capital:

- ***CF Advisors, LLC*** - CF Advisors is a limited liability company formed in the State of Delaware that commenced operations in January 1999. A. Alex Porter and Paul E. Orlin are the owners and managing members of CF Advisors. Certain employees of Amici

Capital participate in the incentive allocations payable by investors in each of the U.S. Funds to CF Advisors. CF Advisors is the general partner of each of the U.S. Funds.

- ***Porter Orlin (Mauritius) Limited*** - Porter Orlin (Mauritius) Limited is a private company incorporated in the Republic of Mauritius that commenced operations in August 2010. Porter Orlin (Mauritius) Limited is a wholly-owned subsidiary of Amici Capital. Porter Orlin (Mauritius) Limited provides investment advisory services to Trading Subsidiaries organized in the Republic of Mauritius.

D. Material Conflicts of Interest Relating to Other Investment Advisers.

Not applicable.

ITEM 11

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS
AND PERSONAL TRADING

A. Code of Ethics

Amici Capital has adopted a Code of Ethics (the "**Code of Ethics**") which outlines Amici Capital's fiduciary duty (discussed below), as well as its policies relating to: standards of conduct; gifts, entertainment and other benefits; outside business activities; compliance with laws; confidential information; prevention of insider trading (discussed below); and personal securities trading (discussed below).

Fiduciary Duty - The Code of Ethics emphasizes Amici Capital's fiduciary duty to act in the best interest of its clients. In particular, employees are expected to uphold the following principles: always place the interests of clients first; all personal securities transactions must be conducted in a manner consistent with the Code of Ethics and avoid any actual or potential conflicts of interest or any abuse of an employee's position of trust and responsibility; employees must not take any inappropriate advantage of their positions; information concerning the identity of securities and financial circumstances of clients, including the Funds' investors, must be kept confidential; and independence in the investment decision-making process must be maintained at all times.

Personal Securities Trading - Under the Code of Ethics, Amici Capital's employees must obtain the approval of (i) A. Alex Porter or Paul E. Orlin and (ii) the chief compliance officer of Amici Capital (the "**Chief Compliance Officer**") prior to buying or selling "Reportable Securities" as defined in Rule 204A-1 under the Advisers Act (including any security issued in a private placement) for their own accounts or accounts in which they may have a direct or indirect beneficial interest. The purchase of individual debt and listed equity securities, options on listed equity securities, options on indices, and options on currencies are not permitted under the Code of Ethics. In addition, no personal securities trading activity will be permitted if such activity would result in any actual or potential conflict of interest, or could reasonably be expected to adversely influence the judgment of the employee in the performance of his/her duties on behalf of Amici Capital. In the event a purchase of a Reportable Security is approved, such employee is required to hold the Reported Security for a minimum period of time before any additional approvals in respect of such Reportable Security will be granted. All employees

are required to submit to the Chief Compliance Officer a holdings report promptly upon becoming an employee and annually thereafter, as well as report all trading activity to the Chief Compliance Officer on a quarterly basis. In addition, for each of their personal accounts in which they can trade or hold "Reportable Securities", employees must direct the firms where such personal accounts are maintained to supply Amici Capital with a duplicate copy of their account statements, as well as a duplicate copy of trade confirmations in Reportable Securities.

Prevention of Insider Trading - Under the Code of Ethics, Amici Capital and its employees are prohibited from trading for clients or for themselves, or recommend trading, in securities of a company while in possession of material non-public information obtained in breach of a duty of trust or confidence about such company ("**Inside Information**") and from disclosing Inside Information to any person not entitled to receive it. In addition, Amici Capital maintains a restricted list of companies about which a determination has been made that it is prudent to restrict trading activities. Any determination to remove a company from the restricted list must be approved by the Chief Compliance Officer or the general counsel of Amici Capital (the "**General Counsel**").

Acknowledgement - Each employee is required to acknowledge, on an annual basis, his/her responsibility for reading, understanding and complying with the Code of Ethics.

Under the Code of Ethics, the Chief Compliance Officer may delegate any of his responsibilities to the General Counsel, as he deems necessary.

A copy of Amici Capital's Code of Ethics is available to clients upon request, by calling the Chief Compliance Officer or the General Counsel at 212-484-5000.

