



Part 2A of Form ADV The Brochure

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March 21, 2014

This brochure provides information about the qualifications and business practices of Lucidus Capital Partners LLP ("Lucidus" or the "Partnership"). If you have any questions about the contents of this brochure, please contact the Chief Compliance Officer, Christon Burrows, at +44 (0) 207096 5850. 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.

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

Lucidus is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940 (the "Advisers Act"). Registration with the SEC as an investment adviser does not imply a certain level of skill or training. Lucidus is also authorized and regulated by the Financial Conduct Authority (the "FCA") and registered with the U.S. Commodities Futures Trading Commission as a commodity pool operator and is a member of the U.S. National Futures Association

Material Changes

There have been no material changes since the last Brochure was filed by Lucidus on 27 March, 2013.

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Advisory Business

Lucidus was incorporated as a limited liability partnership in England and Wales on October 31, 2008 and commenced business on July 1, 2009. Lucidus is authorized and regulated by the FCA. Lucidus registered as an investment adviser with the SEC in February 2012. Lucidus operates from its principal place of business in London and also maintains an office in New York, NY. Lucidus is primarily owned by the individual partners of the Partnership, including Darryl Green, Geoffrey Sherry, and Christon Burrows, the founding partners. Caxton Alternative Management LP, through its subsidiary, Caxton Alternative Investments (UK) Ltd., is a principal owner (25%) of the Partnership. The principal owners of Caxton Alternative Investments (UK) Ltd. are Peter D'Angelo and Bruce Kovner. In addition, Credit Suisse Group AG's indirect subsidiary, AMF-LCP Finance S.a r.l., owns a passive non-controlling minority equity interest in Lucidus.

Lucidus serves as an investment manager to two related collective investment vehicles organized to invest in securities and other financial instruments (collectively "Funds"). The Funds are Lucidus G4 Fund Limited ("G4") and Green T G2 Fund Limited ("G2"). When managing Fund assets, Lucidus has complete discretion and authority to manage and direct the investment of capital. As of December 31, 2013, Lucidus managed approximately \$1.16 billion on a discretionary basis.

The Funds' investment objective is to achieve capital appreciation through leveraged investment in a range of instruments and securities with a primary focus on credit throughout the capital structure.

In providing services to each Fund, Lucidus formulates the investment objective for each Fund, directs and manages the investment and reinvestment of each Fund's assets, and provides periodic reports to investors in each Fund. Investment advice is provided directly to each Fund and not individually to the investors of the Funds. Lucidus does not tailor advisory services to the individual needs of investors. The Partnership manages the assets of each Fund in accordance with the terms of the governing documents applicable to each Fund including the Prospectus.

Fees and Compensation

For advisory services provided to the Funds, compensation received by Lucidus is comprised of fees based on a percentage of assets under management and performance-based amounts. The Fund's investment management asset based fees range up to 1.50% (per annum) for G2 and up to 3.00% (per annum) for G4, although reductions are generally negotiated with investors on a case-by-case basis depending on size and duration. Asset based fees are determined monthly on the business day prior to the first business day of each month and paid at the end of the relevant month.

Lucidus also receives a performance-based fee determined and paid on an annual basis in arrears. The performance-based fee is calculated on a share-by-share basis and is equal to 20% of the appreciation in the net asset value per share during the relevant calculation period above the highest net asset value per share achieved as of the end of any previous calculation period. The Partnership may rebate all or any portion of the performance-based fee with respect to any investor. Investors generally will be permitted to make complete or partial redemptions in accordance with the terms of the Fund's governing documents. Each Fund sets forth its specific fee structure along with information on additional operational expenses in a Prospectus or similar offering document provided to prospective investors.

In addition to the investment management and performance based fees, investors will bear indirectly other fees and expenses charged to the Funds. As disclosed in more detail in the Prospectus, fees and expenses include directors' fees and expenses, administrator fees, custodial fees, brokerage and transaction expenses, legal and audit fees, interest on borrowings, expenses related to communications with investors, and other organizational and operating expenses. Please refer to the *Brokerage Practices* section for a discussion of fees and expenses associated with transactions.

