

# Marble Arch Investments, LP

## Part 2A of Form ADV

### The Brochure

645 Madison Avenue  
New York, NY 10022

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This Brochure provides information about the qualifications and business practices of Marble Arch Investments, LP and its affiliates (collectively “Marble Arch” or the “Firm”). Additional information about Marble Arch is also available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). If you have any questions about the contents of this Brochure, please contact Marble Arch’s Chief Compliance Officer at 212-230-1290.

Marble Arch is registered as an investment adviser with the United States Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940 (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training. In addition, the information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

## Item 2. Material Changes

In February 2012, Marble Arch filed its initial application to register as an investment adviser with the SEC. There have been no material changes in Marble Arch’s business practices since the time of its initial application.

In the future, this Item will identify and discuss the material changes since the last annual update to assist investors and make them aware of certain information that has changed since the prior year’s Brochure and that may be important to them.

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## Item 4. Advisory Business

Marble Arch Investments, LP is a private investment company organized as a limited partnership and founded in 2007 under the laws of the State of Delaware. Marble Arch is jointly owned and controlled by co-founders R. Scott McLellan and Timothy J. Jenkins (the “Principals”).

Marble Arch serves as an investment manager and provides discretionary advisory services to related investment vehicles, including private investment partnerships and a foreign investment company, organized to invest in securities. The investment vehicles are structured as follows:

- Marble Arch Partners, LP and Marble Arch QP Partners, LP (together the “Domestic Funds”) are limited partnership entities organized under the laws of the State of Delaware. The Domestic Funds invest in equities and other securities.

- Marble Arch Offshore Partners, Ltd. (the “Offshore Fund”) is a Cayman Islands-registered fund, whose investors are foreign and/or exempt from U.S. taxes. The Offshore Fund shares the same investment strategy as the Domestic Funds (collectively the “Funds” or the “Feeder Funds”). The Funds place substantially all of their assets in, and conduct substantially all of their trading activities in parallel through, Marble Arch Partners Master Fund, L.P., a Cayman Islands exempted limited partnership (the “Master Fund”), utilizing a master-feeder structure. Unless and only to the extent that the context otherwise requires, references to the Funds include the Master Fund and references to the Feeder Funds do not include the Master Fund.
- Marble Arch Partners GP, LLC is the general partner of the Domestic Funds and Master Fund. Each of the Feeder Funds also acts as a general partner to the Master Fund. Marble Arch Investments GP, LLC is the general partner of Marble Arch Investments, LP, which is the management company and investment manager for the Funds and Master Fund. Unless and only to the extent that the context otherwise requires, references to Marble Arch includes the general partners.

The Funds’ investment objective is to generate substantial absolute returns with a low risk of capital loss over the long term through investments in securities. Marble Arch intends for the Funds’ portfolio to consist of a concentrated portfolio of long positions, balanced by a relatively more diversified portfolio of short positions.

In providing investment management and advisory services to the Funds, subject to the terms of their respective governing documents, Marble Arch formulates its investment objectives, directs and manages the investment and reinvestment of the Funds’ assets and provides reports to the underlying partners in the Domestic Funds and the shareholders in the Offshore Fund (collectively, “Investors”). Investment advice is provided directly to the Funds and not individually to their underlying Investors. The types of Investors may include, but are not limited to: high net worth individuals, endowments, funds-of-hedge funds, trusts and estates, banking institutions, pension and profit sharing plans, charitable organizations and state or municipal governments. As of December 31, 2012 the Firm managed approximately \$1.2 billion on a discretionary basis on behalf of the Funds. This amount was determined based upon the net asset value of the assets of the Funds as of such date.

The shares or limited partnership interests of the Funds are not registered under the Securities Act of 1933, as amended (the “Securities Act”), and the Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, interests or shares in the Funds are offered and sold exclusively to investors satisfying applicable eligibility and suitability requirements, either in private transactions within the United States, in offshore transactions and/or in other transactions exempt from the registration requirements of the Securities Act.

## **Item 5. Fees and Compensation**

Marble Arch provides investment advisory services to each of the Funds pursuant to separate investment advisory and/or letter agreements (the “Agreements”). The Agreements for each

Fund, along with specific organizational documents of the Fund, set forth in detail the fee structure relevant to each such Fund. The terms of the Agreements are generally established at the time of the formation of the applicable Fund.

