

PART 2A OF FORM ADV
FIRM BROCHURE



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This brochure provides information about the qualifications and business practices of SQM Frontier Management, LP (“SQM”). If you have any questions about the contents of this brochure, please contact Donald Savage at (571) 451-0686 or by email at dsavage@sqmfrontier.com. 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 SQM is also available on the SEC’s website at www.adviserinfo.sec.gov.

SQM is registered as an investment adviser with the SEC under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”). SEC registration does not imply a certain level of skill or training.

ITEM 2 – MATERIAL CHANGES

If you are amending your *brochure* for your annual update and it contains material changes from your last annual update, identify and discuss those changes on the cover page of the *brochure* or on the page immediately following the cover page, or as a separate document accompanying the *brochure*. You must state clearly that you are discussing only material changes since the last annual update of your *brochure*, and you must provide the date of the last annual update of your *brochure*.

SQM is updating its Brochure as of March 28, 2013 as part of the annual ADV amendment filing. The following is a summary of material changes made since SQM last updated its Brochure in February of 2012:

- Updated Item 4.E to reflect the amount of client assets managed by SQM as of December 31, 2012.

In the future, when SQM amends its Brochure for its annual update and the amended version contains material changes from the last annual update, SQM will identify and discuss those changes either on this page or as a separate document accompanying the Brochure. For documentation purposes, SQM will provide the date of the last annual update of its Brochure.

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ITEM 4 – ADVISORY BUSINESS

<p>Item 4.A</p>	<p>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</p> <p>SQM Frontier Management, LP (“SQM”) was formed in March 2010 and has been registered as an investment adviser under the Advisers Act since March 2012. SQM currently provides discretionary investment advisory services, including, but not limited to, managing and directing the investment and reinvestment of assets for private investment funds that operate as pooled investment vehicles (the “Advisory Clients”), via the following master-feeder structures:</p> <p><u>SQM Frontier Africa Funds (“Africa Funds”):</u></p> <ul style="list-style-type: none"> ○ SQM Frontier Africa Master Fund, Ltd., an exempted company incorporated under the laws of the Cayman Islands (the “Africa Master Fund”) ○ SQM Frontier Africa Fund, LP, a Delaware limited partnership (the “Africa Domestic Feeder”) ○ SQM Frontier Africa Fund (Offshore), Ltd., an exempted company incorporated under the laws of the Cayman Islands (the “Africa Offshore Feeder”) <p><u>SQM Frontier Middle East Funds (“Middle East Funds”):</u></p> <ul style="list-style-type: none"> ○ SQM Frontier Middle East Master Fund, Ltd., an exempted company incorporated under the laws of the Cayman Islands (the “Middle East Master Fund”, and together with the Africa Master Fund, the “Master Funds”) ○ SQM Frontier Middle East Fund, LP, a Delaware limited partnership (the “Middle East Domestic Feeder”, and together with the Africa Domestic Feeder, the “Domestic Feeders”) ○ SQM Frontier Middle East Fund (Offshore), Ltd., an exempted company incorporated under the laws of the Cayman Islands (the “Middle East Offshore Feeder”, and together with the Africa Offshore Feeder, the “Offshore Feeders”) <p>Each of the Domestic Feeders, the Offshore Feeders and the Master Funds may be referred to individually in this Brochure as a “Fund” and together as the “Funds.” The terms for each Fund are disclosed in detail the Fund’s offering documents that are provided to prospective investors prior to investment.</p> <p>SQM acts as the investment manager to each Fund. An affiliate of SQM, SQM Frontier Management GP, LLC is the general partner of SQM. SQM Frontier GP, LLC, also an affiliate of SQM, serves as the general partner to both Domestic Feeders.</p> <p><u>The principal owners of SQM are John Niepold, Sharif Atta and Donald Savage.</u></p>
<p>Item 4.B</p>	<p>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</p>

	<p>SQM provides investment advisory services to the Funds. As described in further detail in Item 8.A below, the Frontier Africa Funds seek to provide investors with competitive returns while managing volatility by investing in a broad array of securities and other instruments issued by or linked to Frontier Africa Issuers and Countries. Similarly, the Frontier Middle East Funds seek to provide investors with competitive returns while managing volatility by investing in a broad array of securities and other instruments issued by or linked to Frontier Middle East Issuers and Countries. Please see Item 8.A below for more detailed definitions of the Frontier Africa and Frontier Middle East issuers and countries.</p> <p>The investment team for each Master Fund independently creates a respective investment portfolio for each Master Fund. Each portfolio will typically be made up of both high quality “core” blue chip companies that are regionally or domestically diversified and smaller, in some cases more risky, companies in an earlier stage of growth or traded in a smaller market or country. The majority of investments held in the respective Master Fund portfolios are equity and equity-linked instruments or related securities, derivatives and other instruments such as exchange traded and over-the counter common and preferred stocks, warrants, options, rights, convertible securities, depository receipts and shares, trust certificates, limited partnership interests, shares of investment companies (including exchange traded funds), equity participants and other “derivatives” or structure instruments with similar features, participation notes, forward contracts, and swaps (including, without limitation, total return swaps, contracts for difference swaps and other synthetic products). While the primary object of each Master Fund is to invest in equity and equity-linked securities, each Master Fund may also invest up to 30% in public debt instruments (i.e., sovereign debt) or private-sector debt instruments, such as bonds, notes debentures, asset-backed instruments, loan participations and bank debt, and other debt-related securities.</p> <p>Each Fund’s structure, investment objective and strategy is set forth in a confidential private offering memorandum provided to each investor in the relevant Fund.</p>
Item 4.C	<p>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</p> <p>SQM neither tailors its advisory services to the individual needs of investors in the Funds (“Investors”) nor accepts investor-imposed investment restrictions with respect to the Funds.</p> <p>In the future, if deemed appropriate for one or more large or strategic investors, SQM may manage assets through separately managed accounts which have negotiated terms that may impose certain restrictions on SQM’s investments. It is likely that any such separately managed accounts would be subject to significant minimum balances.</p> <p>SQM has entered into side letter agreements with certain Investors (the “Founders Class Side Letters”). Existing Founders Class Side Letters waive or modify certain Fund terms and other non-financial matters. Furthermore, SQM (or the Funds) may, from time to time in SQM’s sole and absolute discretion, enter into additional “side letters” concerning an Investor’s investment in the Funds. If the</p>

