

**ITEM 1
COVER PAGE**

PART 2A OF FORM ADV: FIRM BROCHURE



PENSO ADVISORS, LLC

March 31, 2017

Penso Advisors, LLC

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THIS BROCHURE PROVIDES INFORMATION ABOUT THE QUALIFICATIONS AND BUSINESS PRACTICES OF PENSO ADVISORS, LLC. IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS BROCHURE, PLEASE CONTACT US AT 212.688.8800 OR LWAXMAN@PENSO.COM. THE INFORMATION IN THIS BROCHURE HAS NOT BEEN APPROVED OR VERIFIED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES AUTHORITY.

ADDITIONAL INFORMATION ABOUT PENSO ADVISORS, LLC ALSO IS AVAILABLE ON THE SEC'S WEBSITE AT WWW.ADVISERINFO.SEC.GOV.

REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR NOTICE FILING WITH ANY STATE SECURITIES AUTHORITY DOES NOT IMPLY A CERTAIN LEVEL OF SKILL OR TRAINING.

ITEM 2
MATERIAL CHANGES

There are no material changes to the prior version of this brochure (the “Brochure”) of Penso Advisors, LLC that was filed on March 30, 2016.

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ITEM 4

ADVISORY BUSINESS

Penso Advisors, LLC (“Penso Advisors” or “we”) is a Delaware limited liability company with offices in New York, New York and Cedarhurst, New York. Penso Advisors was founded in February, 2010 and its principal owners are Ari Bergmann, Penso Manager, LLC, Penso Partners, LLC and BHUS Holdings LLC. Penso Manager, LLC and Penso Partners, LLC are owned by two of Mr. Bergmann’s family trusts, and BHUS Holdings LLC is an affiliate of Brevan Howard Capital Management Limited.

Penso Advisors is focused on systemic risk management and derivatives advisory and the implementation of bespoke high convexity strategies both on the left tail (hedging overlays) and on the right tail (global macro special opportunities) for its clients. Currently, the two strategies we utilize are Negative Correlated Alpha Strategy (NCA) and Global Macro Strategy (GMO) (the “Strategies”).

For the NCA strategy, the purpose is systemic risk management, focusing on mitigating risks for our clients by employing a negative correlated alpha strategy. Penso Advisors’ goal is to construct a portfolio with limited downside and convex returns during large S&P or MSCI world index drawdowns. We concentrate on identification of mispriced risk or correlations on a global basis and identify trades in various asset classes. We particularly focus on overcrowding, high complacency by market participants, and liquid instruments/countries to achieve convexity. The goal of this strategy is to produce a highly convex payout during systemic events and turbulent environments while maintaining a zero to low drag during benign, and low volatility risk environments. The strategy is meant to have a positive expected value over a full market cycle even if no systemic event occurs.

For the GMO, the objective is to take advantage of asymmetric global trends in G7 and liquid Emerging Market countries. We employ a portfolio that is uncorrelated to most risk assets and use instruments in different asset classes that have limited downside and convex upside. Portfolio construction, correlation mispricing, and diligent monetization strategies are key to the GMO strategy.

Both NCA and GMO predominantly trade in instruments of creative structures using listed and OTC derivatives.

To date, Penso Advisors’ clients have included institutional money managers such as hedge funds, funds of hedge funds, private equity funds, global insurance companies, state and private pension plans, endowments, foundations, family offices and other institutional investors (each a “Client”). Clients may invest either through managed accounts or private funds, as they desire. The managed account structure (“Managed Accounts”) is used for investors who want to implement a Strategy on their own proprietary trading infrastructure or as part of a separate account established in conjunction with the Client and Penso Advisors. The private fund structure (“Private Funds”) is

used where underlying investors invest in a fund-of-one vehicle in which they each have their own, separate, ring-fenced fund or entity maintained on a third-party infrastructure platform, including the use of a separate cell (a “Cell”) as part of a segregated portfolio company. Penso Advisors currently does not utilize a traditional commingled fund vehicle or product, although we may do so in the future.

