

Firm Brochure

(Part 2A of Form ADV)

WYSER-PRATTE MANAGEMENT CO., INC

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This brochure provides information about the qualifications and business practices of Wyser-Pratte Management Co., Inc. ("Wyser-Pratte"). If you have any questions about the contents of this brochure, please contact us at: 914-234-4930, or by email at: gwyspr@wyser-pratte.com. 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 Wyser-Pratte is available on the SEC's website at www.adviserinfo.sec.gov

March 22, 2012

Material Changes

Material Changes since the Last Update on March 30, 2011

There have been no material changes to the Brochure since the last update on March 30, 2011. The address of Wyser-Pratte has changed from 410 Park Avenue, New York, New York 10022 to 504 Guard Hill Road, Bedford, New York, 10506.

In the past we have offered or delivered information about our qualifications and business practices to clients at least annually. We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may provide other ongoing disclosure information about material changes as necessary.

We will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Our Brochure may be requested by contacting Guy Wyser-Pratte, President at 914-234-4930 or gwyspr@wyser-pratte.com.

Additional information about Wyser-Pratte is also available via the SEC's Web site www.adviserinfo.sec.gov.

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Advisory Business

Firm Description

Wyser-Pratte was founded in 1991.

Wyser-Pratte provides investment management services for its client's accounts on a discretionary basis. It invests for its clients in risk arbitrage transactions, including mergers, acquisitions, reorganizations and related transactions, as well as other US and foreign equity and debt securities. Wyser-Pratte also invests its client's assets on a temporary basis in cash equivalents, money market mutual funds and other securities. Wyser-Pratte may also occasionally arrange "riskless" arbitrage transactions and non-arbitrage transactions for its client's accounts.

Wyser-Pratte offers fee-only investment management services. The firm does not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. No commissions are accepted. Wyser-Pratte may compensate third parties for referrals of clients to Wyser-Pratte by paying to the third party a portion of the advisory fee received from clients introduced by the third party. These arrangements will be disclosed to clients in accordance with Rule 206(4)-3 under the Investment Advisers Act of 1940.

Wyser-Pratte does not act as a custodian of client assets. The client maintains asset control through the client-approved custodian. Wyser-Pratte has authority to determine, without obtaining specific client consent, the securities to be bought or sold, their amount, the broker dealer to be used and the commission rates paid.

Generally Wyser-Pratte clients may not impose restrictions regarding the investments Wyser-Pratte makes in client accounts.

Principal Owners

Guy P. Wyser-Pratte is the President of Wyser-Pratte and is its sole shareholder. He owns 100% of the shares. No other person of Wyser-Pratte owns 25% or more of membership interests.

Types of Advisory Services

Wyser-Pratte provides investment supervisory services, also known as asset management services for its clients.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) may be engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

Assets are invested in equity securities, which may include securities listed on exchange or traded over-the-counter in the United States and securities of issuers outside of the United States. Wyser-Pratte may also invest in other securities including warrants, corporate bonds, commercial paper, municipal

securities, certificates of deposit, shares of mutual funds, United States government bonds, publicly traded limited partnerships, and options contracts.

Stocks and bonds may be purchased or sold through a brokerage account when appropriate. Mutual fund shares may be sold by brokerage firms or through the fund companies themselves. Fund companies charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Brokerage firms charge a fee for stock and bond trades. Wyser-Pratte does not receive any compensation, in any form, from fund companies.

Wyser-Pratte may also purchase unusual types of securities which are typically used in connection with corporate reorganizations and restructuring transactions. Wyser-Pratte may use forward contracts on foreign currencies to hedge against risks involved in investments in securities denominated in foreign currencies in which it invests. Wyser-Pratte may also use options to hedge against the decline in the value of a client's account.

Cash in client's accounts may be temporarily invested in one or more money-market funds. Such funds pay an investment management fee to their investment manager and incur other expenses, as set forth in their respective prospectuses. These charges are in addition to the management fees charged by Wyser-Pratte.