	Fund enters into a side letter concerning an Investor's interest/ shares, that Investor may have certain rights that are more or less favorable in some respect to other Investors.
Item 4.D	<p>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</p> <p>SQM does not participate in wrap fee programs.</p>
Item 4.E	<p>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a <i>non-discretionary basis</i>. Disclose the date "as of" which you calculated the amounts.</p> <p>As of December 31, 2012, SQM managed approximately \$651,568,340 of Advisory Client net assets on a discretionary basis. SQM does not currently manage any Advisory Client assets on a non-discretionary basis.</p>

ITEM 5 – FEES AND COMPENSATION

<p>Item 5.A</p>	<p>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</p> <p>The Funds offer interests/shares only to certain qualified investors and admission to the Funds is not open to the general public. Limited partnership interests of the Domestic Feeders and shares of the Offshore Feeders are sold only to qualified investors who are “accredited investors” under Rule 501 of Regulation D of the Securities Act of 1933, as amended, and “qualified purchasers” as such term is defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended. Please refer to the offering documents for the Funds for a detailed description of the fee schedule.</p> <p>Investors in the Funds are typically charged a Management Fee equal to 1.75% per annum of the amount invested in a particular Fund, payable monthly in advance.</p> <p>At the end of each fiscal year (or upon withdrawal if not at a fiscal year-end), Investors in the Funds are also typically charged a Performance Allocation/Fee on a high watermark basis and subject to the applicable hurdle rate. The Fund will determine the Performance Allocation/Fee applicable to the amount invested in a particular Fund by applying the following Performance Allocation/Fee percentages to the following levels:</p> <table border="1" data-bbox="467 1035 1430 1310"> <thead> <tr> <th>Net Profit/Increase in NAV</th><th>Performance Allocation/Fee Percentage</th></tr> </thead> <tbody> <tr> <td>Amounts up to 10%</td><td>0%</td></tr> <tr> <td>Amounts greater than 10% and up to and including 20%</td><td>10%</td></tr> <tr> <td>Amount greater than 20%</td><td>20%</td></tr> </tbody> </table> <p>SQM does not charge a Management Fee or Performance Allocation/Fee to Investors that are members, employees or affiliates of SQM or the General Partner (including certain consultants).</p> <p>It is critical that Investors refer to the relevant Fund’s offering documents for a complete understanding of how SQM is compensated for its advisory services.</p>	Net Profit/Increase in NAV	Performance Allocation/Fee Percentage	Amounts up to 10%	0%	Amounts greater than 10% and up to and including 20%	10%	Amount greater than 20%	20%
Net Profit/Increase in NAV	Performance Allocation/Fee Percentage								
Amounts up to 10%	0%								
Amounts greater than 10% and up to and including 20%	10%								
Amount greater than 20%	20%								
<p>Item 5.B</p>	<p>Describe whether you deduct fees from <i>clients’</i> assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</p> <p>As described above, SQM and its affiliates deduct fees from the Funds’ assets in the form of a Management Fee and a Performance Allocation/Fee.</p> <p>Investors in the Funds are typically charged a Management Fee that is calculated and payable monthly in advance. To the extent a capital contribution or</p>								

	<p>withdrawal/redemption is made as of any day that is not the first day of a fiscal month, the Management Fee is prorated.</p> <p>At the end of each fiscal year (or upon withdrawal if not at a fiscal year-end), Investors in the Funds are also typically charged a Performance Allocation/Fee on a high watermark basis and subject to the applicable hurdle rate.</p> <p>SQM may, in its sole and absolute discretion and from time to time, elect to waive or not charge, in whole or in part, any applicable Performance Allocation/Fee with respect to any amount invested in a particular Fund or, with the consent of the affected Investor, charge a Performance Allocation/Fee on different terms (including without limitation at different Performance Allocation/Fee percentages), all without the consent or approval of, or notice to, any unaffected Investor.</p> <p>It is critical that investors refer to the relevant Fund’s offering documents for a complete understanding of how SQM is compensated for its advisory services. The information contained in this Item 5 is a summary only and is qualified in its entirety by the relevant Fund’s offering documents.</p>
Item 5.C	<p>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</p> <p>In addition to fees payable to SQM (or the General Partner), Investors will be responsible for Feeder Fund expenses, including:</p> <ul style="list-style-type: none"> • The Feeder Funds’ pro rata share of the expenses of the Master Fund; • accounting, administrative, legal, audit, bookkeeping and tax preparation fees and expenses (including fees and expenses of the Administrator); • fees of the Board of Directors and other expenses (Offshore Funds Investors only); • custodial and brokerage fees and expenses; • brokerage commissions and related charges, including those paid to brokers providing trading desk services; • bank charges; • interest expenses (including interest due to repurchase agreements, margin and other borrowings by the Fund); • short dividends; • swaps and forwards; • spreads, and mark-ups on securities, • litigation, indemnity and other extraordinary expenses, if any; • taxes and tax-related expenses; • consultant fees; • pricing and valuation fees and expenses; • data processing costs; • filing fees and expenses; • insurance expenses; • currency hedging costs; • printing and mailing costs; • expenses of the continuous offering of Shares, including the cost of