#### Management Fees and Performance Compensation

Marble Arch is entitled to receive management fees (“Management Fees”) at an annual rate equal to one and a half percent (1.5%) of the value of the Funds, calculated and payable quarterly in advance as of the beginning of each fiscal quarter (after giving effect to any subscriptions and redemptions but without the accrual of any Performance Allocation as defined below). Subscriptions accepted after the commencement of a fiscal quarter will be subject to a pro rated Management Fee reflecting the time remaining during the quarter. The Management Fee with respect to any Investor may be fully or partially waived by Marble Arch, in its sole discretion.

In addition, Marble Arch is entitled to an annual performance-based profit allocation (the “Performance Allocation”) at the end of each year of twenty percent (20%) of the annual profits attributable to Class A and Class C Investors and seventeen percent (17%) of the annual profits attributable to Class B and Class D Investors. The Performance Allocation is generally taken at the Master Fund level and may be waived or altered by Marble Arch, in its sole discretion. The Performance Allocation is subject to a “high water mark” limitation.

#### Other Expenses

The Funds bear the legal, accounting and administration expenses associated with the organization of the Funds (including “blue sky” fees and expenses and out-of-pocket expenses associated with formation of the Funds and the offering, including any printing and other marketing expenses). The Funds bear all costs and expenses directly related to its investment program, including brokerage commissions, custody fees, any withholding or transfer taxes and all expenses incurred in connection with locating, evaluating and implementing potential investments including travel and other research related expenses. The Funds will also bear all out-of-pocket costs of the administration of the Funds, including accounting, audit, administration and legal expenses, costs of any litigation or investigation involving Funds’ activities and costs associated with reporting and providing information to Investors and prospective investors. However, the Firm may, in its sole discretion, choose to absorb any such expenses incurred on behalf of the Funds.

### **Item 6. Performance Based Fees and Side-by-Side Management**

As described above, Marble Arch receives performance-based compensation, which calculation is based on a share of capital gains or capital appreciation of the Funds’ assets. All arrangements whereby Marble Arch receives compensation based on a share of capital gains or capital appreciation comply with the requirements of Rule 205-3 under the Advisers Act. Performance-based compensation may create an incentive for the Firm to make investments that are riskier or more speculative than would be the case in the absence of a right to performance-based compensation.

#### Parallel Funds

As previously described, the Feeder Funds place substantially all of their assets in, and conduct substantially all of their trading activities in parallel through the Master Fund, utilizing a master-feeder structure. The Firm conducts the trading activities of the Master Fund, managing its day-to-day trading activities. Each of the Feeder Funds acts as a general partner to the Master Fund.

In addition, the Feeder Funds may also make direct investments outside of the Master Fund (“Direct Investments”) where Marble Arch determines that tax, regulatory, legal or other considerations make such investments inappropriate for the Master Fund. Marble Arch may also sponsor one or more additional investment funds or accounts.

### Affiliated Investors

Marble Arch and its officers, members, partners or employees (collectively the “Employees”) and their family members have made commitments to the Funds’ investment program through an investment in the Funds. Such affiliated Investors do not bear the Management Fee or the Performance Allocation described above, but do share pro rata in all other applicable expenses.

### “New Issues” Trading

The Funds from time to time may purchase securities in public offerings made through member firms of the Financial Industry Regulatory Authority, Inc. (“FINRA”). FINRA member firms are not permitted to sell certain new issues (“New Issues”) to accounts in which certain persons involved in the securities industry or certain persons who are an executive officer or director of a public company or a covered non-public company (“Restricted Persons”) have a significant beneficial interest.

In order to enable the Funds to participate in New Issues, the Funds will require each Investor to provide information to enable the Funds to determine whether the Investor is a Restricted Person. The FINRA rules permit Restricted Persons to have in the aggregate up to a 10 percent participation in New Issues. If the ownership of the Funds by Restricted Persons exceeds the 10 percent threshold, the Firm allocates such excess amount pro rata among the Investors who are not Restricted Persons. The Firm has discretion to switch an Investor’s designation to or from Restricted Person if such Investor’s eligibility to participate in New Issues changes.