Wyser-Pratte also provides advice regarding transactions in a publicly-traded limited partnership.

Initial public offerings (IPOs) are not available through Wyser-Pratte.

Below is a description of Wyser-Pratte's strategy.

Active Value Investing

Wyser-Pratte engages in "active value investing." It identifies companies that it perceives to have corporate governance problems that have significantly depressed the market value of the companies' stocks. The governance problems create a "value gap" that constitutes an investment opportunity. Wyser-Pratte invests its clients' money in these companies in order to address the corporate governance malfunctions and assist others who are trying to maximize shareholder value but whose efforts may be frustrated by obstructionist tactics used by the companies. Wyser-Pratte will make these investments in the belief that the share price of the companies will increase to better reflect their unobstructed potential values.

The primary investment strategy of active value investing is to participate in risk arbitrage transactions, including mergers, acquisitions, reorganizations and related transactions.

Assets Under Management

As of December 31, 2011, Wyser-Pratte has approximately \$58,169,689 of assets under management for three clients. Wyser-Pratte manages all assets on a discretionary basis.

Types of Agreements

The following agreement defines the typical client relationship.

Investment Management Agreement

An Investment Management Agreement is executed between the client and Wyser-Pratte. The annual fee for an Investment Management Agreement is not negotiable and is 4% of assets under management.

Termination of Agreement

A client may terminate an Investment Management Agreement at any time by notifying Wyser-Pratte in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, Wyser-Pratte will refund any unearned portion of the advance payment.

Wyser-Pratte may terminate an investment management agreement at any time by notifying the client in writing. If the client made an advance payment, Wyser-Pratte will refund any unearned portion of the advance payment.

Fees and Compensation

Description

The specific manner in which fees are charged by Wyser-Pratte is established in a client's written agreement with Wyser-Pratte. Wyser-Pratte bases its fees on a percentage of assets under management. Management fees are deducted from client assets. Management fees are prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. Upon termination, the amount of any refund for prepaid fees will be determined as of the date of termination based on the value of the client's assets on that date. Wyser-Pratte will refund any difference between the amount charged to the client and the fee as determined on the date of termination.

The fee for investment management services is 4% per year based on the amount of assets Wyser-Pratte will manage for the client. The fee is payable quarterly and may be payable either in advance or in arrears as negotiated between the client and Wyser-Pratte.

Wyser-Pratte's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer

and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees and commissions are exclusive of and in addition to Wyser-Pratte's fee, and Wyser-Pratte does not receive any portion of these commissions, fees, and costs.

Fees are negotiable under certain circumstances.

Other Fees

The "Selecting Brokerage Firm's" section below describes circumstances under which Wyser-Pratte receives research services from brokers with whom Wyser-Pratte executes trades.

Performance-Based Fees

Sharing of Capital Gains

Wyser-Pratte does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Types of Clients

Description

Wyser-Pratte provides investment management services advice to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations or other business entities. Client relationships vary in scope and length of service.

Account Minimums

Wyser-Pratte does not impose a minimum dollar value of assets or other conditions for starting or maintaining an account.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Wyser-Pratte's investment process begins with the identification of a potential investment opportunity. Once Wyser-Pratte has identified a potential strategic investment opportunity, it combines fundamental security analysis, corporate governance analysis, merger arbitrage analysis and technical analysis as a part of the due diligence process.

Wyser-Pratte uses fundamental analysis and technical analysis when evaluating securities. Fundamental analysis is a method of security valuation which involves examining a company's financials and operations, especially sales,

earnings, growth potential, assets, debt, management, products, and competition. Fundamental analysis takes into consideration only those variables that are directly related to the company itself, rather than the overall state of the market. Technical analysis is the study of relationships among security market variables, such as price levels, trading volume, and price movements, so as to gain insights into the supply and demand for securities. Rather than concentrating on earnings, the economic outlook, and other business-related factors that influence a security's value, technical analysis attempts to determine the market forces at work on a certain security or on the securities market as a whole.