Penso Advisors designs, implements and manages its Clients’ mandates on a bespoke basis. Each Strategy is designed and tailored to address the particular exposures identified in the Client’s portfolios, including through specific investment guidelines that are set forth in the appropriate investment advisory or management agreement. The terms of the relationship with the Client are typically detailed in (i) with respect to a Managed Account, an investment advisory or consulting agreement with Penso Advisors, or (ii) with respect to the Private Funds, a private placement memorandum or other offering document, which is then customized by an Explanatory Memorandum (or an appropriate supplement) and Investment Management Agreement with each respective fund (or Cell, as applicable). The underlying investor may enter into a side letter with Penso Advisors in connection with any of the Private Funds, in which we grant them further customized terms, some which may be preferential, and which may include among other things additional representations and favorable withdrawal rights.

Penso Advisors works with CIOs, CROs and trading teams of their Clients on an ongoing basis to address all matters pertaining to macro/systemic risks, address specific issues and to review the progress of their Strategy. Certain of the Penso Advisors’ Client relationships are managed on a non-discretionary basis which may be based on various conditions, namely the account may or may not trade any proposed transactions and/or proposed trades may be made only by the Client directly, or trades may be made by Penso Advisors as investment manager after the Client’s authorization prior to each advised transaction.

Penso Advisors does not participate in wrap fees programs.

As of December 31, 2016, Penso Advisors provides advice either directly or as a sub-adviser with respect to approximately \$1,125,642,000 of regulatory client assets pursuant to specified investment guidelines, of which approximately \$579,682,000 of such assets for which Penso Advisors has discretionary trading responsibility and approximately \$545,960,000 for such assets for which Penso Advisors has non-discretionary trading responsibility.

ITEM 5

FEES AND COMPENSATION

Penso Advisors uses different fee structures depending on the nature of the relationship with the client, the term of the relationship and the size and nature of the assets of the portfolio for which advice is provided. Such fees typically include a fixed fee and/or an incentive or performance fee based on appreciation of net asset value (often subject to a high watermark), but a fee based on a percentage of assets under management may be considered. Fees are separately negotiated.

Fee schedules are not disclosed because Penso Advisors does not utilize standardized fee terms as fees are determined on a client-by-client basis. Moreover, fee schedules are not necessary to be disclosed as we only have qualified purchasers.

With respect to Managed Accounts, the fee structure is contained in such Client's respective investment advisory agreement or consulting agreement, as applicable.

With respect to investors in any Private Fund, the fee structure is contained in the Confidential Offering Memorandum (or other offering document) for the Private Fund, and specifically in each fund's Explanatory Memorandum (or other supplement) to the Confidential Offering Memorandum and its Investment Management Agreement (or similar trading management agreement) with Penso Advisors. In addition, Clients on a third-party, service provider platform may be charged a separate fee by such service provider, none of which is paid to Penso Advisors.

In general, investors investing in the any Private Fund will pay any or all of (i) directors' fees (ii) management fees, generally calculated as a percentage of the net asset value of the shares (iii) performance (or incentive) fees, generally calculated as a percentage of net appreciation of the shares with a high watermark (iv) platform manager fee, generally calculated as an annual fee equal to a percentage per annum of the net asset value of the class of shares for such fund and (v) administration fee calculated monthly in advance and payable to the administrator in addition to reimbursement of out of pocket expenses incurred by or on behalf of the fund.

