

## ADV BROCHURE – PART 2 A

Cover Page

Item #1

TIGERSHARK MANAGEMENT, LLC  
101 PARK AVENUE 20<sup>th</sup> FLOOR  
NEW YORK, NEW YORK 10178

This brochure provides information about the qualifications and business practices of TigerShark Management, LLC. If you have any questions about the contents of this brochure please contact 212-984-8835. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

TigerShark Management, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information with which you may determine to hire or retain advisory services. Additional information about TigerShark Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

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March 27, 2013

# TIGERSHARK MANAGEMENT, LLC

March 27, 2013

## Material Changes Item #2

On July 28, 2010, the United States Securities and Exchange Commission published "Amendments to Form ADV" which amends the disclosure document ("brochure") provided to clients as required by SEC rules. This Brochure, dated March 27, 2013, is a document prepared according to the SEC's new requirements and rules. Therefore, this document is materially different from, and requires certain new information, that the previous standard Form ADV did not require.

We have summarized our material changes to the Current Form ADV Part 2A since the date of our last brochure, February 14, 2012:

**Item 4 – Description of Firm:** We updated our assets under management as of December 31, 2012. The brochure now reflects that the investment adviser and the general partner to certain of the private funds managed by the investment adviser are filing a single Form ADV based upon the SEC's expressed position in the No-Action Letter published on January 18, 2012 entitled "American Bar Association, Business Law Section"

**Item 14– Client Referrals and Other Compensation:** We have entered into an agreement with SDDCO Brokerage Advisors LLC to assist TigerShark Management, LLC in securing assets for its clients.

**Item 17– Proxy Voting:** We no longer use ISS for proxy voting effective October 2012 and have since hired Broadridge.

Other immaterial changes have been to this form. This form can requested by contacting Gregory Langley, Chief Compliance Officer, 212-984-8835 and/or via electronic mail at [greg.langley@tigersharklp.com](mailto:greg.langley@tigersharklp.com). Additional information about TigerShark Management, LLC is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with TigerShark Management, LLC who are registered, or are required to be registered, as investment adviser representatives of TigerShark Management, LLC, if applicable.

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**TIGERSHARK MANAGEMENT, LLC**  
**ADVISORY BUSINESS**  
**ITEM # 4**

Description of the Firm:

TigerShark Management, LLC ("TigerShark" or "Adviser") is a Delaware limited liability company established in 2001.

TigerShark solely provides investment advisory services to private investment funds. TigerShark is primarily a dual strategy advisor with a focus on United States-listed long/short equity investments. TigerShark manages three long/short funds that operate in a side-by-side structure. TigerShark Fund, L.P. is a domestic limited partnership. The offshore long/short fund operates in a "mini-master" structure: TS I Offshore, Limited is the feeder and TS I Offshore, LP is the master fund. In addition, TigerShark manages a short-only fund, Mako Shark Master Fund, Limited, which operates in a "master-feeder" structure. Mako Shark Fund, LP is the domestic feeder and Mako Shark Fund, Limited is the offshore feeder. Collectively, these funds are referred to in this document as the "Private Funds". An affiliated entity, TigerShark Partners, LLC, serves as the general partner of the Private Funds which are organized as limited partnerships (the "General Partner"). The General Partner is registered with the SEC by way of and in reliance upon the registration of the Adviser. The Adviser and General Partner are filing a single Form ADV based upon the SEC's expressed position in the No-Action Letter published on January 18, 2012 entitled "American Bar Association, Business Law Section."

Employees:

TigerShark has six full-time employees. Two Portfolio & Risk Managers, a Chief Operating Officer, a senior research analyst, a trader and a Controller. The Controller also serves as Chief Compliance Officer.

Principal Owners of the Firm:

Thomas Facciola and Michael Sears are the exclusive principal owners of TigerShark Management, LLC.