	<p>producing and distributing offering memoranda and other marketing and subscription materials; and</p> <ul style="list-style-type: none"> • other investment and operating expenses <p>Organizational expenses of the Feeder Funds will be amortized over a period of 180 months for tax purposes and over a period of 60 months for book purposes.</p> <p>It is critical that Investors refer to the relevant offering document and other governing documents for a complete understanding of fees and expenses they may pay. The information contained herein is a summary only and is qualified in its entirety by such documents.</p>
Item 5.D	<p>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</p> <p>Management Fees applicable to Investors are paid monthly in advance. With respect to refunds of fees, information about how an Investor may redeem or withdraw shares or interest in a Feeder Fund is set forth in the respective Feeder Fund’s offering document and other governing documents.</p> <p>With respect to terminating the investment advisory relationship, withdrawals/redemptions by investors are generally permitted as of the last business day of each February, May, August and November pursuant to written notice, which must be received by the SQM’s administrator (the “Administrator”) at least 65 days prior to the applicable withdrawal/redemption date.</p> <p>Generally the Feeder Funds intend to pay withdrawing/redeeming investors approximately 90% of its withdrawal/redemption proceeds within 30 days of the withdrawal/redemption date and the balance of the withdrawal/redemption proceeds will be paid within 30 days after the completion of the annual audit for the year in which the withdrawal/redemption occurred.</p> <p>Withdrawal/redemption terms vary by class and by Fund and are fully described in each Fund’s offering documents.</p>
Item 5.E	<p>If you or any of your <i>supervised persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</p> <p>Not applicable.</p>
Item 5.E.1	<p>Explain that this practice presents a conflict of interest and gives you or your <i>supervised persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client’s</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend “no-load” funds.</p> <p>Not applicable.</p>

Item 5.E.2	<p>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</p> <p>Not applicable.</p>
Item 5.E.3	<p>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</p> <p>Not applicable.</p>
Item 5.E.4	<p>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</p> <p>Not applicable.</p>

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

If you or any of your *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *supervised persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *supervised persons* face by managing these accounts at the same time, including that you or your *supervised persons* have an incentive to favor accounts for which you or your *supervised persons* receive a *performance-based fee*, and describe generally how you address these conflicts.

As noted in Item 5 above, SQM receives performance-based compensation in the form of a Performance Allocation/Fee. While each Fund managed by SQM pays performance-based compensation, it should be noted that neither SQM nor its affiliates charge a Performance Allocation/Fee with respect to members, employees, and affiliates of SQM.

The possibility that SQM may receive performance-based compensation creates a potential conflict of interest in that it may create an incentive to make investments that are riskier or more speculative than in the absence of such a performance-based fee. Investors are provided with clear disclosure as to how performance-based compensation is charged with respect to a particular Fund and the risks associated with such performance-based compensation prior to making an investment.

ITEM 7 – TYPES OF CLIENTS

Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

SQM provides investment advisory services to pooled investment vehicles operating as private investment funds. In the future, if deemed appropriate for one or more large or strategic investors, SQM may manage assets through separately managed accounts which have negotiated terms that may impose certain restrictions on SQM's investments. It is likely that any such separately managed accounts would be subject to significant minimum balances.

Each investor in the Funds must meet the eligibility provisions outlined in Item 5.A above. The minimum initial contribution to the Feeder Funds is \$500,000 and the minimum subsequent capital contribution to the Feeder Funds is \$250,000. These minimums are subject to waiver at the discretion of the General Partner in the case of the Domestic Feeders and the Offshore Feeders' Board of Directors in the case of the Offshore Feeders.