Unless otherwise agreed, each fund, directly or indirectly, also will pay out of its assets all of its ordinary and extraordinary expenses which, depending on the nature of the fund as well as the specific services to be provided by the platform manager, may include, but are not limited to, (i) organizational expenses, (ii) legal, accounting, auditing, tax, market data, valuation, insurance (including directors and officers liability insurance), printing, computer, postage and similar fees and expenses, (iii) fees and expenses of a fund's administrator, the custodian(s), any sub-administrator(s), sub-custodian(s), independent directors, general partners, managing members and other service providers, (iv) trade processing and reconciliation fees and expenses, collateral management fees and expenses and any other middle-office expenses, (v) agreed out-of-pocket expenses incurred by the platform manager, the administrator and other service providers attributable to the services provided to the funds, including, without limitation, insurance costs and certain out-of-pocket expenses related to regulatory compliance (for example, expenses associated

with the preparation of regulatory filings), (v) fees and expenses incurred with respect to the periodic review and, if appropriate, modification of offering and governing documents, (vi) interest, commitment and other fees in connection with borrowings, (vii) transaction-related expenses, including brokerage fees and custody charges, (viii) research and due diligence related expenses, including related consulting fees, travel, background investigations on investment managers or proposed investment managers, subscriptions, databases, legal fees, fees for data processing, data aggregation and risk reporting, (ix) extraordinary expenses (e.g., litigation costs, liquidation-related expenses (including any fees charged by a liquidation agent) and indemnification obligations) that a fund may incur, and (x) any other expenses related to the fund's ongoing operations.

Penso Advisors invoices its clients for fixed fees on a periodic basis as agreed (i.e., monthly or quarterly), and invoices for performance-based fees on a quarter-end or year-end basis. Currently, Penso Advisors does not require or seek prepayment of its fees.

Penso Advisors does not charge Clients any other fees or expenses with respect to its services.

Neither Penso Advisors nor any of our principals or employees receives any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

ITEM 6

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As discussed in Item 5 above, Penso Advisors may use a performance-based fee structure for certain of its client relationships. The performance fee for our Managed Accounts, if any, are separately negotiated. Some of our Clients are charged another type of fee, such as a flat fee or an asset-based management fee, separate from or in addition to a performance fee. The performance fee for any Private Fund is also separately negotiated and contained in each such fund's Explanatory Memorandum (or other supplement) to the Offering Memorandum and Investment Management Agreement (or other trading management agreement). The use of performance-based fees could create incentives for riskier trading positions. The existence of different fee structures and terms may also create potential conflicts of interest or favoritism toward certain Clients; however, because the fee structures and terms are separately negotiated, the Clients' may address any such concerns through their own specific terms as part of the investment advisory, consulting or management agreement. Penso Advisors also requires the fair allocation of trading opportunities among Clients where such positions may have limited availability or their execution could affect pricing in the market. Please see Item 12: Brokerage Practices for a detailed explanation of this process among our Clients.

ITEM 7

TYPES OF CLIENTS

Penso Advisors generally provides investment consulting or advisory services to hedge funds, funds of hedge funds, private equity funds, global insurance companies, private and state pension plans, endowments, foundations, family offices and other large institutional investors. Penso Advisors provides its services through fund-of-one structures including either Managed Accounts or Private Funds as determined by the underlying investors. The investment structures may be implemented either through the Clients' own proprietary infrastructure or a third party service provider infrastructure platform (including, where applicable, a cell within a segregated portfolio company).

In accordance with its model of bespoke mandates, Penso Advisors limits its client base strictly to sophisticated money managers and institutional investors generally with at least \$3 billion in assets under management or such other threshold as long as there is a logistic framework in place that allows for the implementation of risk overlays in managed account or private fund (fund-of-one) structures.

ITEM 8

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Penso Advisors currently utilizes two investment Strategies: a Global Macro Strategy (GMO) and a Negative Correlated Alpha Strategy (NCA).

For the GMO Strategy, the objective is to take advantage of asymmetric global trends in G7 and liquid Emerging Market countries. We employ a portfolio that is uncorrelated to most risk assets and use instruments in different asset classes that have limited downside and convex upside. Portfolio construction, correlation mispricing, and diligent monetization strategies are key to the GMO strategy.