Thomas Facciola joined Tiger Management L.L.C. ("Tiger") in January 2000 as a managing director and was with the company from that date until his departure to start the Adviser in January 2001. Prior to joining Tiger, Mr. Facciola worked for Lehman Brothers where he was a Senior Vice President and spent the last year working in proprietary trading, managing long / short equity investments. Prior to that, he was in Equity Research covering Financial Services from 1996 to 1998. Before he was at Lehman Brothers, Mr. Facciola worked at Salomon Brothers for four years and prior to that spent four years at SG Warburg & Co. Mr. Facciola received a BS in Finance from St. John's University in New York in 1988 and received a Chartered Financial Analyst ("CFA") designation in 1994.

Michael Sears, CFA joined Tiger in January 2000 as an associate managing director and was with the company from that date until his departure to start the Adviser in January 2001. Prior to joining Tiger, Mr. Sears worked for Lehman Brothers where he was a Vice President working in proprietary trading and previously worked in Equity Research in Financial Services focusing on Brokers and Asset Managers starting in 1997. Before he was at Lehman, Mr. Sears worked at Salomon Brothers as an Equity Analyst in Financial Services for two years. Before Salomon, Mr. Sears was at J&W Seligman for eight years where he worked as the Assistant Treasurer/Special Projects Manager. Mr. Sears graduated from Saint Michael's College in Vermont in 1984 with a

BA in Business Administration and he earned a MBA in Finance from the University of Bridgeport in Connecticut in 1985. Mr. Sears received a CFA in 1997.

#### Advisory Services

TigerShark is primarily a dual strategy advisor using a fundamental, bottom-up approach to long/short investing in the equities of United States publicly-traded companies.

TigerShark provides investment supervisory services, defined as giving continuous advice to a client or making investments for a client based on the individual needs of the client. These services may include: (i) development of investment policy; (ii) asset allocation; (iii); portfolio implementation and management and (iv) performance evaluation. Advisory services are based on, and are designed to adhere to, client risk tolerances, time horizons, tax statuses, liquidity needs, return objectives and preferences for investment vehicles. Generally, the Adviser will not accept a client unless the Adviser believes it can satisfy client requests and manage client accounts in a manner designed to fulfill client objectives and restrictions.

#### Tailoring Advisory Services to Individual needs of Clients

TigerShark's clients are the Private Funds and not the investors in the Private Funds. The advisory services provided to the Private Funds are tailored to the investment objectives, investment strategy and investment restrictions, if any, as set forth in offering memoranda of the Private Funds and the investment management agreements entered into by TigerShark with such clients.

TigerShark does not tailor its advisory services or investment objectives or strategies to the requests or needs of individual Private Fund investors. Investors in these Private Funds are not permitted to restrict a fund's investments.

#### Discretionary Management

As of December 31, 2012 TigerShark managed discretionary client assets valued at \$166,758,709. TigerShark does not manage non-discretionary assets.

### **FEES AND COMPENSATION**

#### **Item # 5**

TigerShark is compensated for its advisory services through a management fee ("Fixed Fee") and a performance-based fee ("Incentive Allocation")

Each Private Fund pays TigerShark a monthly Fixed Fee in arrears in an amount equal to 0.125% (i.e., 1.5% per annum) of the net assets of the Private Fund. The Fixed Fee is paid within 30 days after the end of each calendar month based on the value of the net assets of the Private Fund as of the last day of each calendar month without accrual of the Incentive Allocation, if any. The Fixed Fee is deducted in determining the net profit or net loss of the investor. In the event the investor has not been invested in a Private Fund for an entire month, the Fixed Fee for such month shall be prorated. If additional contributions are made to or withdrawals are made by the investor during any month, the Fixed Fee will be prorated.

In addition, TigerShark Fund, L.P. and TS I Offshore, Limited (through its investment in TS I Offshore, L.P.) pay an Incentive Allocation (if applicable, subject to a loss carryforward provision) of 20% of the profits of each respective Private Fund to the General Partner. Investors in Mako Shark Fund, L.P. and Mako Shark Fund, Limited through their investment in Mako Shark Master Fund, Limited pay an Incentive Allocation (if applicable, subject to a loss carryforward) equal to 15% of the return amount in excess of the inverse of the S&P 500 Total Return Index.