## **Item 7. Types of Clients**

Marble Arch serves as investment manager to related collective private investment vehicles. The Funds operate as pooled investment vehicles and are generally organized in a “master-feeder” structure, in which the Feeder Funds invest substantially all of their assets into a related Master Fund, although the Feeder Funds may make Direct Investments for tax, legal, regulatory or other reasons.

Investors in the Funds are generally required to make a minimum commitment of \$2,000,000. Marble Arch, in its sole discretion, may waive or reduce any minimum commitment in certain circumstances.

Investors wishing to purchase an interest in the Funds will be required to meet certain suitability qualifications, such as being an “accredited investor” within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act. Also, Investors will be required to make certain representations when investing in a Fund, including, but not limited to that (i) they are acquiring an interest for their own account, (ii) they received or had access to all information they deem relevant to evaluate the merits and risks of the prospective investment and (iii) they have the ability to bear the economic risk of an investment in the Fund. Details concerning applicable Investor suitability criteria are set forth in the respective Fund’s offering documents and subscription materials, which are furnished to each Investor.

Offshore Fund shares may not be held by any person who is resident of or who is domiciled in the Cayman Islands (which shall not include an exempted or ordinary non-resident company incorporated in the Cayman Islands). Shares of the Offshore Fund may be purchased only by eligible investors who are sophisticated individual or institutional investors. Each subscriber for shares of the Offshore Fund must certify that the beneficial owner of such shares will not be a United States person; provided, however, that subscriptions for shares of the Offshore Fund may also be accepted from certain qualified U.S. tax-exempt investors. Marble Arch reserves the right to reject subscriptions for shares/interests in any of the Funds in its absolute discretion.

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

Acquiring an interest in the Funds involves a number of risks. An investment in the Funds may be deemed a speculative investment and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and are capable of bearing the risk of an investment in the Funds. No guarantee or representation is made that a Fund will achieve its investment objective or that Investors will receive a return of their capital. All investing involves a risk of loss and the investment strategy offered by Marble Arch could lose money.

The following is a summary of the materials risks associated with Marble Arch’s investment strategy. Investors and prospective investors are advised to review the offering materials and other constituent documents for full details on each applicable Fund’s investment, operational and other actual and potential risks.

### **Strategy**

Marble Arch utilizes a range of investment strategies, including investing in publicly-traded equity securities, both long and short, as well as a broad array of other securities in both private and public markets. The Firm employs bottom-up, fundamental security selection to build a portfolio. The Firm’s investment strategy has four key components: (i) a dedicated value orientation, (ii) an emphasis on inefficient market areas, (iii) an intensive fundamental research process and (iv) a concentrated portfolio of best ideas.

Ideas enter the portfolio upon satisfactory completion of the research process. Each position stands on its own independent investment merits. Marble Arch sizes positions based on its conviction in an idea’s thesis (driven by ongoing research initiatives), the investment’s risk-

reward tradeoff and the relative attractiveness of other ideas in the portfolio. Generally, ideas exit the portfolio in one of three ways: (i) the investment is successful and valuation is no longer compelling, (ii) the Firm replaces the position with an idea that has a superior risk-reward profile or (iii) events or incremental data points revealed in the research process suggest that the Firm's thesis is wrong.

The Funds may buy securities on margin and arrange with banks, brokers and others to borrow money against a pledge of securities in order to employ leverage when the Firm deems such action appropriate.

### Associated Risks

Risk management is a major component of the overall investment management function. The primary objective of the Firm's risk management efforts is to minimize the possibility of permanent capital loss. Marble Arch believes that the best risk management tool is high quality, fundamental research performed on an ongoing basis, an approach which dovetails with the Firm's research-intensive investment strategy. Short investments are another risk management tool. Marble Arch expects that shorts will be both a source of profits and a valuable hedge for the overall portfolio, enabling the Funds to generate strong absolute returns regardless of the general market environment.

In addition to managing risk at the individual position level, Marble Arch evaluates the portfolio on an aggregate basis, giving strong consideration to numerous factors. The Firm measures the Funds' portfolio exposure with respect to industry sector, geography, liquidity, volatility, interest rates and currency moves as well as various qualitative factors. In addition, the Firm analyzes correlations among positions on a historical and forward-looking basis to identify any unintended risks. The goal of this portfolio review process is to ensure that Marble Arch isolates its risks to the selection and sizing of individual positions although there is no guarantee that this goal may be accomplished.