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

Item 8.A	<p>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</p> <p><u>General:</u> SQM manages each Fund in accordance with the investment objectives and strategies disclosed in the applicable Fund’s confidential offering memorandum. Investors and prospective investors in a Fund should consult the relevant confidential offering memorandum to see which methods of analysis, investment strategies and risks are most relevant to that Fund.</p> <p><u>Frontier Africa Funds:</u> The investment objective of the Frontier Africa Funds is to provide Investors with competitive returns while managing volatility by investing in a broad array of securities and other instruments issued by or linked to Frontier Africa Issuers. With respect to the Funds, “Frontier Africa Issuer” is defined as any issuer: (a) for whom alone, or on a consolidated basis, the majority of such issuer’s (i) sales, (ii) assets, (iii) operating earnings, or (iv) net earnings are generated from goods produced, services performed or sales made in the Frontier African Countries (as defined below); or (b) which SQM expects (in its sole and absolute discretion) majority of such issuer’s future growth in any of the parameters set forth in clauses (a)(i)-(iv) above to be derived from Frontier African Countries and in a variety of markets in Frontier African Countries, defined as any country located in North Africa or Sub-Saharan Africa, excluding South Africa, but including nearby island countries, such as Mauritius.</p> <p>SQM’s investment style with respect to the Frontier African Funds is value-oriented and focuses on primarily understanding a company’s business fundamentals and quality/reputation of management as well as the outlook for the industry, the political and overall business environment and the macro-economic environment. Generally, SQM looks to invest in Frontier African companies that have a catalyst for change and are selling at a discount to their intrinsic value. SQM believes the strategy can achieve competitive returns while managing volatility for the Frontier Africa Funds by investing in broad array of securities and other instruments issued by Frontier African Issuers because these markets are inefficient, over-looked and relatively uncorrelated to each other and the rest of the world.</p> <p>The Frontier Africa Master Fund’s portfolio is built from the bottom-up based on SQM’s own research and knowledge of companies, their management and markets. While growth can be important, SQM is very focused on paying the right price for the businesses in which the Frontier African Funds invest. SQM also looks for companies that have a catalyst for future earnings changes such as a new product line, a change in management, or the potential sale of unnecessary hard assets. Each portfolio will typically be made up of both high quality “core” blue chip companies that are regionally or domestically diversified and smaller, in some cases more risky, companies in an earlier stage of growth or traded in a smaller market or country.</p>
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	<p>Company research is conducted by the team via on-site company and country visits, meetings with company management, consultation with industry specialists and analysis/meetings with the companies' competitors. SQM's research includes quantitative analysis of detailed financial information and qualitative analysis of the company's management, corporate governance, competitive position and operating environment.</p> <p>The resultant portfolio will consist of approximately 40 to 60 stocks. As SQM selects stocks based predominately on bottom-up fundamentals with diversification to lower volatility, SQM pays little attention to relative country sector or industry weights. Investors should expect that SQM's tracking error relative to any benchmark will be high over time.</p> <p><u>Frontier Middle East Funds:</u></p> <p>The investment objective of the Frontier Middle East Funds is to provide Investors with competitive returns while managing volatility by investing in a broad array of securities and other instruments issued by or linked to Frontier Middle East Issuers. For purposes of the Frontier Middle East Funds, "Frontier Middle East Issuer" is defined as any issuer: (a) for whom alone, or on a consolidated basis, the majority of such issuer's (i) sales, (ii) assets, (iii) operating earnings, or (iv) net earnings are generated from goods produced, services performed or sales made in the Middle East (as defined below); or (b) which SQM expects (in its sole and absolute discretion) the majority of such issuer's future growth in any of the parameters set forth in clauses (a)(i)-(iv) above to be derived from the Middle East, defined as the Arabian Peninsula and will exclude countries in the North Africa region. Countries nearby to the Arabian Peninsula can also be included in the portfolio, but typically this will not generally include the markets of Central Asia and North Africa.</p> <p>SQM's investment style with respect to the Frontier Middle East Funds is generally value oriented and focuses on understanding the business fundamentals, the outlook for the industry in a global and regional context and the macro-economic environment. Stock selection centers on finding companies with strong management and market positions where barriers to entry for competitors are typically high. Generally, SQM looks to invest in companies that have a catalyst for change. SQM believes markets are often inefficiently valued across the region and independent earnings modeling and forecasting provide a strong basis for stock selection. Corporate governance standards and an understanding of local investor behavior are also emphasized in the selection process. SQM then independently evaluates the value of securities and other instruments based on a variety of investment ratios.</p> <p>Company research is conducted by the team via on-site company and country visits, meetings with company management, consultation with industry specialists and analysis/meetings with the companies' competitors. SQM's research includes quantitative analysis of detailed financial information and qualitative analysis of the company's management, corporate governance, competitive position and operating environment.</p> <p>The Frontier Middle East Master Fund's portfolio construction will be primarily designed to provide diversification of equity and equity-linked securities throughout the region. Each portfolio will typically be made up of both high</p>
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	<p>quality “core” blue chip companies that are regionally or domestically diversified and smaller, in some cases more risky, companies in an earlier stage of growth or traded in a smaller market or country.</p> <p>The resultant portfolio will consist of approximately 40 to 60 stocks. As SQM selects stocks based predominately on bottom-up fundamentals with diversification to lower volatility, SQM pays little attention to relative country sector or industry weights. Investors should expect that SQM’s tracking error relative to any benchmark will be high over time.</p>
Item 8.B	<p>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.</p> <p><u>General.</u> SQM’s strategy entails significant risks and an investment in a Fund is suitable only for sophisticated individuals and institutions for whom an investment does not represent a complete investment program and who fully understand and are capable of bearing the risks of an investment in the applicable Fund’s strategy. Investing in securities involves risk of loss that the Funds and their investors should be prepared to bear. The following is a description of certain of the most significant risks involved in SQM’s strategies. As SQM’s investment programs develop and change over time, SQM’s clients and investors in the Funds may be subject to additional and different risk factors. <i>For a more complete description of the risks associated with investing in a Fund managed by the SQM, please refer to the relevant Fund’s confidential offering memorandum.</i></p> <p><u>Risks Associated with Investments in Frontier Markets Generally.</u> An investment in the Funds involves particular risks due to the Master Funds’ investment in frontier markets. Many investments in frontier markets are of limited liquidity, and the Master Funds may invest in assets or instruments for which no organized or consistent trading facility exists. Hence, only investors with a high tolerance for illiquidity, volatility and capital loss should consider investment in the Funds.</p> <p><u>Out-of-favor Markets.</u> The Master Funds may invest in markets experiencing political, social or economic instability, an unfavorable business climate, or which otherwise exhibit a particularly high degree of investment risk. In out-of-favor markets, foreign investment may be negligible and trading volumes may be substantially reduced. The Master Funds may purchase securities in out-of-favor markets with the intent of holding such securities until substantial improvements in the financial, economic, political or business climate materialize and asset prices react accordingly. Should the Master Funds be invested in out-of-favor markets, investors who redeem their interest/shares prior to the occurrence of such improvements, if any, may receive a lower rate of return on their investment than longer-term holders of the interests/shares. In addition, there can be no assurance that such improvements will occur or the timing thereof, and the Master Funds may be required to hold such securities indefinitely or to sell them at a substantial loss.</p> <p><u>Currency Risk.</u> Foreign currency exchange rate fluctuations and conversion risks</p>