TigerShark in its sole discretion, may waive or reduce the Fixed Fee or Incentive Allocation to be paid by limited partners or shareholders that are members, principals, officers, directors, employees or affiliates of the General Partner or TigerShark or relatives of such persons and for certain large, strategic or initial investors. Fixed Fees and Incentive Allocations are confirmed by the outside administrator of the Private Funds, Citco Fund Services (Curacao) prior to being paid. The terms Fixed Fee and Incentive Allocation are defined in the Private Funds' offering memoranda.

The Adviser has entered into a contract with a Founding Investor (the "Founding Investor") pursuant to which the Adviser will allocate to such Founding Investor (or an affiliated entity) a portion of the performance based fee earned by the Adviser (or General Partner) from the Private Funds. Neither the Founding Investor nor any of its affiliates has discretion or control over the management of the Private Funds or the Adviser.

The Private Funds, and thus investors in the Private Funds, incur expenses related to the purchase, sale or transmittal of client assets. The expenses include those incurred for such services as legal, accounting, auditing and other professional expenses, administrative fees and other professional fees.

The Adviser is responsible for and pays all ordinary office overhead expenses, which include rent, supplies, secretarial expenses, stationery, charges for furniture and fixtures, compensation of analysts and other personnel, and other reasonable overhead expenses.

Investors are not charged in advance.

Private Fund Investors and prospective Investors should refer to the offering memoranda of the Private Funds for detailed information with respect to the fees and expenses associated with each Private Fund. The information contained herein is a summary only and is qualified in its entirety by such documents.

### **Side Letters**

The Private Funds may enter into agreements ("Side Letters") with certain prospective or existing investors by which such investors may be subject to terms and conditions that are more advantageous than those described in the Private Funds' offering memoranda. For example, such terms and conditions may provide for special rights to make future investments in a Private Fund, other investment vehicles or managed accounts; special withdrawal rights, relating to frequency or notice of withdrawals; a reduction or rebate in fees or withdrawal penalties to be paid by the investor and/or other terms; rights to receive reports from the Private Fund on a more frequent basis or that include information not provided to other investors (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated by the Private Funds, the Adviser, the General Partner and these investors. These special rights are granted solely at the discretion of the Private Funds and may, among other things, be based on the size of the investor's investment in a Private Fund or an affiliated investment entity, an agreement by an investor to maintain an investment in a Private Fund for a significant period of time, or other similar commitment by an investor to a Private Fund.

## **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

### **Item # 6**

As explained in Item 5, TigerShark Fund, L.P. and TS I Offshore, Limited (through its investment in TS I Offshore, L.P.) pay an Incentive Allocation (if applicable, subject to a loss carryforward provision) of 20% of the profits to the General Partner of each respective fund. Investors in Mako

Shark Fund, L.P. and Mako Shark Fund, Limited through their investment in Mako Shark Master Fund, Limited pay an Incentive Allocation (if applicable, subject to a loss carryforward) equal to 15% of the return amount in excess of the inverse of the S&P 500 Total Return Index.

Performance-based fee arrangements may create an incentive (subject to a loss carry forward provision) for the Adviser to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements may also create an incentive to favor higher fee paying client accounts over other client accounts in the allocation of investment opportunities. TigerShark has procedures designed to ensure that all clients are treated fairly and equally, subject to their investment objectives and restrictions, and to prevent these conflicts from influencing TigerShark's allocation of investment opportunities among clients.

## **TYPES OF CLIENTS**

### **Item # 7**

TigerShark provides investment advice to Private Funds which have various types of investors including, but not limited to, high net worth individuals, family offices, foundations, institutional investors, fund of funds, family offices, pension funds and charities eligible to invest in 3(c)(7) funds. Each investor is (i) an "accredited investor" as defined in Regulation D promulgated under the Securities Act of 1933, as amended (generally individuals must have a net worth in excess of \$1,000,000 and entities must have total assets of \$5,000,000) and (ii) a "qualified purchaser" as defined in Section 2(a)(51) under the Investment Company Act of 1940, as amended (generally individuals who own "investments" of at least \$5,000,000 or entities that own "investments" of at least \$25,000,000)