Performance Based Fees and Side-by-Side Management

The Funds pay to Lucidus a performance-based fee of up to 20%, as described above. The fact that Lucidus is compensated based on trading profits may create an incentive for Lucidus to make investments on behalf of the Funds that are riskier or more speculative than would be the case in the absence of such compensation. In addition, the performance based fee received by Lucidus is

based primarily on realized and unrealized gains and losses. As a result, the performance based fee earned could be based on unrealized gains that the Funds may never realize.

Lucidus has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple funds and the allocation of investment opportunities. In the case of G2 and G4, G4 was established with the aim of using twice the leverage employed by G2. This is achieved intra-month by carrying out block trades on behalf of both Funds and by splitting each trade by allocating to G4 a proportion twice the size (on a NAV adjusted basis) as compared to the allocation to G2. In some instances, trades will not be allocated strictly in accordance with this process due, for example, to legal, tax or regulatory reasons. To cater for investment positions held from one month to another, rebalancing trades are carried out at the end of each month with a view to achieving more accurately G4's investment objective.

Types of Clients

Lucidus currently serves as the investment manager of the Funds. The Partnership may, in the future, provide investment management advisory services to other types of clients.

Any initial and additional subscription minimums imposed on investors, are disclosed in the Prospectus for the relevant Fund. Investors will be required to make certain representations when investing in a Fund through the execution of a subscription agreement and other documents. Interests in the Funds are not registered under the Securities Act of 1933, as amended and such Funds are not registered under the Investment Company Act of 1940, as amended. Accordingly, interests in the Funds are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements either in private transactions within the United States or in offshore transactions.

Methods of Analysis, Investment Strategies and Risk of Loss

Lucidus' Research Analysts and Portfolio Managers continually communicate regarding proposed positions. Lucidus utilizes a variety of methods and strategies to make investment decisions. The investment objective of both Funds is to achieve capital appreciation through leveraged investment in a range of instruments and securities with a primary focus on credit throughout the capital structure. Lucidus' analysis on potential positions includes stress testing individual credits against the broader view and examining liquidity and return profiles of the various asset classes in order to maximize returns.

The Funds aim to invest in a range of instruments, sectors, and securities and their derivatives with a primary focus on credit, including purchases, sales (and short sales), and other trades in (i) corporate debt securities; (ii) sovereign debt securities; (iii) exchange traded and over the counter derivatives; (iv) listed equities and equity indices; (v) foreign exchange; (vi) loans; and (vii) Exchange Traded Funds. The Funds are not restricted by reference to any geographical area or minimum credit rating. The Funds will employ leverage through borrowing, including engaging in margin lending agreements and collateralized borrowing and lending of fixed income and other securities through repurchase and reverse repurchase agreements.

Investment ideas are typically generated from sector, industry, or a single name view. The Co-Chief Investment Officers and/or the Chief Risk Officer sets limits with respect to each position with a focus on downside protection and preservation of capital. Stop-losses and profit targets are also typically set for each position. Positions are evaluated as to expected return and potential loss.

Investing in the Funds involves a risk of loss that investors must be prepared to bear. There is no assurance that Lucidus' investment strategies will be successful, or that any Fund will be profitable. An investment in the Funds may be deemed a speculative investment and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and are capable of bearing the risk of an investment in the Funds. No guarantee or representation is made that a Fund will achieve its investment objective or that investors will receive a return of their capital. The Funds primarily invest in credit instruments and their derivatives and will therefore be subject to credit, liquidity, and interest rate risks among other risks. Due to the different risks posed by these instruments, as compared to publicly-traded equity securities, we have provided a description of key risks from the Prospectus. Prospective investors are advised to review the applicable Fund Prospectus for a full description of the relevant risks of investing in the Funds.