	<p>are special risks associated with investing in foreign markets and foreign issuers. Although SQM does not expect to actively and consistently hedge such risks, SQM may (but need not) employ hedging techniques in certain circumstances. For example, SQM may employ such techniques should the investment climate deteriorate in a country in which the Master Funds hold illiquid or non-traded assets. If unhedged, the Master Funds' investments will experience fluctuations in value, in U.S. dollar terms, due to fluctuations in foreign currency exchange rates. Such fluctuations may result in the Master Funds receiving a lower- or higher-than-anticipated return from its foreign assets. In addition, the value of the Master Funds' assets may be affected by expenses incurred in converting various currencies and by currency restrictions and exchange control regulations.</p> <p><u>Certain Risks of Holding Fund Assets Outside the United States.</u> The Master Funds may hold its non-U.S. securities and cash in non-U.S. banks and securities depositories. Some non-U.S. banks and securities depositories may be recently organized or new to the non-U.S. custody business, and therefore expose the Master Funds to additional risk. In addition, there may be limited or no regulatory oversight of their operations. Also, the laws of certain countries limit the Master Funds' ability to recover its assets if a non-U.S. bank, depository or issuer of a security, or any of their agents, goes bankrupt. In addition, it is often more expensive for the Master Funds to buy, sell and hold securities in certain non-U.S. markets than in the U.S. The increased expense of investing in non-U.S. markets reduces the amount the Master Funds can earn on its investments and typically results in higher operating expenses for the Master Funds as compared to funds that invest only in the U.S.</p> <p><u>Risks Relating to Intervening Countries and Investment Structures.</u> Where the Master Funds' investments in a foreign country are held or made through vehicles established in another country (for example, the Africa Master Fund may invest in one of the smaller countries of Africa through a security listed on the South African exchange), the value and performance of investments and returns thereof may be affected by the political, economic and regulatory conditions of the country of listing in relation to the country in which the primary business of the issuer operates. In addition, the Master Funds may risk full or partial financial loss of assets invested in such vehicles in the event of the bankruptcy, winding up, judicial management, liquidation or any such similar adverse event affecting such vehicle.</p> <p><u>Limited Operating History.</u> The Funds have limited operating history upon which prospective investors may base an evaluation of its likely performance. The Funds' results of operations will depend upon the availability of suitable investment opportunities for the Master Funds and the performance of the Master Funds' investments.</p> <p><u>Securities Generally:</u> Any investment in securities carries certain market risks. In addition to the factors discussed elsewhere in the offering documents, investments by the Master Funds may decline in value for any number of reasons over which the Master Funds may have no control, including changes in the overall market for equity and/or debt securities, and factors pertaining to particular portfolio securities, such as management, the market for the issuer's products or services, sources of supply, technological changes within the issuer's industry, the availability of additional capital and labor, general economic conditions, political conditions and other</p>
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similar conditions. The value of the Master Funds' investments will fluctuate, and there is no assurance that the Master Funds will achieve its investment objectives. If the securities held long (held short) do not increase (decrease) in value as anticipated, the Master Funds may sell them without a gain or at a loss. The profit (or loss) derived from the Master Funds' investment transactions consists of the price differential between the price of the securities purchased and the value ultimately realized from their disposition, plus any dividends or interest received during the period that the securities are held, less transaction costs (consisting mainly of brokerage commissions). It is possible that the Master Funds' long positions will decline in value at the same time that the value of the securities sold short increases, thereby increasing the potential for loss. It is also possible that SQM will misjudge the effect a particular security will have on exposure to market risk or that the particular combination of securities held long and those sold short will fail to insulate the Master Funds from general equity market risk as anticipated. Also, in the likely event that SQM determines not to evenly balance the portfolios between long and short positions, the Master Funds will be subject to increased market risks.

Small- and Mid-Capitalization Issuers:

Investing in the securities of companies with small- or mid-capitalization can involve greater risk and the possibility of greater portfolio price volatility than is typically associated with equity investments in larger, more established issuers. Historically, stocks of small- or mid-capitalization companies and recently organized companies have been more volatile in price than those of the larger market capitalization companies. Among the reasons for greater price volatility of the stocks of these smaller or medium-sized companies and the lower degree of liquidity in the markets for such stocks. Further, smaller or medium-sized companies and unseasoned companies may have limited product lines, markets or financial resources, and they may depend upon a limited or less experienced management group. The securities of small capitalization companies may be traded only on the over-the-counter markets or on a regional securities exchange and may not be traded daily or in the volume typical of trading on a national securities exchange.

Short Positions:

While the Master Funds are designed predominantly as "long-only" vehicles, it is noted that the Master Funds may engage in short sales of securities. This technique involves the sale of securities not owned by the Master Funds generally in the expectation of being able to repurchase the same securities at a lower price at a later date. To complete a short sale, the Master Funds must borrow the security sold short to make a delivery to the buyer and then replace the security borrowed by purchasing it at the market price at the time of replacement. The price at such time may be more or less than the price at which the security was initially sold by the Master Funds. Until the security is replaced, the Master Funds are required to pay to the lender any dividends or interest that accrue during the period of the loan. To borrow the security, the Master Funds also may be required to pay a premium. No assurance can be given that securities necessary to cover a short position will be available for purchase. If the Master Funds effect a short sale, it may be obligated to leave the proceeds thereof with the broker and also deposit with the broker an amount of cash or other securities (subject to requirements of applicable law) that is sufficient under any applicable margin or similar regulations to collateralize its obligation to replace the borrowed securities that have been sold. In certain circumstances, short sales can increase