B. Securities That You or a Related Person Has a Material Financial Interest.

Please refer to Item 11.D. below.

C. Investing in Securities That You or a Related Person Recommends to Clients.

Please refer to Item 11.D. below.

D. Conflicts of Interest Created by Contemporaneous Trading.

From time to time, various potential and actual conflicts of interest may arise from the overall advisory, investment and other activities of Amici Capital, its affiliates and employees. Amici Capital has adopted a Code of Ethics (discussed in Item 11.A above) which established policies and procedures designed to monitor and address such conflicts of interest.

Advisory and Other Activities - Amici Capital provides discretionary investment advice to the Funds and the Third-party Fund. Amici Capital and its affiliates may, in the future, provide investment advisory services to other private investment funds, third-party funds, managed accounts, entities and/or persons.

Amici Capital may give advice or take action with respect to the investment of one or more clients that may not be given or taken with respect to other clients with the same or similar

investment programs, strategies and objectives. Accordingly, clients with the same or similar investment programs, strategies and objectives may not hold the same securities or instruments or achieve the same performance. Amici Capital, its affiliates and employees also may advise clients with conflicting programs, strategies and objectives. These activities may adversely affect the process and availability of securities or instruments held by or potentially considered for one or more clients.

Furthermore, the time and effort of Amici Capital will not be devoted exclusively to the business of a client, and Amici Capital will devote as much time to each client as Amici Capital deems appropriate to perform its duties. Amici Capital, its affiliates and employees may also participate in other ventures, as principals or otherwise. Accordingly, Amici Capital, its affiliates and employees may have conflicts in allocating their time and services among clients, other investment and other ventures. To the extent that Amici Capital employees engage in outside business activities, Amici Capital has established policies and procedures which require Amici Capital's employees to obtain the prior approval of (i) A. Alex Porter or Paul E. Orlin and (ii) the Chief Compliance Officer with respect to the conduct of any such outside business.

Investment Activities - Amici Capital, its affiliates and employees may make investments in the Funds of their choosing, are not required to invest in all Funds, and are not required to keep any investment minimum in any of the Funds. If such investments are made, it is expected that the size of these investments will change over time. Accordingly, potential conflicts may arise due to the fact that Amici Capital, its affiliates and employees may have investment in some Funds but not in others, or may have different levels of investments in the various Funds.

Furthermore, Amici Capital, its affiliates and employees may invest on behalf of themselves in securities and other instruments that would be appropriate for, may be held by, or may fall within the investment programs, strategies and objectives of a client. They may also give advice or take action for their own accounts or others that may differ from or, may conflict with or be adverse to advice given or taken for a client. However, as discussed below, Amici Capital employees must obtain the prior approval of (i) A. Alex Porter or Paul E. Orlin and (ii) the Chief Compliance Officer, prior to buying or selling "Reportable Securities" as defined in Rule 204A-1 under the Advisers Act for their own accounts or accounts in which they have a direct or indirect beneficial interest.

ITEM 12 BROKERAGE PRACTICES

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions.

Amici Capital has full discretionary authority to manage the investments of clients, including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions or mark-ups and mark-downs paid. Amici Capital's authority is limited by the investment program of each client and Amici Capital's own internal policies and procedures.

i. Brokerage Commissions and Other Compensation

Securities transactions generate a substantial amount of brokerage commissions and other compensation, all of which the clients are obligated to pay. Amici Capital has sole discretion in deciding which brokers and dealers the clients use and in negotiating the rates of compensation the clients pay. In addition to using brokers as agents and paying commissions, clients may buy or sell securities directly from or to dealers acting as principal at prices that include mark-ups or mark-downs, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers.

ii. Best Execution

Selection of Brokers and Dealers - Generally, Amici Capital determines which brokers and dealers have been helpful in the management of its clients. To the extent consistent with the foregoing and its duty to seek best execution, Amici Capital may seek to place brokerage transactions with the brokers and dealers who have been so identified.

When seeking best execution, Amici Capital need not solicit competitive bids and is not required to select the broker or dealer that charges the lowest transaction cost, even if that broker or dealer provides execution quality comparable to other brokers or dealers. Amici Capital will consider the full range and quality of a broker's or dealer's services in placing trades for clients, including, among other things, execution capability, the value of brokerage and research provided, financial stability and reputation, and responsiveness to Amici Capital. It is not Amici Capital's practice to negotiate "execution only" commission rates, thus a client may be deemed to be paying for research, brokerage or other services provided by the broker or dealer which are included in the commission rate.