Each fund has a USD \$1,000,000 minimum initial subscription subject to waiver by the General Partner but no less than USD \$50,000.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS**

### **Item # 8**

**Investing in securities involves risk of loss that investors should be prepared to bear.**

## **STRATEGIES AND METHODS OF ANALYSIS**

TigerShark takes a fundamental cash flow driven approach to long/short equity investing. During their many years experience as Financial Industry analysts Mr. Facciola and Mr. Sears developed significant expertise in deciphering financial statements prepared using GAAP and reconciling them to true economic earnings and cash flows. We believe this information provides TigerShark insight into how a company is currently performing and how it is likely to perform in the future, an insight many other analysts do not develop. We only invest in companies utilizing GAAP reporting which means we are restricted to U.S. companies and foreign entities with American Depository Receipts, which employ GAAP in their financial statements. Our returns are generated through stock picking (alpha) and gross exposure rather than net exposure (beta).

Mr. Facciola and Mr. Sears have used the same successful technique to identify longs and short positions since they first started managing money in 1999. All positions are put into the portfolio one stock at a time. The idea generation process involves four steps (outlined below) which require using financial screens, business / industry reviews, assessment of management, and valuation analysis to see if true cash earnings are accurately reflected in share price. We buy companies when our analysis indicates that the market has undervalued the long-term economic earnings power of a company. Long positions that comprise the portfolio are well managed companies with natural advantages that are mispriced. We short companies when they are

producing economic earnings meaningfully below reported earnings or investors expectations. Our expertise in finding variations between GAAP and true economic earnings allows us to detect when reported earnings mislead investors. Short positions that comprise the portfolio include declining franchises, financially unsound companies and over-competitive industries.

Our investment process includes the following steps in analyzing a prospective company:

**Financial Review** – We use financial screens to find companies with attributes that indicate high sustainable returns as well as proven ability to allocate capital efficiently. Our goal is determine the real cash earnings.

**Business & Industry Review** - We analyze the industry to determine if the company is in an industry that is stable or growing. We also look to see that the industry has a history of margin stability.

**Management Assessment** – We look at the current management of a company with regard to their experience, how conservative they are, and their ability to allocate capital.

**Valuation** – We ask ourselves when conducting our analysis if the company is undervalued relative to our estimate of its growth rate or intrinsic value.

#### **CERTAIN RISKS**

The Private Funds may be deemed to be a speculative investment and is not intended as a complete investment program. Investment in the Private Funds is suitable only for persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment and who meet the conditions set forth in this Memorandum and the Subscription Agreement. There can be no assurances that either the Private Funds will achieve its investment objective. Investment in the Private Funds involves significant risks and while the following summary of certain of these risks should be carefully evaluated before making an investment in the Private Funds, the following does not intend to describe all possible risks of such an investment.

#### **Overall Investment Risk**

All securities investments risk the loss of capital. The nature of the securities to be purchased and traded by the Private Funds and the investment techniques and strategies to be employed in an effort to increase profits may increase this risk. There can be no assurance that the Private Funds will not incur losses. Many unforeseeable events, including actions by various government agencies and domestic and international political events, may cause sharp market fluctuations.

#### **Short Sales**

Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the Private Funds' portfolios. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There is the risk that the securities borrowed by the Private Funds in connection with a short sale must be returned to the securities lender on short notice. If a request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, and the Private Funds may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short. Market events in the third quarter of 2008 led to a temporary prohibition on short sales of publicly traded equity securities in certain financial and other companies by the U.S. Securities and Exchange Commission (SEC), as well as similar restrictions in certain other countries and markets. Any such continuing restrictions or the implementation of other similar restrictions on short sales or other market activity could significantly affect the Adviser's ability to implement the Private Funds' investment strategy.