	<p>substantially the impact of adverse price movements on the Master Funds' portfolios. A short sale of a security involves a theoretically unlimited loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. The Master Funds will incur a loss on a short position if the price of the securities involved increases between the date of the short sale and the date on which the Master Funds "cover" the position by purchasing the securities to replace those borrowed. The Master Funds will realize a gain if the securities decline in price between those dates. Any gain will be decreased, and any loss will be increased, by the transaction costs incurred in connection with the short sale.</p> <p><u>Forward Trading:</u></p> <p>The Master Funds may, on a limited basis, invest in forward contracts and options thereon, which, unlike futures contracts, are not traded on exchanges and are not standardized. Banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements, and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by the Master Funds due to unusually high trading volume, political intervention or other factors. The imposition of controls by government authorities might also limit such forward (and futures) trading to less than that which SQM would otherwise recommend, to the possible detriment of the Master Funds. Market illiquidity or disruption could result in major losses to the Master Funds to the extent it is invested in forward contracts.</p> <p><u>Risks of Derivatives:</u></p> <p>The Master Funds may invest in equity participations and other "derivatives" or structured instruments with similar features, such as participation notes, and swaps (including without limitation, total return swaps, contracts for difference swaps, and other synthetic products) (collectively, "Derivatives"). Derivatives generally will be used for non-hedging purposes to seek financial gain and it is noted that SQM is more likely to use Derivatives in the Middle East Master Fund in efforts to gain exposure to equities. The Master Funds will generally not attempt to hedge short-term volatility through the use of Derivatives (or otherwise). The Master Funds' ability to utilize Derivatives successfully will depend on SQM's ability to predict pertinent market, interest rate and currency exchange rate movements, which cannot be assured. The Master Funds will comply with applicable regulatory requirements when implementing these strategies, techniques and instruments. Derivatives involve a number of risks including possible default by the other party to the transaction, illiquidity and, to the extent SQM's view of certain market, interest rate or currency exchange rate movements is incorrect, the risk that the use of such Derivatives could result in losses greater than if they had not been used. Losses resulting from the use of Derivatives could reduce the value of the Master Funds' portfolio investments, and the net result may be less favorable than if the Derivatives had not been utilized.</p>
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	<p><u>Options and Futures Trading:</u></p> <p>Presently, options and futures trading by the Master Funds is done on a limited basis, if at all. Presently, options and futures strategies described in this paragraph are generally not available in the markets in which the Master Funds invest but it is noted that use of options and futures trading may increase as the markets in Africa and the Middle East evolve. There are risks associated with the sale and purchase of options, futures and futures on options. The writing of put and call options may result in losses to the Master Funds, force the purchase or sale, respectively, of portfolio securities at inopportune times or for prices higher than (in the case of purchases due to the exercise of put options) or lower than (in the case of sales due to the exercise of call options) current market values, limit the amount of appreciation the Master Funds can realize on its investments or cause the Master Funds to hold a security it might otherwise sell or sell a security it might otherwise hold. The seller (writer) of a call option that is covered (e.g., the writer holds the underlying security) gives up the opportunity during the period of the call option for gain on the underlying security above the exercise price of the call option. The writer of a call option that is uncovered assumes the risk of a theoretically unlimited increase in the price of the security that could result in an inability to discharge its obligation upon exercise of the option or a theoretically unlimited loss. The buyer of a call option assumes the risk of losing its investment in the call option. The seller (writer) of a put option that is covered (e.g., the writer has placed cash or liquid securities in a segregated account to fulfill the obligation undertaken) assumes the risk during the term of the put option of a decline in the market price of the underlying security below the exercise price of the put option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is “fully hedged” if the option owned expires at the same time or later than the option written. The writer of an uncovered put option will, upon exercise, be required to buy the security at the option price, which may be significantly higher than the then current market price. The buyer of a put option assumes the risk of losing his investment in the put option. The use of futures and options on futures entails certain other risks. Futures markets are highly volatile, and the use of futures may increase the volatility of the value of the Master Funds’ portfolio investments. In particular, the variable degree of correlation between price movements of futures contracts and price movements in the related portfolio positions of the Master Funds creates the possibility that losses on the futures or options on futures may be greater than gains in the value of the Master Funds’ positions. The writing of options could significantly increase the Master Funds’ portfolio turnover rate and associated brokerage commissions or spreads. In addition, futures and options markets may not be liquid in all circumstances, and certain over-the-counter options may have no markets. As a result, in certain markets, the Master Funds might not be able to close out a transaction without incurring substantial losses. Losses resulting from the use of options, futures and options on futures could reduce the value of the Master Funds’ portfolio investments, and the net result may be less favorable than if such instruments had not been utilized. Although the use of futures and options transactions for hedging should tend to minimize the risk of loss due to a decline in the value of the position, at the same time, such transactions can limit any potential gain that might result from an increase in value of such position.</p>
Item 8.C	If you recommend primarily a particular type of security, explain the material

	<p>risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</p> <p>Not applicable except as described above in Items 8.A and 8.B.</p>
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ITEM 9 – DISCIPLINARY INFORMATION

Not applicable. To the best of our knowledge there are no legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of SQM's advisory business or the integrity of SQM's management.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Item 10.A	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>Not applicable.</p>
Item 10.B	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</p> <p>Not applicable.</p>
Item 10.C	<p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> 1. broker-dealer, municipal securities dealer, or government securities dealer or broker 2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund) 3. other investment adviser or financial planner 4. futures commission merchant, commodity pool operator, or commodity trading advisor 5. banking or thrift institution 6. accountant or accounting firm 7. lawyer or law firm 8. insurance company or agency 9. pension consultant 10. real estate broker or dealer 11. sponsor or syndicator of limited partnerships <p>SQM serves as the trading manager to the Funds. SQM, its employees, affiliates or their related persons may also invest directly in any one, some or all of the Funds.</p> <p>With respect to investment management for the Middle East Funds, Mr. Atta works with Dr. Tristan Clube, who provides nondiscretionary investment advice and other support to SQM through a strategic relationship with Tethys Advisors</p>

	<p>Limited (“Tethys”), an Edinburgh, UK-based investment advisor authorized and regulated by the United Kingdom Financial Services Authority (the “FSA”), the principal of which is Dr. Clube. Dr. Clube and Mr. Atta have worked together in the past under a similar strategic relationship with Tethys, prior to Mr. Atta's joining SQM.</p> <p>An affiliate of SQM, SQM Frontier Management GP, LLC is the general partner of SQM. SQM Frontier GP, LLC, also an affiliate of SQM, serves as the general partner to both Domestic Feeders.</p>
Item 10.D	<p>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</p> <p>Not applicable.</p>

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Item 11.A	<p>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any <i>client</i> or prospective <i>client</i> upon request.</p> <p>SQM's Code of Ethics has been designed to comply with the requirements of Advisers Act Rule 204A-1. Among other things, the Code of Ethics (i) requires that all employees comply with federal securities laws, (ii) requires that all employees submit to SQM reports containing their personal securities holdings and transactions in reportable securities, and that SQM review such reports, (iii) requires all employees to obtain pre-approval of certain personal investments; and (iv) contains policies and procedures designed to prevent the misuse of material, non-public information. All personnel of SQM are required to certify their compliance with the Code of Ethics.</p> <p>Clients or prospective clients may arrange a time to review SQM's Code of Ethics by contacting the Chief Compliance Officer, Donald Savage, at (571) 451-0686.</p>
Item 11.B	<p>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>As described above, SQM serves as investment manager to the Funds and its affiliate serves as General Partner to the Domestic Feeders. SQM recommends interests in the Funds to prospective Investors. As noted in Item 5 above, SQM does not charge a Management Fee or Performance Allocation/Fee to certain consultants who invest in the Funds and/or Investors that are members, employees or affiliates of SQM or the General Partner.</p> <p>The fact that SQM, its affiliates and certain Access Persons may each have financial ownership interests in the Funds creates a potential conflict in that it could cause SQM to make different investment decisions than if such parties did not have such financial ownership interests.</p> <p>SQM addresses the potential conflicts through regular monitoring of the Funds' portfolios for consistency with stated objectives, strategies, and target capacity. Further, SQM carefully considers the risks involved in any investments and provides extensive disclosure to Investors regarding the potential risks that come with an investment in the Funds. The Code requires Access Persons to place the interests of Advisory Clients and Investors over their own or those of SQM, and all Access Persons are required to acknowledge their receipt and understanding of the Code. Also, as noted in Item 11.A. and 11.C, Access Persons are subject to certain personal securities transaction pre-clearance and holding requirements to ensure all Access Persons place the interests of the Advisory Clients above their own.</p>
Item 11.C	<p>If you or a <i>related person</i> invests in the same securities (or related securities, <i>e.g.</i>, warrants, options or futures) that you or a <i>related person</i> recommends to <i>clients</i>,</p>