Transactions on an Agency Basis - From time to time, a client may execute over-the-counter trades on an agency basis rather than on a principal basis. In these situations, the broker used by the client may acquire or dispose of a security through a market-maker (a practice known as "interpositioning"). The transaction may thus be subject to both a commission and a mark-up or mark-down. Amici Capital believes that the use of a broker in such instances is consistent with its duty of obtaining best execution for clients. The use of a broker can provide anonymity in connection with a transaction. In addition, a broker may, in certain cases, have greater expertise or greater capability in connection with both accessing the market involved and executing the transaction.

Cross-Trades - There may be circumstances under which Amici Capital deems it appropriate to cause a client to sell a security and another client to purchase the same security at or about the same time. Consistent with its fiduciary obligations to each client and its obligation to seek best execution, Amici Capital may, under such circumstances, arrange to have the purchase and sale transaction effected directly between the clients ("**cross-trades**"). In certain circumstances, cross-trades may reduce execution related costs for participating accounts. A cross-trade would be effected on the basis of the current market price of the security or at a price reasonably determined to reflect the fair value of the security, which may be based on independent dealer quotes or information obtained from recognized pricing services. Cross-trades may also be executed through third-party brokers. Amici Capital will not receive compensation (other than its advisory fees), directly or indirectly, for effecting cross-trades between accounts. A client that is

plan assets subject to the requirements of ERISA may be limited in its ability to engage in cross-trades.

Principal Trades – Amici Capital generally does not plan to engage in principal transactions. However, there may be circumstances under which Amici Capital, acting for its own account (or the account of an affiliate) buys a security from, or sells a security to, a client’s account (each, a “**principal transaction**”). For example, a principal transaction would arise if a trade occurs between a client and a proprietary account of Amici Capital or if a trade occurs between two or more clients depending on the percentage of ownership, directly or indirectly, held by Amici Capital and its affiliates in the client accounts at the time of the transaction. In these instances, Amici Capital, in accordance with Section 206(3) of the Advisers Act, will disclose to the client (provided that such client is not a registered investment company) in writing the capacity in which Amici Capital or such affiliate is acting and will obtain specific written consent from the client before the completion of the transaction. An independent advisory committee (the “Advisory Committee”) may be formed to consider a proposed principal transaction, and on behalf of the clients and/or Fund investors, approve or disapprove such principal transactions. The Advisory Committee may approve of such transactions prior to such transactions being effected. Principal transactions (including riskless principal transactions) are prohibited in accounts that are subject to ERISA.

1. Research and Other Soft Dollar Benefits.

i. **Soft Dollar Usage**

When it is appropriate under its discretionary authority and consistent with its duty to seek best execution, Amici Capital may pay a broker or dealer commissions in excess of the pure execution costs in recognition of the value of the brokerage and research services that may be received from such broker or dealer and/or a third-party research provider. Amici Capital will effect such transactions and receive such brokerage and research services only to the extent such research services and/or products fall within the safe harbor provided by Section 28(e) (the “**Section 28(e) Safe Harbor**”) of the Securities Exchange Act of 1934, as amended. The receipt of brokerage and research products and services may create a conflict of interest because such products and services may benefit not only the clients that generate the soft dollars, but also Amici Capital, its affiliates, and other clients, and in certain instances the clients that generate the soft dollars may not be the direct or indirect beneficiary of the research or brokerage services provided. Amici Capital may have an incentive to select a broker-dealer based on its interest in receiving research or other products or services, rather than its clients' interests in receiving most favorable execution or lower transaction costs.

Research and Brokerage - Generally, research products and services provided by brokers and dealers and/or third-party research providers that fall within the Section 28(e) Safe Harbor include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services

providing market data, company financial data, and economic data); and advice from brokers on order execution.

Generally, brokerage products and services within the Section 28(e) Safe Harbor include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between a general partner and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self regulatory organization such as comparison services, electronic confirms or trade affirmations.