For the NCA Strategy, the purpose is systemic risk management, focusing on mitigating risks for our Client's by employing a negative correlated alpha strategy. Our goal is to construct a portfolio with limited downside and convex returns during large S&P or MSCI world index drawdowns. We concentrate on identification of mispriced risk or correlations on a global basis and identify trades in various asset classes to take advantage. We particularly focus on overcrowding, high complacency by market participants and, particularly, liquid instruments/countries to achieve convexity.

The strategies and types of instruments employed by Penso Advisors are speculative in nature and entail a high degree of risk, including the risk of loss of some or all of an investment. There can be no assurance that the strategy employed will be profitable or hedge the identified risks or achieve any other investment objectives.

Derivative instruments, or "derivatives," include futures, forwards, options, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are "leveraged," and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose investors to the possibility of a loss exceeding the original amount invested. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts, and to counterparty risk. The counterparty risk lies with each party with whom the funds contract for the purpose of making derivative investments. In the event of the counterparty's default, the investors generally will only rank as an unsecured creditor and thus risk the loss of all or a portion of the amounts they are contractually entitled to receive.

ITEM 9
DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a Client's or prospective client's evaluation of the Penso Advisors' advisory business or the integrity of the Penso Advisors' management.

ITEM 10
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Penso Advisors and its management are not registered, and do not have any application pending to register, as broker-dealers, futures commission merchants, or an associated person of the foregoing entities.

Penso Advisors is currently registered as a Commodity Trading Advisor with the National Futures Association. Penso Advisors is also currently registered as a Commodity Pool Operator.

Penso Advisors does not recommend investment advisers for Clients.

Penso Advisors (UK) Ltd (“Penso UK”) is a wholly owned subsidiary of Penso Advisors. Penso UK is an appointed representative of Sapia Partners LLP, a firm authorized and regulated by the Financial Conduct Authority. Penso UK has one employee that conducts certain marketing and investor relations activities for Penso Advisors, specifically regarding prospective investors located outside the U.S. This individual does not perform any investment advisory functions (including research) for Penso Advisors, and is not an employee of Penso Advisors. This individual is compensated for his services by Penso UK primarily through a flat salary together with a fee based on aggregate capital commitments, as further specified in the relevant agreement.

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

Code of Ethics

We have adopted a code of ethics (“Code of Ethics”) which is designed to foster compliance with the applicable federal statutes and regulatory requirements, prevent circumstances that may lead to or give the appearance of conflicts of interest with Clients, insider trading or unethical business conduct, as well as to promote a culture of high ethical standards. Among other things, the Code of Ethics governs personal securities trading by our employees.

Generally, no employee may personally trade or own any security (with the exception of certain securities such as U.S. government obligations, cash equivalents, money market funds, ETFs and open-end mutual funds) without the prior written approval of the Chief Compliance Officer. The approval process for any proposed personal trading takes into account the sources for which the personal trade is based, the trading positions executed or proposed for Penso Advisors’ Client transactions, the industry of Penso Advisors’ Clients, Penso Advisors’ trading strategies in general, and the impact such personal trades may have on the marketplace. Personal trading that is inconsistent with the positions recommended or executed for Client transactions generally is discouraged although it is not prohibited. Any personal trading that is approved may not occur unless offered first to Clients where such trades would be appropriate for the Clients to the extent such personal trading could have a material effect on the Client’s positions or the marketplace in general.

The Code of Ethics also requires employees to 1) provide copies of all relevant personal account statements on a monthly basis, 2) file annual personal account disclosures and report securities holdings; and 3) certify their compliance with the Code of Ethics on an annual basis. The Chief Compliance Officer also conducts annual training with all Penso Advisors employees.