**Business and Regulatory Risks of Hedge Funds**

Legal, tax and regulatory changes could occur during the term of the Private Funds that may adversely affect the Private Funds. The regulatory environment for hedge funds is evolving, and changes in the regulation of hedge funds may adversely affect the value of investments held by the Private Funds and the ability of the Private Funds to obtain the leverage it might otherwise obtain or to pursue its trading strategies. In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of derivative transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial actions. The effect of any future regulatory change on the Private Funds could be substantial and adverse.

**Market Risks; Short Bias**

The profitability of a significant portion of the Private Funds' investment program depends to a great extent upon correctly assessing the future course of the price movements of specific securities and other investments. There can be no assurance that the Adviser will be able to predict accurately these price movements. The Private Funds expects that its strategy typically will in the aggregate have a short bias. Therefore, a positive change in the securities market may result in a significant decline in the value of the Private Funds' assets or a complete loss.

**Non-Diversification**

While the Private Funds' portfolio will generally contain a number of both long and short positions, the Private Funds will be invested primarily in U.S. equity securities. Accordingly, the investment portfolio of the Private Funds may be subject to more rapid change in value than would be the case if the Private Funds were required to maintain a wide diversification among issuers, market capitalizations, industries, types of securities and geographic areas.

**Small to Medium Cap Stocks**

At any given time, the Private Funds may have significant investments in smaller-to-medium sized companies with market capitalizations of less than \$1 billion. Historically, the securities of such companies have been more volatile in price than those of larger capitalized, more established companies included in the S&P 500. The securities of small capitalization companies pose greater investment risks because such companies have limited product lines, distribution channels and financial and managerial resources. Further, there is often less publicly available information concerning such companies than for larger, more established businesses. The equity securities of small capitalization companies are often traded over-the-counter or on regional exchanges and may not be traded in the volumes typical on a national securities exchange. Consequently, the Adviser may be required to dispose of such securities or cover a short position over a longer (and potentially less favorable) period of time than is required to dispose of or cover a short position with respect to the securities of larger, more established companies. Investments in companies with limited operating histories are more speculative and entail greater risk than do investments in companies with an established operating record.

**Exchange Traded Funds**

The Private Funds may invest in the securities of ETFs, which represent interests in (i) fixed portfolios of common stocks designed to track the price and dividend yield performance of broad-based securities indices (e.g., the S&P 500 or Nasdaq 100) or (ii) "baskets" of industry-specific securities. ETF securities are traded on an exchange like shares of common stock. The value of ETF securities fluctuates in relation to changes in the value of the underlying portfolio of securities. However, the market price of ETF securities may not be equivalent to the pro rata value of the underlying portfolio of securities. ETF securities may be subject to the risks of an investment in a broad-based portfolio of common stocks or to the risks of a concentrated,

industry-specific investment in common stocks. ETF securities are considered investments in registered investment companies.

### **Options**

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

### **Leverage**

While the use of leverage can substantially improve the return on invested capital, such use may also increase the adverse impact to which the Private Funds' portfolio may be subject. Borrowings (i.e., of securities to sell short) will usually be from securities brokers and dealers and will typically be secured by the Private Funds' securities and other assets. Under certain circumstances, such a broker-dealer may demand an increase in the collateral that secures the Private Funds' obligations and if the Private Funds was unable to provide additional collateral, the broker-dealer could liquidate assets held in the account to satisfy the Private Funds' obligations to the broker-dealer. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the Private Funds' borrowings and the interest rates on those borrowings, which will fluctuate, will have a significant effect on the Private Funds' profitability. In an unsettled credit environment, the Adviser may find it difficult or impossible to obtain leverage for the Private Funds. Since leveraging its assets may be part of the investment strategy of the Private Funds, in such event the Private Funds could find it difficult to fully implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in the Adviser being forced to unwind positions quickly and at prices below what the Adviser deems to be fair value for the positions.