	<p>describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</p> <p>As noted above, SQM's Access Persons and related entities have investments in the Funds.</p> <p>In efforts to avoid overlap between Access Person investments and the Funds' investments, SQM prohibits Access Persons from making personal investments in African and Middle Eastern countries/markets where the Funds are permitted to invest. If an Access Person maintains overlapping investments at the time they are hired by SQM, such holdings are considered "grandfathered" but the Access Person must seek pre-clearance prior to selling such grandfathered holdings in their personal account. Subject to those broad restrictions, Access Persons of SQM are permitted to make securities transactions in their personal accounts.</p> <p>As described above, SQM manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains strict pre-clearance and reporting guidelines for Access Persons. Specifically, SQM's Code of Ethics requires related persons of SQM to obtain prior written approval from SQM's Chief Compliance Officer before engaging in certain transactions in their personal accounts. The Chief Compliance Officer may only approve the transaction if he concludes that the transaction would comply with the provisions of the Code of Ethics and is not likely to have any adverse economic impact on the Advisory Clients. SQM will also monitor the list of African and Middle Eastern markets/countries in which Access Persons are prohibited from transacting personal investments. With the exception of pre-cleared sales of certain grandfathered holdings, personal investments in African and Middle Eastern markets/countries will generally not be approved for personal trading.</p> <p>The Chief Compliance Officer reviews each Access Person's personal transaction reports to make sure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code.</p>
Item 11.D	<p>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>Please refer to Items 11.A, 11.B, and 11.C.</p>

ITEM 12 – BROKERAGE PRACTICES

<p>Item 12.A.1</p>	<p>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (e.g., commissions).</p> <p>SQM is not committed to continue its brokerage relationships with any particular brokers for any minimum period, and SQM may select other or additional brokers to act as broker for the Advisory Clients.</p> <p>SQM recognizes its duty to obtain “best execution” in effecting transactions on behalf of its Advisory Clients. In selecting brokers and dealers to effect portfolio transactions for the Master Funds, SQM generally seeks best execution after considering such factors as the ability of the brokers to effect the transactions, the broker’s facilities, reliability, financial responsibility, clearing capacity, proprietary research received, from brokers and dealers and responsiveness to SQM. As disclosed in the Funds’ offering documents, SQM need not, however, solicit competitive bids and does not have an obligation to seek the lowest available commission cost.</p> <p>The Master Funds’ securities transactions, respectively, can be expected to generate a substantial amount of brokerage commissions and other compensation, all of which the given Master Fund, and not SQM, will be obligated to pay. SQM has complete discretion in deciding which brokers and dealers each Master Fund will use and in negotiating the rates of the compensation the given Master Fund will pay. In addition to using brokers as “agents” and paying commissions, each Master Fund may buy or sell securities directly from or to dealers acting as principals at prices that include markups or markdowns, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers.</p>
<p>Item 12.A.2</p>	<p><u>Brokerage for <i>Client</i> Referrals.</u> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</p> <ol style="list-style-type: none"> a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients’</i> interest in receiving most favorable execution. b. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals. <p>Not applicable to SQM.</p>
<p>Item 12.A.3</p>	<p><u>Directed Brokerage.</u></p> <ol style="list-style-type: none"> a. If you routinely <u>recommend</u>, <u>request</u> or <u>require</u> that a <i>client</i> direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require

	<p>their <i>clients</i> to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money.</p> <p>b. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices.</p> <p>Not applicable to SQM.</p>
Item 12.B	<p>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</p> <p>Presently, given the difference in investment strategies and no overlapping investments, SQM does not aggregate purchase or sale of securities for the Africa Master Fund and the Middle East Master Fund. As applicable in the future (e.g., if SQM manages one or more separately managed accounts or an investment is deemed appropriate for both the Africa Master Fund and the Middle East Master Fund), in cases in which a Fund and another Fund or other account managed by SQM is participating in the same investment, SQM will use its reasonable efforts to execute orders for all of the participating accounts on an equitable basis, taking into account such factors as the relative amounts of capital available for new investments, relative exposure to short-term market trends, and the investment program and portfolio positions of the Funds and such other accounts. SQM may open “average price” accounts with brokers. In an “average price” account, purchase and sale orders placed during a trading day on behalf of a Fund and other Advisory Clients or affiliates of SQM are combined, and securities bought and sold pursuant to such orders are allocated among such accounts on an average price basis. Orders may be combined for all participating accounts and if multiple orders are not filled at the same price, they may be allocated among participating accounts on an equitable basis. If SQM does not aggregate a Fund’s transactions with transactions on behalf of its other accounts, the Fund and the other accounts may be competing for similar positions and, depending on whose order is placed first, the difference in timing may result in some accounts receiving better execution than others. From the standpoint of the Funds, simultaneous identical portfolio transactions for a Fund and the other accounts may decrease the prices received, and increase the prices required to be paid, by a Fund for its portfolio sales and purchases.</p> <p>In some instances a security to be sold by an Advisory Client of SQM may independently be considered appropriate for purchase by another Advisory Client account. In such cases, SQM may cause the security to be “crossed” or transferred directly between the relevant accounts. Further, in order to balance portfolio securities holdings between a Fund and other managed accounts or</p>