Restrictions Due to Insider Information

We forbid employees from trading, either personally or on behalf of others, on material non-public information or communicating material non-public information (“inside information”) to others in violation of the federal securities laws. This conduct is frequently referred to as “insider trading”. We have designed and implemented policies and controls in order to monitor the flow of inside information as well as prevent trading on the basis of inside information.

Penso Advisors will provide a copy of the Code of Ethics to any Client or prospective client upon request.

ITEM 12

BROKERAGE PRACTICES

We have a duty to obtain best execution in effecting transactions on behalf of our clients. In selecting brokers or dealers to execute transactions, we are not required to solicit competitive bids and do not have an obligation to seek the lowest available commission. In selecting the counterparties to execute a particular transaction, we use our best judgment in evaluating the terms of the transaction, and give consideration to various relevant factors, which generally will include: the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution; the financial strength, integrity and stability of the broker; the firm's risk in positioning a block of securities; and the competitiveness of commission rates in comparison with other brokers satisfying our other selection criteria.

We do not have any soft dollar arrangements from any of the broker-dealers or counterparties we transact with. We do subscribe to independent research firms whose business model is to provide economic analysis and research publications to institutional investors.

If Penso Advisors purchases or sells the same instrument for similar accounts on the same trading platform, it is generally in the best interests of the similar accounts for the buy or sell order to be placed as a single (block) order. If similar accounts are not traded on the same platform and trades are executed with different dealers or brokers, Penso will execute the trade for each Client as ordered in a manner as consistent with each as reasonably possible.

If the aggregated order is filled only in part (a partial fill), Penso Advisors will allocate the fills pro rata to the participating accounts, unless Penso Advisors determines that a reasonably different allocation is in the best interests of the participating accounts, as specified above.

If the aggregated order is filled at different prices (a split price fill), Penso Advisors will allocate the fills so that all participating accounts receive approximately the same average price. If this is not possible with respect to a particular transaction, Penso Advisors will endeavor, through the allocation of the fills of a subsequent transaction, to ensure that no Client account consistently receives more favorable or less favorable treatment than any other Client account.

If a trading strategy for a Client is inconsistent with a trading strategy for a different Client for which the execution of a trading position could influence or impact the positions of the other

Client, a conflict of interest could arise in Penso Advisors' best execution policy. The result could be that one Client is injured by the trading execution for another Client. Penso Advisors will not execute trades for one Client that knowingly result in an adverse impact to another Client without the express written consent of the potentially injured Client. If Penso Advisors anticipates executing any trade that would knowingly negatively impact another Client (either economically or otherwise), Penso Advisors will inform the potentially effected Client and disclose the nature of the trade and the potential impact of such execution, or otherwise not execute the trade. If a determination is made not to execute the trade because of the knowing adverse impact on another Client (either because the potentially effected Client objects to the trade or because Penso Advisors determines it constitutes a conflict of interest), Penso Advisors will inform the Client for whom the trade was structured the reason for the decision not to execute the trading position. In order to avoid such potential conflicts of interest, Penso Advisors will address at the time of the execution of the appropriate advisory or management agreement with a new Client the nature of their trading strategy and consider and disclose whether any potential conflicts of interest may result from being retained by that Client. Generally, due to the nature of the instruments that we trade, with high volume and market liquidity, the risk is very low that one Client's trade will adversely negatively impact another Client.

Penso Advisors routinely advises Clients that use similar strategies and have similar investment objectives, and thus Penso Advisors may purchase or sell the same security at or about the same time for two or more similar accounts. We generally consider similar accounts to be discretionary accounts investing in the same Strategy. In managing these similar accounts, Penso Advisors shall always treat each similar account in a manner that is fair and equitable in light of all relevant factors, including the relative net asset values ("NAVs") of the accounts taking into account the agreed risk levels of such account; additional considerations are particular variations among the accounts in terms of investment guidelines, specific strategies, leverage, objectives or related factors; the amount of the security available to be purchased or sold at the time in relation to the total amount of the security that Penso Advisors wishes to buy or sell for the similar accounts; the smallest efficient transaction size for each such account; and the relative need of each such account for an allocation of the purchase or sale. For accounts that are non-discretionary, we might not be able to execute recommended trades at the same time as the other accounts in the same Strategy, due to factors including: the requirement to receive authorization for trading, the use of different counterparties, investment restrictions and the specific program of each non-discretionary account. In addition, some discretionary accounts execute trades that we recommend on their own trading platform, or choose not to execute trades at the time that we recommend the trade or not to execute the trade at all.