### **Lack of Liquidity of Fund Assets, Valuation**

Private Fund assets may, at any given time, include securities and other financial instruments or obligations which are thinly-traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws. The sale of any such investments may be possible only at substantial discounts and it may be extremely difficult to accurately value any such investments. In light of the foregoing, there is a risk that a limited partner or shareholder who withdraws all or part of his investment while the Private Funds holds such investments will be paid an amount less than he would otherwise be paid if the actual value of such investments is higher than the value designated by the Private Funds. Similarly, there is a risk that such limited partner or shareholder might, in effect, be overpaid if the actual value of the investment is lower than the value designated by the Fund. In addition, there is a risk that an investment in the Fund by a new limited partner or shareholder (or an additional investment by an existing limited partner or shareholder) could dilute the value of such investments.

### **Illiquidity and In Kind Distributions**

Inasmuch as there are substantial restrictions on withdrawal and interests or shares in the Private Funds are not tradable, an investment in the Private Funds is a relatively illiquid investment. Further, if a substantial number of limited partners or shareholders were to withdraw from the Private Funds and the Private Funds did not have a sufficient number of liquid securities, the Private Funds might have to meet such withdrawals through distributions of thinly-traded or illiquid securities. Transfers of Private Fund's interests or shares will be permitted only with the written consent of the General Partner (for Private Funds that are organized as limited partnerships) or the Board of Directors (for Private Funds that are organized as companies). In light of the foregoing, investment in the Private Funds should be considered only by persons

financially able to maintain their investment for a substantial period of time and who can afford a loss of a substantial part of their investment.

**Counterparty Risk**

To the extent the Private Funds invests in swaps, "synthetic" or derivatives instruments, repurchase agreements, certain types of options or other customized financial instruments or non-U.S. securities, the Private Funds takes the risk of non-performance by the other party to the contract. This risk may include credit risk of the counterparty and the risk of settlement default. This risk may differ materially from those entailed in U.S. exchange-traded transactions which generally are supported by guarantees of clearing organizations, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

**Custody and Prime Brokerage Risk**

There are risks involved in dealing with the custodians or prime brokers who settle Private Funds trades. Under certain circumstances, the securities and other assets deposited with the custodian or broker may not be clearly identified as being assets of the Private Fund and hence the Private Funds could be exposed to a credit risk with regard to such parties. In addition, there may be practical or time problems associated with enforcing the Private Funds' rights to its assets in the case of an insolvency of any such party. The Private Funds' maintains a custody account with its prime broker and primary custodian, Morgan Stanley & Co. LLC. The Private Funds also use Credit Suisse Securities (USA) LLC and National Financial Services LLC as prime brokers and maintain custody accounts with these prime brokers as well (the "Prime Brokers"). Although the Adviser will monitor the Prime Brokers and believes that they are appropriate custodians, there is no guarantee that the Prime Brokers, or any other custodian that the Private Funds may use from time to time, will not become insolvent. While both the U.S. Bankruptcy Code and the Securities Investor Protection Act of 1970 seek to protect customer property in the event of a failure, insolvency or liquidation of a broker-dealer, there is no certainty that, in the event of a failure of a broker-dealer that has custody of Private Fund assets, the Private Funds' would not incur losses due to its assets being unavailable for a period of time, ultimate less than full recovery of its assets, or both. The Private Fund and/or the Prime Brokers may appoint sub-custodians in certain non-U.S. jurisdictions to hold the assets of the Private Fund. The Prime Brokers may not be responsible for cash or assets which are held by sub-custodians in certain non-U.S. jurisdictions, nor for any losses suffered by the Private Fund as a result of the bankruptcy or insolvency of any such sub-custodian. The Private Fund may therefore have potential exposure on the default of any sub-custodian and, as a result, many of the protections which would normally be provided to a Fund by a custodian will not be available to the Private Fund. Custody services in certain non-U.S. jurisdictions remain undeveloped and, accordingly, there is a transaction and custody risk of dealing in certain non-U.S. jurisdictions. Given the undeveloped state of regulations on custodial activities and bankruptcy in certain non-U.S. jurisdictions, the ability of the Private Fund to recover assets held by a sub-custodian in the event of the sub-custodian's bankruptcy would be in doubt.