	<p>investment funds managed by SQM and/or one of its affiliates, may cause the security to be “crossed” or transferred between or among such accounts. Any such security will be crossed at an independently determined market price which might incur commissions if required to be transacted on a local exchange (no part of which will be received by SQM). These transactions might also be subject to customary custodian fees and transfer fees (no part of which will be received by SQM). No such transactions will be effected unless SQM determines it is in the best interest of each Advisory Client account. No such transactions will be permitted with respect to any Advisory Client account governed by the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”).</p>
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ITEM 13 – REVIEW OF ACCOUNTS

Item 13.A	<p>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the <i>supervised persons</i> who conduct the review.</p> <p>John Niepold, Managing Partner of SQM, and Sharif Atta, Partner of SQM, are responsible for managing risk at the portfolio level. Mr. Niepold and Mr. Atta are responsible for managing risk at the position and portfolio levels. Mr. Niepold serves as the portfolio manager for the African Funds and is responsible for its selecting investments. Mr. Atta serves as the portfolio manager for the Middle Eastern Funds and is responsible for its selecting investments. Together, Mr. Niepold, Mr. Atta and Mr. Savage are responsible for reviewing accounts and orders to ensure that any applicable account restrictions are being followed and that the accounts have sufficient available cash to trade. Mr. Niepold, Mr. Atta and Mr. Savage conduct the reviews on an ongoing basis.</p> <p>Further, Donald Savage, in his capacity as Chief Compliance Officer, periodically reviews SQM's trading to ensure consistency with applicable law and regulations.</p>
Item 13.B	<p>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review</p> <p>See Item 13.A above.</p>
Item 13.C	<p>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</p> <p>Generally, Investors will receive monthly, unaudited estimates of NAV of shares in the Offshore Feeders and a capital account statement for limited partnership interests in the Domestic Feeders. In addition, Investors will receive a monthly report from SQM as well as annual audited financial statements. The Funds, the Investment Manager, the General Partner, the Administrator or any agent of the foregoing may communicate with Investors (<i>e.g.</i>, financial statements, performance reports, manager letters) by using a variety of means including, but not limited to, by telephone, e-mail, password protected Internet website, regular mail and facsimile. An Investor may, at any time, notify the Funds that it does not wish to receive electronic communication and receive paper communication instead.</p>

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Item 14.A	<p>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</p> <p>Not applicable.</p>
Item 14.B	<p>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>supervised person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</p> <p>Not applicable.</p>

ITEM 15 – CUSTODY

If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.

With respect to the Funds, SQM and its affiliate SQM Frontier Management GP, LLC are deemed to have custody by virtue of their status as trading manager and general partner, respectively. The qualified custodian presently utilized by SQM for its Funds is State Street Bank and Trust Company, One Lincoln Street, Boston, Massachusetts 02111.

To ensure compliance with Rule 206(4)-2 under the Advisers Act, SQM reasonably believes that all investors in the Funds will be provided with audited financial statements, prepared by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board, in accordance with U.S. Generally Accepted Accounting Principles, within 120 days, of the end of the Funds' fiscal years. Investors should carefully review the audited financial statements of the Funds upon receipt.

ITEM 16 – INVESTMENT DISCRETION

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

SQM has discretionary authority to manage the Funds. SQM is authorized to make purchase and sale decisions for the Funds. As explained in Item 4.C above, individual investors in the Funds do not have the ability to impose limitations on SQM's discretionary authority. Prospective investors are provided with an offering memorandum prior to their investment and are encouraged to carefully review the offering memorandum, along with all supplements and other relevant offering documents, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective investors must also execute a subscription agreement, which constitutes a legal, valid and binding obligation of the investor, enforceable in accordance with its terms.

When deemed appropriate for one or more large or strategic investors, SQM may establish separately managed accounts that may tailor investment objectives to those of the specific investor and accept investor-imposed limitations.

ITEM 17 – VOTING CLIENT SECURITIES

<p>Item 17.A</p>	<p>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</p> <p>SQM understands and appreciates the importance of proxy voting. To the extent that SQM has discretion to vote the proxies on behalf of the Funds, SQM will vote any such proxies in the best interests of the Funds and Investors (as applicable) and in accordance with set compliance procedures.</p> <p>All proxies sent to Funds will be provided to SQM investment personnel and it is noted that SQM employs a third party proxy administrator. Prior to voting any proxies, SQM will determine if there are any conflicts of interest related to the security in question. In the absence of a conflict of interest, SQM will generally vote “for” routine proposals, such as the election of directors, approval of auditors and amendments or revisions to corporate documents to eliminate outdated or unnecessary provisions. Unusual or disputed proposals will be reviewed and voted on a case-by-case basis. In any such unusual cases or if a conflict is identified, SQM will identify the conflicts and make a determination the best course of action. In the event of a conflict of interest, SQM may determine that the SQM employee who has a conflict of interest is to be recused from the deliberations as to how to vote a proxy on a case-by-case basis.</p> <p>Generally, Mr. Niepold and Mr. Atta have responsibility for ensuring that a given proxy is voted on and submitted in a timely manner. SQM, with assistance from the third party proxy administrator, keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions (such as the proxy voting worksheet) and each client request for proxy voting records and SQM’s response for the previous five years.</p> <p>If you have any questions about SQM’s proxy policy, its proxy record-keeping procedures or if you would like any detailed information about how proxies are actually voted, please contact the Chief Compliance Officer, Donald Savage, at (571) 451-0686.</p>
<p>Item 17.B</p>	<p>If you do not have authority to vote <i>client</i> securities, disclose this fact. Explain whether <i>clients</i> will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) <i>clients</i> can contact you with questions about a particular solicitation.</p> <p>Not applicable.</p>

ITEM 18 – FINANCIAL INFORMATION

Item 18.A	<p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none"> 1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity. 2. Show parenthetically the market or fair value of securities included at cost. 3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X. <p>Not applicable.</p>
Item 18.B	<p>If you have <i>discretionary authority</i> or <i>custody</i> of <i>client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>SQM is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.</p>
Item 18.C	<p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p> <p>Not applicable.</p>