Depending on these factors, Penso Advisors may, with respect to individual transactions over-allocate (in terms of the relative NAVs, taking into account the agreed risk levels of the similar

accounts) the available amounts of the security that can be purchased or sold to one or more of the similar accounts, and thus under-allocate to one or more of the similar accounts (“Non-Pro Rata Allocations”). In the case of any Non-Pro Rata Allocation, Penso Advisors shall use its reasonable efforts, in subsequent transactions for the similar accounts that were involved, to compensate for the under-allocation, so that over time each of the similar accounts receives equal treatment with the other similar accounts over time. The Chief Compliance Officer will be notified and review accordingly any Non-Pro Rata Allocations and compensating allocations to ensure that similar accounts receive equal treatment over the course of the period reviewed.

If Penso Advisors purchases or sells the same instrument for similar accounts on the same trading platform, it is generally in the best interests of the similar accounts for the buy or sell order to be placed as a single (block) order. If similar accounts are not traded on the same platform and trades are executed with different dealers or brokers, Penso will execute the trade for each Client as ordered in a manner as consistent with each as reasonably possible.

If the aggregated order is filled only in part (a partial fill), Penso Advisors will allocate the fills pro rata to the participating accounts, unless Penso Advisors determines that a reasonably different allocation is in the best interests of the participating accounts, as specified above.

If the aggregated order is filled at different prices (a split price fill), Penso Advisors will allocate the fills so that all participating accounts receive approximately the same average price. If this is not possible with respect to a particular transaction, Penso Advisors will endeavor, through the allocation of the fills of a subsequent transaction, to ensure that no Client account consistently receives more favorable or less favorable treatment than any other Client account.

If a trading strategy for a Client is inconsistent with a trading strategy for a different Client for which the execution of a trading position could influence or impact the positions of the other Client, a conflict of interest could arise in Penso Advisors’ best execution policy. The result could be that one Client is injured by the trading execution for another Client. Penso Advisors will not execute trades for one Client that knowingly result in an adverse impact to another Client without the express written consent of the potentially injured Client. If Penso Advisors anticipates executing any trade that would knowingly negatively impact another Client (either economically or otherwise), Penso Advisors will inform the potentially effected Client and disclose the nature of the trade and the potential impact of such execution, or otherwise not execute the trade. If a determination is made not to execute the trade because of the knowing adverse impact on another Client (either because the potentially effected Client objects to the trade or because Penso Advisors determines it constitutes a conflict of interest), Penso Advisors will inform the Client for whom

the trade was structured the reason for the decision not to execute the trading position. In order to avoid such potential conflicts of interest, Penso Advisors will address at the time of the execution of the appropriate advisory or management agreement with a new Client the nature of their trading strategy and consider and disclose whether any potential conflicts of interest may result from being retained by that Client. Generally, due to the nature of the instruments that we trade, with high volume and market liquidity, the risk is very low that one Client's trade will adversely negatively impact another Client.

To the extent that any Penso Advisors Client is or would become related to one of Penso Advisors' owners, such Client's account would be traded in accordance with the terms of its specific investment guidelines in order to avoid any potential or perceived conflict of interest. Any trading done for such a Client would be managed and traded as a similar account with respect to allocations, if applicable. However, if the investment guidelines differ, or the account is non-discretionary, Penso Advisors would follow the investment guidelines of such a Client.