**Non-U.S. Securities**

Investing in securities of non-U.S. governments and companies which are generally denominated in non-U.S. currencies and utilization of options on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the United States Government or United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

**Currency Risks**

The investments of the Private Funds that are denominated in non-U.S. currencies are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. From time to time, the Adviser may try to hedge these risks by investing in currencies and options thereon, forward currency exchange contracts, or any combination thereof, but there can be no assurance that such strategies will be implemented or, if implemented, will be effective.

**Special Situations**

The Private Fund may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Private Funds may invest, there is a potential risk of loss by the Private Funds' of its entire investment in such companies.

**Commodities and Futures Contracts**

Futures markets are highly volatile. The low margin or premiums normally required in such trading may provide a large amount of leverage, and a relatively small change in the price of a security or contract can produce a disproportionately larger profit or loss. There is no assurance that a liquid secondary market will exist for futures contracts or options purchased or sold, and the Private Funds may be required to maintain a position until exercise or expiration, which could result in losses. Many futures exchanges limit the amount of fluctuation permitted in contract prices during a single trading day. Once the daily limit has been reached in a particular contract, no trades may be made that day at a price beyond that limit. Contract prices could move to the daily limit for several consecutive trading days permitting little or no trading, thereby preventing prompt liquidation of futures and options positions and potentially subjecting the Private Funds' to substantial losses. Investing in futures contracts, options or commodities is a highly specialized investment activity entailing greater than ordinary investment risks.

Private Fund Investors and prospective Investors are provided with offering memoranda of the Private Funds they invest in, and such offering memoranda provide a detailed description of the material risks related to an investment in a Private Fund. Such investors should carefully review all the risk factors described in such documents.

**DISCIPLINARY INFORMATION****Item #9**

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 potential client's evaluation of the Adviser or the integrity of its management. TigerShark has no applicable disciplinary information.

**OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS****Item # 10**

The Adviser serves as the manager of the Private Funds. TigerShark Partners, LLC, an affiliated entity, serves as the General Partner to certain of the Private Funds. The Adviser has adopted a Code of Ethics concerning trading by personnel of the Adviser that is designed to detect and prevent potential conflicts of interest between the Adviser and its clients. Please refer to Item 11

below for additional information regarding the Adviser's Code of Ethics. The Adviser and its management persons do not participate in any other capacity in the securities industry. In particular, neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer or as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of such entities.

## **CODE OF ETHICS**

### **Item # 11**

High ethical standards are essential for the success of TigerShark and to maintain the confidence of Investors. TigerShark is of the view that its long-term business interests are best served by adherence to the principle that the Private Funds' interests come first. TigerShark has a fiduciary duty to the Private Funds it manages, which requires individuals associated with TigerShark to act solely for the benefit of the Private Funds. Potential conflicts of interest may arise in connection with the personal trading activities of individuals associated with investment adviser firms. In recognition of TigerShark's fiduciary obligations to the Private Funds and TigerShark's desire to maintain its high ethical standards, TigerShark has adopted a Code of Ethics containing provisions designed to: (i) prevent improper personal trading by Access Persons; (ii) prevent improper use of material, non-public information; (iii) identify conflicts of interest; and (iv) provide a means to resolve any actual or potential conflict in favor of the Fund. Adherence to the Code of Ethics and the related restrictions on personal investing is considered a basic condition of employment for employees of TigerShark.

Employees are generally prohibited from purchasing or selling individual equity related (which includes publicly traded and privately placed securities), including a security offered in an initial public offering, in a personal account. Upon becoming an Access Person at TigerShark, an employee must agree to adhere to TigerShark's prohibition on trading individual securities.

## **. BROKERAGE PRACTICES**

### **Item # 12**

TigerShark has an obligation to seek best execution in a manner that is consistent with the best interests of its clients. TigerShark monitors brokers by assessing commission, reputation and financial strength of the broker, the quality of the infrastructure, the ability to handle difficult orders and the accuracy of the broker. TigerShark employs a full-time trader who monitors the ability of the executing broker in all market environments and periodically fills out a survey assessing the broker's performance.