Mixed Use Items - In some instances, Amici Capital may receive a product or service that may be used only partially for functions within the Section 28(e) Safe Harbor. In such instances, Amici Capital will make a good faith effort to determine the relative proportion of the product or service used to assist Amici Capital in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside the Section 28(e) Safe Harbor. The proportion of the product or service attributable to assisting Amici Capital in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside the Section 28(e) Safe Harbor will be paid for by Amici Capital from its own resources. In making good faith allocations of costs between administrative benefits and research benefits, a conflict of interest may exist by reason of Amici Capital's allocation of the costs of such products and services between those that primarily benefit Amici Capital and those that primarily benefit clients.

ii. Prime Brokerage

Prime Brokerage Services and Compensation - The Funds obtain clearing, custodial and related prime brokerage services through one or more prime brokerage arrangements. The prime broker(s) clears the Funds' transactions that are executed through other firms. The prime broker(s) also maintains custody of the Funds' assets (either directly or through its clearing brokerage firm), provides margin credit and locates securities to borrow to facilitate short-sales. The prime broker(s) is compensated through interest on credit balances, margin borrowings, stock loans, and brokerage commissions.

Under the prime brokerage arrangement(s), the prime broker(s), among other things: (i) arranges for the receipt and delivery of securities bought, sold, borrowed, and lent; (ii) makes and receives payments for securities; (iii) maintains custody of cash and securities; (iv) delivers cash to the Funds' bank accounts; (v) tenders securities in connection with tender offers, exchange offers, mergers, or other corporate reorganizations; (vi) provides detailed portfolio and related reports; and (vii) provides software and connection to the prime brokerage platform to facilitate trade entry and reporting, and to access analytical tools to analyze the Funds' portfolio and related reports.

Office Space, Technology and Other Property-Related Services - Amici Capital leases office space from one of its prime brokers. Amici Capital pays a fee for the space and for related supporting services, such as the provision of telecommunications and data network infrastructure, computer support services, office furniture and equipment, and shared use of common areas. The provision of the office space and related services upon terms which may or may not be considered to be favorable to those otherwise available on the open market, is one among a number of factors that might bear upon Amici Capital's decision in selecting such prime broker as one of the Funds' prime brokers and as one of many brokers which execute securities transactions on behalf of clients.

Capital Introduction - The prime broker(s) may refer prospective investors to the Funds or other products managed by Amici Capital, or permit Amici Capital to participate in its capital introduction programs whereby Amici Capital may attend or speak at events sponsored by the prime broker for investors interested in investing in hedge funds. Through such events, prospective investors have the opportunity to meet with Amici Capital. Neither Amici Capital nor its clients compensate the prime broker(s) for organizing such events or for any investments ultimately made by prospective investors attending such events. Amici Capital may place transactions with such prime broker(s) if otherwise consistent with seeking best execution, provided Amici Capital is not selecting the prime broker(s) in recognition of its referral of investors.

Consulting Services and Other Services - The prime broker(s) provides consulting services to Amici Capital, and may also provide Amici Capital and its affiliates with other services in addition to those listed above.

2. Brokerage for Client Referrals

Amici Capital may place transactions with a broker or dealer that refers investors to the Funds or other products managed by Amici Capital if otherwise consistent with seeking best execution, provided Amici Capital is not selecting the broker-dealer in recognition of its referral of investors.

3. Directed Brokerage

Not applicable.

B. Order Aggregation.

When Amici Capital encounters investment opportunities that are appropriate for more than one client, Amici Capital will allocate the investment opportunities in a fair and equitable manner. Furthermore, Amici Capital will aggregate trade orders only when aggregation is consistent with its duty to seek best execution, and the terms of the investment guidelines and restrictions of each client for which trade orders are being aggregated. Amici Capital is not required to aggregate client trade orders; however, it will generally do so subject to best execution. When aggregating and allocating trade orders, clients will be treated in a fair and equitable manner.

The Chief Investment Officer of Amici Capital is responsible for ensuring that clients receive fair and equitable treatment in the allocation of investment opportunities, and in the aggregation and allocation of trade orders. The Chief Investment Officer of Amici Capital is also

responsible for ensuring that all such allocations of investment opportunities and the aggregation and allocation of trade orders are done in accordance with Amici Capital's procedures.