ITEM 13

REVIEW OF ACCOUNTS

Ari Bergmann, Penso Advisors' Managing Principal, serves as the main portfolio manager and the chief risk officer. In addition to reviewing all Clients' portfolio on a regular basis, Mr. Bergmann consults with his other senior portfolio manager and his investment team on a daily basis to review and monitor various risk metrics, exposures in the portfolios, capital at risk etc. Mr. Bergmann and the senior portfolio manager also serve on the firm's Investment Committee which is responsible for identifying and generating industry themes and macro trends, as well as structuring trades and overseeing capital allocation for the firm's Clients' portfolios. The Investment Committee discusses risk management with respect to the Clients' portfolios, and has the ultimate discretion to trade for certain of the Adviser's Clients. The Investment Committee's meetings are informal and occur in person, over telephone and through email correspondence. The Investment Committee meets on an as-needed basis and does not meet with any set frequency. In addition, the Chief Operating Officer and Chief Compliance Officer will periodically review the trade policies and procedures to ensure that it represents our current practices and (to the best of our reasonable knowledge and belief) is in conformity with applicable law and regulations.

Moreover, the identification of a trading error or other apparent irregularity may trigger a further review of Client accounts to ensure that the trading on the accounts was properly executed and documented. In the event of any such trading error, Penso Advisors will bear the cost of correcting such error and will maintain appropriate documentation of the corrective action.

Penso Advisors provides regular reporting (which may vary in the form of written or oral communications) of Client accounts and portfolios according to the terms and conditions of the investment advisory or consulting agreements entered into with the Client.

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

Penso Advisors currently does not retain any solicitors for the referral of prospective clients, although it is possible that such arrangements may be engaged in the future.

Penso Advisors (UK) Ltd (“Penso UK”) is a wholly owned subsidiary of Penso Advisors. Penso UK is an appointed representative of Sapia Partners LLP, a firm authorized and regulated by the Financial Conduct Authority. Penso UK has one employee that conducts certain marketing and investor relations activities for Penso Advisors, specifically regarding prospective investors located outside the U.S. This individual does not perform any investment advisory functions (including research) for Penso Advisors, and is not an employee of Penso Advisors. This individual is compensated for his services by Penso UK primarily through a flat salary together with a fee based on aggregate capital commitments, as further specified in the relevant agreement.

ITEM 15
CUSTODY

Penso Advisors does not have custody over any Client funds or assets and does not anticipate entering into any arrangements by which it would do so in the future.

ITEM 16

INVESTMENT DISCRETION

Our investment advisory agreements vary from client to client with different levels of discretion. Some agreements contain language whereby the Client grants us broad discretionary power to manage the account. We adhere to the investment strategy, guidelines and risk parameters set forth in each account. Some agreements are non-discretionary or have different levels of discretion (i.e. requiring approval before entering trades, requiring the Client to be on the same communication as Penso Advisors when placing a trade, or providing that the Client executes their own trade that we propose). Any Client that is not fully-discretionary might not conduct the same trade at the same time as the other discretionary accounts in the similar strategy. A conflict may arise where some Clients may obtain more favorable prices due to the difference in timing of the execution of trades. To address this conflict, each Client has their own terms and investment guidelines granting different levels of discretion. For discretionary Clients in the same strategy, the trades are generally executed pari- passu to the extent of the risk allocation (see Item 12- Brokerage Practices). For non-discretionary Clients, each trade is approved by or conducted with or by the Client itself.

ITEM 17
VOTING CLIENT SECURITIES

Penso Advisors does not vote securities on behalf of Clients and generally will not accept such authority from Clients. Any proxies or other solicitations will be sent directly to Clients from the custodians for such securities.

ITEM 18
FINANCIAL INFORMATION

Penso Advisors does not have any financial condition reasonably likely to impair the firm's ability to meet contractual commitments to Clients and it has not previously been the subject of a bankruptcy petition.