Nature of Investments. The Funds aim to invest in a range of instruments and securities and their derivatives with a primary focus on credit. The Funds are therefore subject to credit, liquidity, and interest rate risks. Higher-yielding debt securities are generally unsecured and may be subordinated to certain other outstanding securities and obligations of the issuer, which may be secured on substantially all of the issuer's assets. The lower rating of debt obligations in the higher-yielding sector reflects a greater probability that adverse changes in the financial condition of the issuer or in general economic conditions or both may impair the ability of the issuer to make payments of principal and interest. Non-investment grade debt securities may not be protected by financial covenants or limitations on additional indebtedness.

Concentration of Investments. There is no minimum or maximum number of investments that the Funds may hold and the Funds may at certain times hold relatively few investments. The Funds could be subject to significant losses if they hold a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer.

Liquidity and Market Characteristics. The Funds primarily focus on liquid investments. However, in rare circumstances, investments may be relatively illiquid making it difficult to acquire or dispose of them at the prices quoted on the relevant exchanges or at all. Accordingly, the Funds' ability to respond to market movements may be impaired and the Funds may experience adverse price movements upon liquidation of investments. Settlement of transactions may be subject to delay and administrative uncertainties. The market prices, if any, for such investments tend to be volatile and may not be readily ascertainable and the Funds may not be able to sell them when they desire to do so or to realize what they perceive to be their fair value in the event of a sale. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. The Funds may not be able to readily dispose of such illiquid investments and, in some

cases, may be contractually prohibited from disposing of such investments for a specified period of time. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

Borrowing. The Funds may engage in margin lending agreements and collateralized borrowing and lending of securities through repurchase and reverse repurchase agreements. The use of borrowing creates special risks and may significantly increase the Funds' investment risk. Borrowing creates an opportunity for greater yield and total return but, at the same time, will increase the Funds' exposure to capital risk and interest costs.

Counterparty risk. The Funds are subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy, or other causes.

Collateral. The Funds will have significant credit and operational risk exposure to its counterparties, which will require the Funds to post collateral to support obligations in connection with transactions involving derivative instruments. Generally, counterparties will have the right to sell, pledge, rehypothecate, assign, use or otherwise dispose of the collateral posted by the Funds in connection with such transactions. This could increase the Funds' exposure to the risk of a counterparty default since, under such circumstances, such collateral of the Funds could be lost or the Funds may be unable to recover such collateral promptly. Also, counterparties have an interest in maximizing the return from such collateral. This interest could conflict with the interests of the Funds in preserving and protecting the portfolio.

Prime Brokers. The Funds may not be able to recover the full value of the Funds' assets held in its account(s) with the relevant prime broker.

Prime Broker and Custodian Insolvency. The Funds are at risk of a prime broker and/or the custodian entering into an insolvency procedure.

Net Asset Value Considerations. The net asset value per share is expected to fluctuate over time with the performance of the Fund's investments.

Currency Exposure. The base currency of the Funds is the US Dollar and shares are issued and redeemed in US Dollars. Certain of the assets of the Funds may, however, be invested in securities and other investments which are denominated in currencies other than US Dollars. Accordingly, the value of such assets may be affected favorably or unfavorably by fluctuations in currency rates.

Short Selling. The Funds' investment portfolios may include short positions. Short selling involves selling securities that may or may not be owned and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from a decline in the price of a particular security. A short sale creates the risk of an unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Fund of buying those securities to cover the short position. There can be no assurance that the security necessary to cover the short position will be available for purchase. Purchasing securities to close out the short position

can itself cause the price of the securities to rise further, thereby exacerbating the loss. In addition, if a sufficient number of market participants have entered into a short position, the short position may not react in the same way as a security would with no or limited short interest. In the case of a market downturn the short position may therefore not provide the investment return the Partnership expected.

Debt Securities. The Funds may invest in debt securities which may be unrated by a recognized credit rating agency or below investment grade and which will be subject to greater risk of loss of principal and interest than higher-rated debt securities. The Funds may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Funds may invest in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The Funds will therefore be subject to credit, liquidity and interest rate risks. In addition, evaluating credit risk for debt securities involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. Also, the market for credit spreads is often inefficient and illiquid, making it difficult to accurately calculate discounting spreads for valuing financial instruments.