For its arbitrage strategy, Wyser-Pratte employs fundamental analysis to estimate the potential value of a target company once it has been freed of those policies and practices that impede the realization of the company's real value. Corporate governance analysis is used to evaluate any corporate governance malfunction that has obscured value and identify the best strategies and tactics to address the problem. Merger arbitrage analysis is used in order to: (a) evaluate the magnitude of the value gap and the probability of success in closing that gap; and (b) assess the risk/reward characteristics of the potential investment. Technical analysis is used to establish the appropriate price and time to establish a long position or increase or decrease that position after the initial investment has been made.

Wyser-Pratte uses a proprietary quantitative screening and analysis system that provides an economic versus accounting-based analysis of a number of performance, risk, and valuation based metrics.

Wyser-Pratte has two critical objectives in managing portfolios. The first objective is to mitigate market risk and the second objective is to mitigate investment risk. Wyser-Pratte seeks to mitigate market risk by employing hedging strategies that include the use of exchange listed options and short sales. Wyser-Pratte believes that it has a demonstrated ability to build and maintain portfolios that have relatively low market risk or correlation. To reduce investment risk, Wyser-Pratte seeks to diversify portfolios across types of investments and risk, use position limits and limit leverage. To further mitigate investment risk, each position is actively monitored on a daily basis.

Investment Strategies

Wyser-Pratte's principle investment strategies include Long/Short, Risk Arbitrage/Special Situations, and Active Investment.

Long/Short

Wyser-Pratte utilizes quantitative, technical and fundamental research and behavioral finance for its stock selection process. Wyser-Pratte identifies equity securities that are inexpensive relative to their growth rates. Wyser-Pratte will try and identify sustainable industry and business trends and to select domestic and international equity securities that Wyser-Pratte believes are the best

competitors in this environment. Wyser-Pratte will use short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies) to help minimize risk in this strategy.

Risk Arbitrage/Special Situations

Mergers and acquisitions ("risk") arbitrage involves the purchase of securities of companies that are the subject of acquisition attempts, exchange offers, cash tender offers or corporate reorganizations (such as mergers, recapitalizations or liquidations). The arbitrageur derives its profit (or loss) by realizing the price differential between the market price of the securities purchased and the value ultimately realized from their disposition, or the disposition of the securities into which the purchased securities are subsequently exchanged, plus any dividends and interest received, less transaction costs.* Wyser-Pratte uses various investment arbitrage techniques, such as options hedging and short selling when deemed appropriate, in connection with its risk arbitrage transactions. The goal of such hedging transactions is primarily to insulate the position from general market movements so that the investment risk is oriented toward the risk of completion or failure of the transaction giving rise to the investment opportunity rather than the risk of general market movements.

Special situations are defined as those opportunities where an undervalued or otherwise underperforming company, may be expected to outperform the markets as a result of an external catalyst, other than the fund itself. The catalyst may be in the form of a number of possible developments within the merger and acquisition community, the shareholder base or the prevailing economic climate. Wyser-Pratte does not invest in situations where a strategy will involve bankruptcy filings or bankruptcy litigation.

Active Investment

For its activist strategy, Wyser-Pratte uses several methods to facilitate change in the practices of a target company, align management and shareholder interests and lead to the closing of the "value gap". Those methods include: (a) highlighting through public and private pressure powerful ideas for change; (b) building and leading coalitions with other shareholders; (c) special shareholder meetings (EGMs); and (d) proxy solicitations. Corporate management may be persuaded to answer Wyser-Pratte's call for change in a number of ways, including: (a) restructurings or reorganizations of poorly performing companies that have strong growth potential; (b) realization of untapped synergies and other internal value-creating measures; (c) spin-offs of non-core business units; (d) break-ups and divestitures; and (e) buy-backs of stock in those cases where a management has few real investment alternatives for excess cash. Other tactics that Wyser-Pratte has at its disposal are litigation, in the event of malfeasance on the part of management, and working for changes in board representation,

* Transaction costs include brokerage commissions, interest expenses and dividends payable as a result of short sales.

which requires constructive relationships with both target company management and other institutional investors.