## **Item 9. Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or investor's evaluation of the adviser or the integrity of the adviser's management. Neither Marble Arch nor any of its Employees have been involved in any legal or disciplinary events in the past ten years that would be material to an Investor's evaluation of the company or its personnel.

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

In the future, Marble Arch may manage other client accounts ("Other Clients"), some of which might have objectives similar to those of the Funds, including other collective investment vehicles which may be managed by Marble Arch and in which Marble Arch may have an equity interest including, but not limited to, investment vehicles or Other Clients that may have investment programs similar to, dissimilar to or overlapping with the investment program of the Funds. Each Fund's governing documents require that Marble Arch act in a manner that it considers fair,

reasonable and equitable in allocating investment opportunities to the Funds and any other accounts or clients but does not otherwise impose any specific obligations or requirements concerning the allocation of time, effort or investment opportunities to such Funds or any restrictions on the nature or timing of investments for the account of such Funds and for Marble Arch's own account or for other accounts that Marble Arch may manage.

Marble Arch is not obligated to devote any specific amount of time to the affairs of the Funds and is not required to accord exclusivity or priority to the Funds in the event of limited investment opportunities arising from the application of speculative position limits or other factors. If Marble Arch determines that it would be appropriate for the Funds and one or more other investment accounts to participate in an investment opportunity, Marble Arch will seek to execute orders for all of the participating investment accounts on an equitable basis. If Marble Arch has determined to invest at the same time for more than one of the investment accounts, Marble Arch will generally place combined orders for all such accounts simultaneously and if all such orders are not filled at the same price, it will generally average the prices paid. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, Marble Arch will allocate the trade among the different accounts on a basis that it considers equitable. Situations may occur where the Funds could be disadvantaged because of the investment activities conducted by Marble Arch for other investment accounts.

The Principals of Marble Arch, as well as the Employees thereof and of organizations affiliated with Marble Arch ("Affiliates"), may buy and sell securities for their own account or the account of others (subject to limitations as described below), but may not buy securities from or sell securities to the Funds. The Affiliates may engage for their own accounts, or for the accounts of others, in other business ventures of any nature, and the Funds have no right to participate in or benefit from the other management activities of Marble Arch as described above, and the Affiliates shall not be obligated to account to the Funds for any profits or benefits made or derived therefrom, nor shall they have any obligation to disclose or refer to the Funds any of the investment or service opportunities obtained through such activities.

## **Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Pursuant to Rule 204A-1 under the Advisers Act, Marble Arch has adopted a written Code of Ethics (the "Code") predicated on the principle that the Firm owes a fiduciary duty to the Funds and its Investors. The Code is designed to address and avoid potential conflicts of interest and is applicable to all Employees. The Firm requires its Employees to act in the Funds' best interest, abide by all applicable regulations and avoid any action that is, or could even appear to be, legally or ethically improper.

Marble Arch places significant restrictions on the ability of its Employees to trade in their personal accounts. Generally, personal trading by Employees is prohibited with limited exemptions. Marble Arch Employees are permitted to transact in open-end mutual funds, money market funds and other cash and cash equivalent investments (e.g., bank CDs) and closed-end index funds or index based unit investment trusts listed on a national securities exchange (e.g. SPDRs, DIAMONDS, NASDAQ 100 Trust, etc.).



In addition, an Employee is required to obtain written pre-clearance from Marble Arch to: (i) close out of a security position that was held prior to employment with Marble Arch, (ii) invest in a family-owned business that is not doing business with or in competition with Marble Arch or the Funds and (iii) make passive investments in private entities such as partnerships engaged primarily in the investment of securities, real estate or other investment assets including private placements such as hedge funds or private equity funds.

Marble Arch will collect information regarding the personal trading activities and holdings of all Employees. Employees must submit quarterly reports regarding securities transactions and newly opened accounts, as well as annual reports regarding holdings and existing accounts.

A copy of Marble Arch's Code shall be provided to any Investor or prospective investor upon request.