Derivatives. The Funds may utilize both exchange-traded and over-the-counter derivatives, including, but not limited to, futures, forwards, swaps, options and contracts for differences as part of its investment policy. These instruments can be highly volatile and expose investors to a high risk of loss.

Credit Default Swaps. The Funds may take long and short positions in credit default swaps. Credit default swaps carry specific risks including, but not limited to, high levels of leverage, the possibility that premiums are paid for credit default swaps which expire worthless, wide bid/offer spreads and documentation risks. In addition, there can be no assurance that the counterparty to a credit default swap will be able to fulfill its obligations if a credit event occurs in respect of the reference entity.

Futures. The Funds may from time to time utilize both exchange-traded futures and options and over-the counter derivatives as part of its investment policy. These instruments are highly volatile and expose investors to a high risk of loss.

Market Crisis and Governmental Intervention. It is impossible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Partnership's ability to implement the Funds' investment objective. The global financial markets may undergo further fundamental disruptions in the future, which could result in renewed governmental interventions which may be materially detrimental to the performance of the Funds.

Market Disruptions. The Funds may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships.

Market Liquidity and Leverage. The Funds may be adversely affected by a decrease in market liquidity for the instruments in which it invests which may impair the Fund's ability to adjust its positions.

Management Risk. The investment performance of the Funds is substantially dependent on the services of Darryl Green and Geoff Sherry. In the event of the death, incapacity, departure, insolvency or withdrawal of either of these individuals, the performance of the Funds may be adversely affected.

Illiquidity. There is no active secondary market for the Funds' shares and it is not expected that such a market will develop.

Price Fluctuations. The value of shares and the income (if any) derived from them can go down as well as up.

Transaction Costs. The Fund's investment approach may involve a high level of trading and turnover of the Fund's investments which may generate substantial transaction costs which will be borne by the Funds.

Regulatory Risks of Hedge Funds. The regulatory environment for hedge funds is evolving and changes therein may adversely affect the ability of the Funds to obtain the leverage it might otherwise obtain or to pursue its investment strategies.

Over-the-Counter ("OTC") Transactions. The Funds may trade in OTC instruments and enter into OTC transactions. Despite international efforts to increase the stability of OTC derivative markets, the risks posed by such instruments and techniques, which can be complex and may involve leveraging of the Funds' assets, include credit, market, liquidity, systems, legal and operational risks. Current reforms to OTC derivative markets are likely to increase dealers' costs and these costs are expected to be passed through to other market participants, such as the Funds, in the form of higher fees and less favourable dealer marks.

Tax Considerations. The Funds may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio.

Effect of Substantial Redemptions. Substantial redemptions by shareholders within a short period of time could require the Partnership to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of the Fund's assets. The resulting reduction in the Fund's assets could make it more difficult to generate a positive rate of return or to recoup losses due to a reduced equity base.

Financing Arrangements: Availability of Credit. Borrowings is an integral part of the Fund's strategies and may include the use of securities margin, futures margin, margined option premiums, repurchase agreements, bank or dealer credit lines or the notional principal amounts of swap transactions. There can be no assurance that the Funds will be able to maintain adequate financing arrangements under all market circumstances.

Forward Foreign Exchange Contracts. The Funds may enter into forward foreign exchange contracts. A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. There is no limitation as to daily price movements on this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. Transactions in forward foreign exchange contracts are not regulated by any regulatory authority nor are they guaranteed by an exchange or clearing house. The Funds will be subject to the risk of the inability or refusal of its counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the Funds to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

Hedging Transactions. Hedging involves special risks, including the possible default by the other party to the transaction, illiquidity and, to the extent the Partnership's assessment of certain market movements is incorrect, the risk that the use of hedging could result in losses greater than if hedging had not been used.

Leverage. The Funds may employ leverage, including through the use of borrowings, for the purpose of making investments. The level of interest rates at which the Funds can borrow will affect the operating results of the Funds. If the Funds leverage assets to borrow additional funds for investment purposes, the Funds may be required to pledge assets to secure such borrowings, potentially reducing the Fund's liquidity. The Funds may also, in effect, borrow funds through entering into repurchase agreements and may leverage its investment return with options, short sales, swaps, forwards and other derivative instruments. Investments made by the Funds may also contain a significant amount of leverage.