Risk of Loss

All investment programs have certain risks including the risk of loss that clients should be prepared to bear. Wyser-Pratte's investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Risks Associated with Active Investing:

Wyser-Pratte's Active Investment Strategy carries risks that are unique to this strategy. Active Investment Strategies may prove ineffective for a variety of reasons, including: (i) opposition of the management or shareholders of the subject company, which may result in litigation; (ii) intervention of a governmental agency; (iii) efforts by the subject company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) market conditions resulting in material changes in securities prices; (v) corporate governance mechanisms such as staggered boards, poison pills and classes of stock with increased voting rights; and (vi) the necessity for compliance with any applicable securities laws. In addition, opponents of a proposed corporate governance change may seek to involve regulatory agencies in investigating the transaction and such regulatory agencies may independently investigate the participants in a transaction as to compliance with securities or other law. Furthermore, successful execution of a corporate governance strategy may depend on the active cooperation of shareholders and others with an interest in the subject company. Some such actors may have interests which diverge significantly from those of Wyser-Pratte and some of those actors may be indifferent to the proposed transaction. Moreover, securities that Wyser-Pratte believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame Wyser-Pratte anticipates, even if an active investment strategy is successfully implemented.

Changes in government regulations could make some or all forms of active investment strategies illegal or impractical. Accordingly, such changes could have an adverse effect on the ability of Wyser-Pratte to achieve a client's investment objective.

Generally, active investment initiatives take from one to three years to fully develop and complete. While Wyser-Pratte generally invests in listed securities, significant redemptions by shareholders during the pendency of active investment initiatives undertaken by Wyser-Pratte could have material adverse effects on the outcome of such initiatives.

Disciplinary Information

Legal and Disciplinary

On May 9, 2001, Wyser-Pratte, Wyser-Pratte & Co., Inc., an affiliated broker-dealer, and Guy Wyser-Pratte, the majority shareholder of Wyser-Pratte consented to the entry of an administrative order by the SEC, finding that they had violated certain provisions of the U.S. Securities Exchange Act of 1934 and of the U.S. Investment Advisers Act of 1940 by failing to have in place adequate procedures to prevent the misuse of material non-public information. In particular, the SEC's position is that investors like Wyser-Pratte who engage in corporate governance actions which may put them in contact with company

directors, officers or other large shareholders that could possess such non-public information, should take precautions against its misuse. There was no finding that Wyser-Pratte had improperly used any such information, rather the finding was that there was a failure to have adequate written policies in place. In settling the matter, Wyser-Pratte agreed to pay fines and refrain from further violations. Wyser-Pratte has subsequently developed additional procedures that have been reviewed by independent experts on behalf of the SEC.

Other Financial Industry Activities and Affiliations

Financial Industry Activities

Wyser-Pratte has no other financial industry activities other than as investment adviser.

Affiliations

Guy Wyser-Pratte, the sole shareholder of Wyser-Pratte and its Chief Executive Officer and Chief Investment Officer, is registered as a principal with Wyser-Pratte & Co., Inc., a broker-dealer. Wyser-Pratte shares office space with Wyser-Pratte & Co., Inc. and each may refer clients to the other. Clients of Wyser-Pratte are typically customers of Wyser-Pratte & Co., Inc., introduced on a fully disclosed basis to Wyser-Pratte & Co., Inc.'s clearing firm, Penson Financial Services, Inc. Mr. Wyser-Pratte is the sole shareholder of Wyser-Pratte & Co., Inc. and will have a conflict of interest to the extent Wyser-Pratte & Co., Inc. executes transactions for Wyser-Pratte clients. Wyser-Pratte has a best execution policy to ensure that its adviser fiduciary responsibility to obtain "best price and execution" is being fulfilled.

Under the terms of the Investment Management Agreement, Wyser-Pratte is not restricted from having a relationship with other clients, including pooled investment vehicles, from entering into other investment advisory relationships, or from engaging in other business activities, even though such activities may involve substantial time and resources of Wyser-Pratte. These activities could be viewed as creating a conflict of interest; however, Wyser-Pratte, its officers and employees devote as much of their time to the activities of each client as they deem necessary and appropriate.