Research TigerShark applies soft dollar commissions to obtain research services that provide lawful and appropriate assistance in the investment decision-making process. It is TigerShark's policy to only utilize soft dollars to the extent they are consistent with Section 28(e) safe harbor. The Compliance Officer monitors the soft dollar amounts to make sure the value of the research services received are consistent with the amounts paid.

Occasionally TigerShark will pay increased commission on trades to receive research services.

TigerShark uses a single broker dealer for all soft-dollar arrangements. The soft dollar services include Bloomberg Finance LP, quotes from New York Stock Exchange, Inc, quotes from Options Price Reporting, access to Standard & Poor's / Capital IQ, access to StreetAccount LLC and Thomson Reuters (Markets) LLC. The Chief Compliance Officer will monitor the amounts spent on research services versus the benefits provided.

Directed Brokerage TigerShark does not permit clients or fund participants to dictate which brokers to use for trades.

## **REVIEW OF ACCOUNTS**

### **Item # 13**

Frequency The two Portfolio / Risk Managers monitor the securities owned and sold short on a daily basis by reviewing "The Trade Sheet." The "Trade Sheet" is reconciled to both Prime Broker Reports, internal records and to the Administrator, Citco Fund Services.

Non-Periodic Review TigerShark reviews portfolio composition such as sector, liquidity & market on a continuous basis.

Account Reports On a monthly basis TigerShark's Controller reconciles and the COO signs off on internal fund accounts against the official reports prepared by the Administrator, Citco Fund Services. Once NAV is finalized each investor receives a capital statement with a summary of their account.

At year end the investor received and a copy of the audited financial statements within 120 days of December 31. Investors in the domestic funds will receive a K-1.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

### **Item # 14**

The Adviser may, from time to time, engage the services of solicitors to assist the Adviser in securing advisory clients. Any such arrangements will be in compliance with Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). In February 2013 TigerShark entered into an agreement with SDDCO Brokerage Advisors LLC to assist TigerShark in securing assets for its clients.

## **CUSTODY**

### **Item # 15**

TigerShark and its related person serving as General Partner of certain Private Funds are deemed, under federal securities laws, to have custody of the assets of the Private Funds by virtue of their status as investment manager or general partner respectively. TigerShark and such related persons do not have actual physical custody of any Private Fund assets; rather TigerShark has discretionary authority over Private Fund assets which are held by "qualified custodians" which includes banks, registered broker-dealers, and certain foreign custodians which provide at least quarterly account statements directly to TigerShark. TigerShark has custody of the Private Funds' funds and securities through the ability to access and control these assets and withdraw them from accounts at qualified custodians. TigerShark satisfies its custody obligations by ensuring that all Private Funds are audited as required by the Advisers Act Custody Rule and that investors in the Private Funds receive the financial statements resulting from such audits as required by regulation.

The qualified custodians for the Private Funds are Morgan Stanley, Credit Suisse and National Financial Services and Citco Banking Corporation.

## **INVESTMENT DISCRETION**

### **Item #16**

At the start of a client relationship, the investor grants TigerShark the discretionary authority to manage an investors' account by executing a Subscription Agreement or other governing document. As described in Item 4, the advisory services provided by TigerShark to the Private Funds are tailored to the investment objectives, investment strategy and investment restrictions, if any, as set forth in the offering memoranda of the Private Funds. With respect to Private Fund Investors, TigerShark does not tailor its advisory Services to the individual needs of such Investors and does not accept investment restrictions by such Investors.

## **PROXY VOTING**

### **Item # 17**

The Adviser has adopted Proxy Voting Policies and Procedures that are designed to ensure that in cases where the Adviser votes proxies with respect to client securities, such proxies are voted in the best interests of its clients. TigerShark has hired Broadridge to vote proxies in accordance with Eagan Jones Best Practices. The Chief Compliance Officer reviews proxy votes to ensure that the best interests of the Private Funds' are served. Although Broadridge votes proxies, TigerShark has the ultimate decision on how proxies will be voted.

## **FINANCIAL INFORMATION**

### **Item # 18**

A registered investment adviser is required to provide clients with certain financial information or disclosures about its financial condition. TigerShark has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.