Disciplinary Information

Lucidus and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to an investor's evaluation of the Partnership or its personnel.

Other Financial Industry Activities and Affiliations

Lucidus is authorized and regulated by the FCA. Lucidus registered with the Commodity Futures Trading Commission as a Commodity Pool Operator and became a member of the National Futures Association on January 1, 2013. Lucidus provides investment management advice to the Funds. Darryl Green and Peter D'Angelo are on the board of the Funds. Darryl Green is a partner of Lucidus and Peter D'Angelo is a partner in Caxton Alternative Management LP.

Caxton Alternative Management LP through its subsidiary, Caxton Alternative Investments (UK) Ltd., owns a 25% equity interest in Lucidus. Credit Suisse Group AG's indirect subsidiary, AMF-LCP Finance S.a r.l., also owns a passive non-controlling minority equity interest in Lucidus. Subsidiaries of Credit Suisse Group AG are prime brokers and counterparties to the Funds (Credit Suisse Securities (Europe) Limited in the case of G2 and G4 and Credit Suisse Securities (USA) LLC in the case of G2) and, therefore, benefit from transactions placed with them by the Funds.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Lucidus has adopted a Code of Ethics pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 that is predicated on the principle that the Partnership owes a fiduciary duty to its clients. Accordingly, employees of Lucidus must avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interest of clients. Lucidus permits personal trading as long as this trading does not distract the employee from his or her job responsibilities, in any way compromise the interests of the Partnership or the Funds or otherwise violate the Partnership's prohibition against divulging confidential information or its policy against insider trading.

Employees must pre-clear all personal transactions in reportable securities and are required to provide duplicate trade confirmations to Lucidus. Employees are required to report to Lucidus their holdings and accounts on an initial and annual basis and their transactions on a quarterly basis. Therefore, Lucidus endeavors to maintain current and accurate records of all personal securities accounts of its employees in an effort to monitor all such activity. Lucidus' Code of Ethics is available for review and will be provided to any client or prospective client upon request.

Lucidus, its employees or a related entity will generally have a financial interest in the Funds. Due to the relationship between Lucidus and the Funds, Lucidus could be considered to have recommended the investment should a person who is otherwise a client of Lucidus invest.

Brokerage Practices

Lucidus is responsible for the placement of the portfolio transactions of the Funds and the negotiation of any commissions paid on such transactions. Investments are normally purchased through brokers on securities' exchanges, directly from the issuer, or from an underwriter or market maker for the securities. Purchases of portfolio instruments through brokers involve a commission to the broker. Purchases of portfolio securities from dealers serving as market makers include the spread between the bid and the asked price.

Securities transactions will be executed through brokers selected by Lucidus in its sole discretion and without the consent of investors. In placing portfolio transactions, Lucidus will seek to obtain best execution for the Funds, taking into account the following factors: price, costs, speed, liquidity, settlement, Fund objectives, order size, nature of order, and other factors as relevant. The Partnership monitors the effectiveness of execution arrangements for each category of instrument traded with each broker or venue through an evaluation of relevant controls.

Lucidus is authorized to pay higher prices or commissions to such firms if Lucidus determines such prices or commissions are reasonable in relation to the overall services provided. Lucidus is not required to weigh any of the above factors equally. Since commission rates in certain jurisdictions are negotiable, Lucidus' selection of brokers on the basis of considerations which are not limited to applicable commission rates may at times result in the Funds being charged higher transaction costs than it could otherwise obtain.

Soft Dollar Arrangements. Lucidus accepts only proprietary research from broker-dealers and does not enter into any soft dollar arrangements whereby it receives research or any other benefit from third parties. Research services received from broker-dealers are supplemental to Lucidus' own research effort. To the best of Lucidus' knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. Lucidus does not separately compensate such broker-dealers for the research and does not believe that it "pays-up" for such broker-dealers' services due to the difficulty associated with the broker-dealers not breaking out the costs for such services. Lucidus' acceptance of research from brokers is done in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended and relevant rules of the FCA.