Other than its relationship with Wyser-Pratte & Co., Inc., Wyser-Pratte has no relationships or arrangements material to its advisory business with any related person who is a broker-dealer, investment company, other investment advisor, financial planning firm, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

Other than their affiliation with Wyser-Pratte & Co., Inc., management persons do not have affiliations with other broker-dealers, investment companies, other

investment advisors, financial planning firms, commodity pool operators, commodity trading advisers or futures commission merchants, banking or thrift institutions, accounting firms, law firms, insurance companies or agency, pension consultants, real estate brokers or dealers, or entities that creates or packages limited partnerships.

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

Code of Ethics

The employees of Wyser-Pratte have committed to a Code of Ethics that is available for review by clients and prospective clients upon request.

Wyser-Pratte's Code of Ethics provides for a high ethical standard of conduct for all of Wyser-Pratte's employees and "Access Persons", i.e. employees supervised by Wyser-Pratte who have access to nonpublic information regarding any client's purchase or sale of securities, or information regarding the portfolio holdings of any reportable fund or who is involved in making securities recommendations to clients, or who has access to such recommendations that are nonpublic. The Code of Ethics requires compliance with applicable securities laws. It has policies and procedures for the reporting and review of certain personal securities transactions. It details Wyser-Pratte's fiduciary responsibilities and bans making untrue or fraudulent statements or material omissions, the misuse of material nonpublic information and other unethical practices. The Code of Ethics also details Wyser-Pratte's policies on gifts and entertainment, political contributions, training, education, and recordkeeping.

Participation or Interest in Client Transactions

Wyser-Pratte and its employees may buy or sell securities that are also held by clients. Wyser-Pratte employees may not trade their own securities ahead of client trades. Wyser-Pratte employees comply with the provisions of the Wyser-Pratte Policies and Procedures Manual of Compliance and Supervision and applicable laws, officers, directors and employees of Wyser-Pratte and its affiliates may trade for their own accounts in securities which are recommended to or purchased for Wyser-Pratte's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Wyser-Pratte will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, employee and supervised person's personal securities transactions must be pre-cleared in writing and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. If any employee transactions are effected on the same calendar

day as a transaction in the same securities for a client, the client will receive a price not less favorable than the price at which the transaction is executed for the employee or the employee's related accounts. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Wyser-Pratte and its clients.

Wyser-Pratte does not hold securities in inventory and normally does not effect securities transactions on a principal basis with the firm's clients even on a "riskless" basis. If such principal transactions were to be effected, Wyser-Pratte's affiliated broker-dealer, Wyser-Pratte & Co., Inc., or Wyser-Pratte, would give the client advance notice and obtain client consent insofar as it is required under Section 206(3) of the Investment Advisers Act of 1940.

Subject to the provisions of Rule 206(3)-2 of the Investment Advisers Act of 1940, Wyser-Pratte's affiliated broker-dealer, Wyser-Pratte & Co., Inc. may arrange "agency cross" transactions between a Wyser-Pratte client and a customer of Wyser-Pratte & Co., Inc. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. For agency cross transactions, Wyser-Pratte will pass along to its clients any execution and clearance charges Wyser-Pratte & Co., Inc. may incur with its clearing broker. Any additional commissions are as agreed by the client and Wyser-Pratte.

Brokerage Practices

Selecting Brokerage Firms

Wyser-Pratte uses a select group of brokerage institutions to execute trades. All brokerage institutions with whom Wyser-Pratte trades are considered to have met certain qualifications regarding professional expertise and competence, the pricing of services and financial stability. Wyser-Pratte will use the services of its affiliate, Wyser-Pratte & Co., Inc., for execution of orders. Each client will be informed of any compensation earned by Wyser-Pratte & Co., Inc. with respect to those orders executed for that client.