As a general approach, (i) when an investment is appropriate only for clients following a single investment strategy, Amici Capital will allocate the investment among the clients within the strategy pro rata based on assets or pursuant to a predetermined formula that generally results in a pro rata allocation based on assets (net leveling), and (ii) when an investment is appropriate for clients following different investment strategies, Amici Capital will first allocate the investment among the investment strategies as determined by Amici Capital, and then among the clients within a strategy pro rata based on assets or pursuant to a predetermined formula that generally results in a pro rata allocation based on assets (net leveling).

On occasion, the Firm will not be able to purchase or sell all of the securities ordered as part of an aggregated trade order in a single day. If the trade order is partially filled, it will generally be allocated pro rata in proportion to the size of the trade orders placed for each client to the extent practicable based on an allocation statement, subject to rounding to achieve round lots. Amici Capital may allocate on a basis other than pro rata if, under the circumstances, such other method of allocation is reasonable, does not result in improper or undisclosed advantage or disadvantage to certain clients, and results in fair access over time to trading opportunities for all participating clients.

ITEM 13 REVIEW OF ACCOUNTS

A. Frequency and Nature of Review of Client Accounts or Financial Plans.

Amici Capital performs various daily, weekly, monthly, quarterly and periodic reviews of client portfolios. Such reviews are conducted by the members of Amici Capital's portfolio management team and operations team.

In particular, the portfolio managers are primarily responsible for ensuring that the securities and other financial instruments held by the clients are consistent with their respective investment objectives and guidelines. The portfolio managers are also primarily responsible, on a daily basis, for making all investment decisions, monitoring the portfolio for excessive concentrations, unusual increases in risk and similar conditions, and taking corrective actions if necessary.

With respect to the Funds, holdings and valuations are compiled daily by the Funds' administrator. The daily holdings are reconciled with daily priced holdings reports received from the Funds' prime brokers and/or custodians and are also reviewed by Amici Capital. Other independent parties reviewing the portfolios include the Funds' independent auditors as part of their year-end audit work.

B. Factors Prompting Review of Client Accounts Other than a Periodic Review.

Not applicable.

C. Content and Frequency of Account Reports to Clients.

Investors in the Funds receive monthly estimated and unaudited account statements from the Funds' administrator. Investors in the Funds also receive annual audited financial statements that comply with generally accepted accounting principles prepared by the Funds' independent auditors. In addition, investors in certain Funds receive from Amici Capital a quarterly letter and a monthly fund summary commenting on such Fund's portfolio.

Amici Capital may provide certain investors in the Funds with additional information and more frequent information if agreed to by Amici Capital, including information about a Fund's portfolio holdings. As a result, certain investors may be able to act (i.e., request redemptions) on such additional information that other investors do not receive. All investors will be afforded the opportunity to review information shared with other investors if so requested by such investor.

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

A. Economic Benefits for Providing Services to Clients.

Amici Capital does not receive economic benefits from non-clients for providing investment advice and other advisory services.

B. Compensation to Non-Supervised Persons for Client Referrals.

Amici Capital has entered into an agreement with a registered broker-dealer pursuant to which Amici Capital and/or its affiliates compensates such broker-dealer through payment of that portion of the management fee, incentive allocation and incentive fee attributable to assets of investors referred by such broker-dealer to Amici Capital. Such broker-dealer no longer refers investors to Amici Capital.

ITEM 15
CUSTODY

Amici Capital receives account statements from qualified custodians in respect of the Funds. Investors in the Funds receive annual audited financial statements that comply with generally accepted accounting principles within 120 days of the applicable Fund's fiscal year end.

ITEM 16
INVESTMENT DISCRETION

Amici Capital has discretionary authority to manage the securities accounts of the Funds and the Third-party Fund pursuant to an investment management agreement entered into between each Fund and Amici Capital and the investment advisory agreement entered into between the Third-party Fund and Amici Capital, respectively.

ITEM 17
VOTING CLIENT SECURITIES

A. Policies and Procedures Relating to Voting Client Securities.

Amici Capital will make every reasonable effort to vote proxy proposals, amendments, consents or resolutions relating to client securities. Amici Capital will review each proxy statement on an individual basis and vote with the goal to best serve the financial interest of clients and to promote the long-term economic value of client securities.