Referral of Investors. Lucidus does not direct brokerage business to broker-dealers based on referrals of prospective investors from such broker-dealers.

Aggregation and Allocation of Orders. As described above in the *Performance Based Fees and Side-by-Side Management* section, trades on behalf of the Funds are carried out on an aggregated (or block) trade basis and then allocated between the Funds by splitting the trades in accordance with a pre-determined formula.

Review of Accounts

Fund portfolios are reviewed at least on a weekly basis by the Chief Risk Officer to assure conformity with the objectives and guidelines of each Fund and the CEO on a monthly basis. In addition, the Funds are reviewed on a continuous basis in light of emerging trends and developments as well as market volatility.

Capital account statements are prepared by an independent third-party administrator and sent by the administrator on a monthly basis to investors and include detailed account balances and return information and performance estimate reports. On a monthly basis, Lucidus distributes a letter to all investors that includes a summary on investments and market outlook. On an annual basis, investors are sent the annual financial statements of the applicable Fund audited by Ernst & Young Ltd. in the Cayman Islands, as well as information to prepare their tax returns.

Client Referrals and Other Compensation

Under a distribution agreement between Lucidus and Japan Alternative Investment Co., Ltd ("JAI"), Lucidus has agreed to pay to JAI a portion of LCP's annual management charge arising from assets under management represented by investment in the Yen share class of G2 made by investors in Japan introduced by JAI. Save for the agreement with JAI, Lucidus does not currently have any arrangements for compensating any person directly or indirectly for new investor referrals. Under a distribution agreement between Lucidus and Parkhill Group LLC ("Parkhill"), which has terminated, compensation is due to Parkhill from Lucidus in respect of prior investor referrals.

Custody

All Fund assets are cleared and held in custody by major global broker-dealers or banks. However, Lucidus may have access to Fund assets due to its role as investment manager to the Funds and may therefore be deemed to have custody of Fund assets. The Funds are subject to an annual audit and the audited financial statements are distributed to investors.

Investment Discretion

Lucidus maintains investment discretion over the Funds, including the amount and price of securities bought and sold, the preferred broker-dealer, and the commission rate, as applicable.

Each Fund's governing documents provide that Lucidus has exclusive and absolute discretion and authority in managing and controlling the day-to-day business and affairs of such Fund, subject only to specific and express limitations provided therein. The Partnership may agree with certain investors special fee arrangements, special withdrawal rights, or most favored nation provisions that it does not provide to other investors. Any such waiver or modification to a Fund's governing documents is documented by a "side letter" or other agreement.

Voting Client Securities

As investment manager to the Funds, Lucidus maintains proxy voting authority on behalf of the Funds. However, due to the nature of the Fund's investment strategy, the credit related securities in which the Funds invest do not regularly issue proxies. To the extent that proxies are issued, Lucidus views proxy voting as an extension of the investment process and as such where voting of proxies is irrelevant to the investment decision to purchase, hold, or sell a security, Lucidus will not vote proxies on behalf of the Funds.

As a matter of general policy, Lucidus seeks to be an active trader of securities without seeking to influence of control company operations or activities. To the extent that proxies are received, Lucidus will determine which proxies should be voted and will exercise votes promptly and properly in the best interests of the Funds.

The policy is to vote proxies in the interest of maximizing shareholder value. To that end, the Partnership will vote in a way that it believes, consistent with its fiduciary duty, will cause the investment to increase the most or decline the least in value. Consideration will be given to both the short and long term implications of the proposal to be voted on when considering the optimal vote.

If Lucidus is faced with a material conflict of interest in relation to any proxy it will seek instructions as to voting the proxy from the boards of directors of the Funds. Our proxy voting policy and procedures and a record of proxies is available for review by prospective clients and clients by requesting the records from the CCO. The CCO can be reached by calling the telephone number on the cover page of this Brochure.

Financial Information

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