## **Item 12. Brokerage Practices**

In making its decisions regarding the allocation of brokerage transactions for the Funds, Marble Arch seeks to obtain best execution, taking into account the following factors: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any), (ii) the operational efficiency with which transactions are effected (such as prompt and accurate confirmation and delivery), taking into account the size of order and difficulty of execution, (iii) the financial strength, integrity and stability of the broker-dealer, (iv) the quality, comprehensiveness and frequency of available research services considered to be of value to Marble Arch and its Funds, (v) the value of brokerage services over and above trade execution provided to Marble Arch and its Funds and (vi) the competitiveness of commission rates in comparison with other broker-dealers satisfying the Firm's other selection criteria.

### Soft Dollars

Research or brokerage services provided by brokers through which portfolio transactions for the Firm are executed may include research reports on particular industries and companies, economic surveys and analyses, recommendations as to specific securities, online quotations, news and research services and other services providing lawful and appropriate assistance to the investment professionals in the performance of their investment decision-making responsibilities on behalf of the Funds and other accounts which their Affiliates manage (collectively, "Soft Dollar Items"). Soft Dollar Items may be provided directly by brokers or by third parties at the direction of brokers who purchase on behalf of the Funds with credits or rebates provided by brokers. Soft Dollar Items obtained in connection with portfolio transactions for the Funds are intended to fall within the "safe harbor" of Section 28(e) of the United States Securities Exchange Act of 1934, as amended.

Relationships with brokers providing Soft Dollar Items to Marble Arch may influence its judgment in allocating brokerage business, and may create a conflict of interest in using the services of these brokers to execute the Funds' securities transactions. While Marble Arch believes these relationships are beneficial to its Funds, selecting brokers on the basis of

considerations other than applicable commissions may at times result in higher transaction costs than would otherwise be the case.

#### Trading and Operational Errors

Trade and other clerical errors resulting in gains will be for the benefit of the Funds and will not be retained by Marble Arch. Marble Arch is under no obligation, however, to reimburse the Funds for trade and other operational errors made by Marble Arch, its agents and Affiliates, as such errors are considered by the Firm to be a cost of doing business.

While Marble Arch is under no obligation to reimburse the Funds for trade and other operational errors made by Marble Arch, its agents and Affiliates, any correction of a trade or other operational error will only be made to the extent required so that the Funds do not incur a loss related to such error.

Notwithstanding the foregoing, Marble Arch will be obligated to reimburse the Funds for any trade or other operational error resulting from Marble Arch's willful misconduct, recklessness or gross negligence. Marble Arch, subject to its fiduciary obligations, will determine whether or not any trade or other clerical error is required to be reimbursed. Marble Arch, in its sole discretion, reserves the right to reimburse the Funds for any trade or other operational error. Marble Arch's reimbursement of the Funds for any particular error will not constitute a waiver of any policy to cause the Funds to bear the losses from other trade or other operational errors.

#### Allocation of Investment Opportunities

Marble Arch has a fiduciary obligation to use its best efforts to ensure that no client is treated unfairly in relation to any other client in the allocation of securities or investment opportunities or in the order in which transactions are executed. Accordingly, Marble Arch seeks to allocate orders and investment opportunities among its Funds in a manner that it believes is equitable and in the best interests of all the Funds. Marble Arch's Funds are invested in accordance with a single strategy and generally invest directly in the Master Fund with trades generally being executed at the Master Fund level. Exceptions to this allocation methodology may include, but are not limited to, differing legal or tax prohibitions among the Funds and addressing issues which do not equally impact each of the Funds (e.g., tax planning for the Domestic Funds). Accordingly, the Funds, as a result, may experience some performance dispersion and there can be no assurance that a particular order or investment opportunity will be allocated in a particular manner.

### **Item 13. Review of Accounts**

#### Portfolio Review

The Funds' portfolios are reviewed with regard to positions held, risk, exposure and proper settlement on a daily basis by Marble Arch Employees. Particular attention is given to changes in company fundamentals, industry outlook, market outlook and price levels.