When selecting a broker-dealer for execution of orders for the account of a client, Wyser-Pratte will consider the ability of the executing broker-dealer to effect the transaction efficiently, without undue market impact, and in an orderly manner; the reputation of the executing broker-dealer for financial responsibility and professional ethics; the access of the executing broker-dealer to securities or trade counterparties; the value of research services furnished by such broker-dealers to Wyser-Pratte; and the commissions and other execution charges of such broker-dealers and their competitors.

Orders in which Wyser-Pratte believes require more execution skill are allocated to broker-dealers primarily on the basis of their execution capability. Only orders that Wyser-Pratte believes can be executed equally well by broker-dealers providing research services will be allocated trades on this basis.

Wyser-Pratte may use "soft dollar" arrangements whereby a broker-dealer with whom Wyser-Pratte does business pays a third party directly for services received by Wyser-Pratte. Wyser-Pratte enters into such arrangements with select broker-dealers when the following criteria are satisfied:

- The benefits of the services are used for research or portfolio management purposes only. Analysis is performed on multi-use services to determine the percentage of which is allocable to research or portfolio management. Only that percentage can be attained through soft dollars;
- The benefits of the services received in exchange for the soft dollars to the broker-dealer are readily and proportionately received by all clients involved in the transaction;
- No specified amount of commissions is required to be directed to the broker-dealer in a given time period; or
- Wyser-Pratte will have the opportunity to pay hard dollars for the service in the event the terms of the arrangement cannot be satisfied

When Wyser-Pratte used "soft dollars" it is using client commissions to obtain research or other products or services for which Wyser-Pratte receives a benefit because it does not have to produce or pay for the research, products, or services.

This may create an incentive to select or recommend a broker-dealer based on Wyser-Pratte's interest in receiving the research or other products or services, rather than on a client's interests in receiving most favorable execution.

Although the quality of research services received from a particular brokerage institution may be a factor in the selection of brokers used by Wyser-Pratte, it will generally be secondary to the factors described above in relation to a particular broker's capability to provide best execution in a specific transaction.

Wyser-Pratte takes great care and pride in obtaining the best execution price for its clients. Its staff includes experienced professional traders for this purpose. Any brokerage institution with whom Wyser-Pratte trades is expected to charge competitive commission rates, whether or not Wyser-Pratte receives research services.

Soft dollar benefits are not limited to those clients who may have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of clients.

Some of the products or services Wyser-Pratte has purchased with soft dollars include research concerning mergers and acquisitions deal news, real-time research news, research reports from a leading economic research team, and a platform for financial screening.

Best Execution

Wyser-Pratte reviews its trading activity on a periodic basis to determine whether its adviser fiduciary responsibility to obtain “best price and execution” has been fulfilled. Wyser-Pratte uses a variety of electronic trading platforms that seek best prices for all equity trades.

Wyser-Pratte reviews its trading activity relative to the activity of the market in general to determine whether the executions delivered to clients are reasonable. Wyser-Pratte also reviews the execution of trades at each custodian each quarter.

When Wyser-Pratte uses the services of its affiliated broker-dealer, Wyser-Pratte & Co., Inc. for an over-the-counter transaction for a client’s account, Wyser-Pratte & Co., Inc. may acquire or sell the securities from or to a market maker who, in turn, charges a wholesale mark-up (or mark-down) that is reflected in the total execution cost to the client.

When Wyser-Pratte uses the services of its affiliated broker-dealer, Wyser-Pratte & Co., Inc. and Wyser-Pratte & Co., Inc. is acting as agent for a client when effecting a securities transaction on a national securities exchange, floor brokerage and other execution charges related to this transaction are reflected in the total execution cost to the client.

Soft Dollars

See “Selecting Brokerage Firms” for a description of soft dollar practices.

Order Aggregation

Wyser-Pratte will typically use the services of its affiliate broker-dealer, Wyser-Pratte & Co., Inc. as introducing broker for securities transactions in client accounts. It is Wyser-Pratte's and its affiliate’s practice, when feasible, to aggregate for execution as a single transaction the order to purchase or sell a particular security for the accounts of several clients in order to seek a lower commission or more advantageous net price. The benefit, if any, obtained as a result of such aggregation is generally allocated pro-rata among the accounts of the clients which participated in the aggregated transaction.