Proxy Voting Guidelines - Each proxy proposal will be considered on its own merits and an independent determination will be made whether to support or oppose management's position. Amici Capital believes that the recommendation of management should be given substantial weight and will generally vote with management unless the proposals may be detrimental to the underlying value of client securities. In reviewing proposals, Amici Capital will consider the opinion of management and the effect on management, shareholder value and the issuer's business practices. Amici Capital will generally vote against proposals that cause board members of portfolio companies to become entrenched or cause unequal voting rights.

Proxy Voting Service - To facilitate the proxy voting process, Amici Capital has engaged an independent proxy voting service (the "**Proxy Voting Service**") to vote proxies for clients on Amici Capital's behalf. The Proxy Voting Service provides Amici Capital with proxy analysis, voting recommendations based on the Proxy Voting Service's voting guidelines and proxy voting management services (including receipt of proxies, reconciliation, vote execution, vote disclosure and reporting). While the Proxy Voting Service will assist Amici Capital throughout the proxy voting process, Amici Capital retains full authority and responsibility for proxy voting. Accordingly, all voting recommendations made by the Proxy Voting Service will at all times be subject to Amici Capital's proxy voting guidelines.

Abstaining from Voting or Affirmatively Deciding Not to Vote - Amici Capital may abstain from voting or affirmatively decide not to vote if Amici Capital determines that abstaining or not voting is in the best interests of clients. Amici Capital will not abstain from voting or affirmatively decide not to vote a proxy if a client is determined to be subject to the requirements of ERISA. Furthermore, Amici Capital will not abstain from voting or affirmatively decide not to vote merely to avoid a conflict of interest.

Conflicts of Interest - At times, Amici Capital may have, or may be perceived to have, a conflict of interest in voting a particular proxy. A conflict of interest could arise, for example, as a result of a business relationship with a company, or as a result of a direct or indirect business interest in the matter being voted upon, or as a result of a personal relationship with corporate directors or candidates for directorships. Whether a relationship creates a material conflict of interest will depend upon the facts and circumstances. If Amici Capital determines that it has a material conflict of interest when voting a proxy, Amici Capital will address matters involving such conflicts of interest as follows:

1. If a proposal is addressed by the Proxy Voting Service's specific policies, Amici Capital will vote in accordance with such policies;

2. If Amici Capital believes it is in the best interest of its clients to depart from the Proxy Voting Service's specific policies, Amici Capital will be subject to the requirements of 3 or 4 below, as applicable;
3. If the proxy proposal is (i) not addressed by the specific policies or (ii) requires a case-by-case determination, Amici Capital may vote such proxy as it determines to be in the best interest of its clients, without taking any action described in 4 below, provided that such vote would be against Amici Capital's own interest in the matter (i.e., against the conflict); and
4. If the proxy proposal is (i) not addressed by the specific policies or (ii) requires a case-by-case determination, and Amici Capital believes it should vote in a way that may also benefit, or be perceived to benefit, its own interest, then Amici Capital must take one of the following actions in voting such proxy: (a) delegate the voting decision for such proxy proposal to an independent third party; (b) delegate the voting decision to an independent committee of partners, members, directors or other representatives of the Funds or the Third Party Fund, as applicable; (c) inform the investors in the Funds and the Third Party Fund of the conflict of interest and obtain consent to (majority consent in the case of a Fund) vote the proxy as recommended by Amici Capital; or (d) obtain approval of the decision from the Chief Compliance Officer and/or the general counsel of Amici Capital and, if required, external legal counsel.

Securities Lending - As part of their investment program, the Funds may participate in securities lending transactions. Generally, the voting rights pass with the securities on loan; however, lending agreements give the lender the right to terminate the loan and call back the loaned securities provided sufficient notice is given to the borrower in advance of the voting deadline. Amici Capital's policy is generally not to vote securities on loan unless Amici Capital has knowledge of a material voting event that could significantly affect the value of the loaned securities. In this event, Amici Capital may call back the loaned securities in order to cast a vote at an upcoming shareholder meeting.

Information regarding proxy voting, including a copy of Amici Capital's proxy voting policy and procedures, is available upon request, by calling the Chief Compliance Officer or the general counsel at 212-484-5000.

B. No Authority to Vote Client Securities and Client Receipt of Proxies.

Not applicable.

ITEM 18 FINANCIAL INFORMATION

Amici Capital is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.