## Client/Investor Reporting

Investors receive monthly statements directly from the Funds' administrator, monthly performance estimates, monthly performance statistics and portfolio exposures reports and quarterly letters from Marble Arch and annual audited financial statements prepared by the auditor for the Funds. The Funds' administrator electronically disseminates a quarterly transparency report which includes existence confirmation and price verification of the Funds' assets and liabilities as well as the Funds' net assets by location and classification. In addition, underlying partners in the Domestic Funds receive annual Schedule K-1s. Additional reporting may be provided to Investors or prospective investors upon request.

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

Marble Arch does not directly or indirectly compensate any person for Investor referrals. However, Marble Arch has entered into agreements on behalf its Funds with certain broker-dealers that act as prime brokers on behalf of the Funds. Accordingly, from time to time, Marble Arch's investment professionals may be introduced to potential investors interested in investing in hedge funds by those prime brokers.

Neither Marble Arch nor the Funds compensate prime brokers for such introductions or for any investments ultimately made by prospective investors introduced by prime brokers. While such services provided by a prime broker may influence Marble Arch in deciding whether to use such prime broker in connection with brokerage, financing and other activities of the Funds, Marble Arch will not commit to allocate a particular amount of brokerage to a broker-dealer in any such situation.

## **Item 15. Custody**

Client assets are generally held in custody by unaffiliated broker/dealers or banks; however, Marble Arch has access to client accounts (i.e., the Funds). The Funds may also hold securities that are uncertificated and the ownership thereof is recorded only on books of the issuer or its transfer agent in the name of the Funds.

Investors will not receive statements from any custodians. Instead, the Funds are subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the audited financial statements are distributed to each Investor. The audited financial statements will be prepared in accordance with U.S. generally accepted accounting principles and distributed within 120 days of each Fund's fiscal year end.

## **Item 16. Investment Discretion**

Marble Arch maintains investment discretion and is generally authorized to make the following determinations, subject to each Fund's investment objectives and restrictions, without obtaining prior consent from the relevant Fund or its underlying Investors: (i) which securities or other

instruments to buy or sell, (ii) the total amount of securities or other instruments to buy or sell, (iii) the executing broker or dealer for any transaction and (iv) the commission rates or commission equivalents charged for transactions.

## **Item 17. Voting Client Securities**

Marble Arch will vote each proxy in accordance with its fiduciary duty to its clients. The Firm's general policy is to vote proxies relating to Fund securities in a manner that serves the best interests of the Funds as determined by the Firm in its discretion.

At times, conflicts may arise between the interests of the investing Funds, on the one hand, and the interests of Marble Arch or its Affiliates, on the other hand. The Principals will review whether Marble Arch is subject to any material conflict of interest annually. Any company identified where a potential conflict of interest exists is added to a watch list. Employees must notify the Chief Compliance Officer if they are aware of any material conflict of interest associated with a proxy vote.

The Principals are responsible for determining how to vote each proxy. All proxies identified that are not on the conflicts of interest watch list will be voted in accordance with the Principals' recommendations. If the proxy is from a company on the conflicts of interest watch list, the Firm expects to vote the proxy in accordance with a third party proxy research Firm's recommendation unless overridden by written approval by Marble Arch's Principals.

Marble Arch will not neglect its proxy voting responsibilities, but the Firm may abstain from voting if it deems that abstinence is in the Funds' best interests. The complete proxy voting policy and procedures have been memorialized in writing and are available for review.

### Class Action Lawsuits

As a fiduciary, Marble Arch always seeks to act in the Funds' best interests with good faith, loyalty and due care. The Principals will determine whether the Funds will (i) participate in a recovery achieved through a class action lawsuit, (ii) opt out of the class action and separately pursue their own remedy or (iii) decide not to pursue any action. The Chief Compliance Officer oversees the completion of proof of claim forms and any associated documentation, the submission of such documents to the claim administrator and the receipt of any recovered monies. The Chief Compliance Officer will maintain documentation associated with the Funds' participation in class action lawsuits.

Employees of Marble Arch must notify the Chief Compliance Officer if they are aware of any material conflict of interest associated with the Funds' participation in class action lawsuits. The Principals and Chief Compliance Officer will evaluate any such conflicts and determine an appropriate course of action for Marble Arch. Marble Arch generally does not serve as the lead plaintiff in class action lawsuits because the costs of such participation typically exceed any extra benefits that accrue to lead plaintiffs.

## **Item 18. Financial Information**

Marble Arch has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.