Prior to placing an aggregated transaction order, Wyser-Pratte determines the quantity to purchase or sell for each account. If a sufficient quantity is not purchased or sold to complete an order, or if an order is executed at varying prices, allocation of

available securities will generally be made among all accounts as nearly as may be practicable in proportion to their respective buying (or selling) interests during such day.

Review of Accounts

Periodic Reviews

Wyser-Pratte will review client accounts at least once per week.

Regular Reports

Clients receive detailed reports no less frequently than quarterly from the account's custodian. Such report contains position information for such period. The position report includes such details as cost, current market value, current price, estimated annual income, and yield. A client may request an off-cycle report at any time. Quarterly statements summarize the transactions, fee charge and methods of calculation. Monthly statements from the calculation agent provide the end balance and monthly transactions.

Client Referrals and Other Compensation

Wyser-Pratte may compensate third parties for referrals of clients to Wyser-Pratte by paying to the third party a portion of the advisory fee received from clients introduced by the third party. These arrangements will be disclosed to clients in accordance with Rule 206(4)-3 under the Investment Advisers Act of 1940. Any referral fees paid by Wyser-Pratte will not cause such client's management fee to be increased. In order to avoid any conflicts of interest Wyser-Pratte complies with the requirements of Rule 206(4)-3 including having a written agreement with each solicitor, and requiring having the solicitor deliver to the client, at the time of his or her solicitation activities, copies of Part 2A of Wyser-Pratte's current Form ADV, and a separate written disclosure document containing the name of the solicitor, the nature of the relationship, a statement that the solicitor will be compensated for his or her solicitation activities, the terms of compensation arrangement, and a statement that any referral fees paid by Wyser-Pratte will not cause such client's management fee to be increased. Wyser-Pratte obtains from the client a signed and dated acknowledgment of the client's receipt of the disclosures. Also, Wyser-Pratte makes an effort to ascertain whether the solicitor has complied with the terms of the written agreement.

Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly.

Performance Reports

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by Wyser-Pratte.

Investment Discretion

Discretionary Authority for Trading

Wyser-Pratte receives discretionary authority to manage securities accounts on behalf of clients. Wyser-Pratte has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. In all cases, Wyser-Pratte exercises discretion in a manner consistent with the stated investment objectives for the particular client account. Investment guidelines and restrictions must be provided to Wyser-Pratte in writing.

The client approves the custodian to be used and the commission rates paid to the custodian. Wyser-Pratte does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Pursuant to the discretionary authority granted to Wyser-Pratte by its clients, Wyser-Pratte ordinarily determines the brokers or dealers through which transactions will be executed and the commission rates paid.

Generally, Wyser-Pratte's clients are unable to restrict or prohibit transactions or directing transactions for execution through specific brokers and dealers.

Voting Client Securities

Proxy Votes

Pursuant to Rule 206(4)-6 of the Investment Advisers Act of 1940, Wyser-Pratte has adopted proxy voting policies and procedures. The general policy is to vote proxy proposals, amendments, consents or resolutions relating to client securities, including interests in private investment funds, if any (collectively, "proxies"), in a manner that serves the best interests of the respective fund, as determined by Wyser-Pratte in its discretion, taking into account the following factors: (i) the impact on the value of the securities; (ii) the costs and benefits associated with the proposal; (iii) the effect on liquidity; and (iv) the customary industry and business practices. Wyser-Pratte's proxy voting policies and procedures also address how Wyser-Pratte will vote proxies with regard to specific matters, such as voting rights, mergers or acquisitions, the election of Board members and other issues. Clients may request a copy of the proxy voting policies and procedures by contacting Wyser-Pratte.

Financial Information

Financial Condition

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Wyser-Pratte's financial condition. Wyser-Pratte 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.