

ITEM 1: COVER PAGE

Elizabeth Park Capital Advisors, Ltd. (“Elizabeth Park”)

Form ADV, Part 2A
(“Brochure”)

March 2014

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This Brochure provides information about the qualifications and business practices of Elizabeth Park Capital Advisors, Ltd. If you have any questions about the contents of this brochure, please contact us at (216) 292-5755. 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 Elizabeth Park Capital Advisors, Ltd. also is available on the SEC’s website at www.adviserinfo.sec.gov.

The firm may refer to itself as a “registered investment adviser” or “RIA”. You should be aware that registration with the SEC or a state securities authority does not imply a certain level of skill or training.

ITEM 2: MATERIAL CHANGES

We are pleased to announce that we have submitted our filing for registrations as U.S. Securities & Exchange Commission Registered Investment Adviser under the Investment Advisers Act of 1940.

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ITEM 4: ADVISORY BUSINESS

Elizabeth Park was founded in 2008 by Fred Cummings. Its principal (84%) owners are as follows: Fred Cummings, Founder, President/Managing Member.

Elizabeth Park provides discretionary investment advisory services through a “master-feeder” structure with a domestic 3(c)(1) and 3(c)(7) “feeder” (respectively, the “U.S. Fund I” and “U.S. Fund II,” and collectively, the “U.S. Funds”), and an offshore “feeder” (the “Offshore Fund”), each of which invests in an offshore “master fund” (the “Master Fund,” and together with the U.S. Funds, the Offshore Fund and any additional investment vehicle or account that Elizabeth Park or its affiliates may manage in the future, the “Accounts”).

In addition to the foregoing Accounts, Elizabeth Park currently provides discretionary investment advisory services to separately managed accounts, which have a similar investment program to that of the foregoing Accounts, but are managed independently. Elizabeth Park’s U.S. Funds are organized as Delaware limited partnerships, with an affiliate of Elizabeth Park that is wholly-owned by Elizabeth Park’s principals, serving as the U.S. Funds’ and the Master Fund’s general partner (the “GP”). The Offshore Fund and the Master Fund are organized as Cayman Islands exempted companies. The U.S. Funds and the Offshore Fund are managed in accordance with the investment objectives, strategies and guidelines and the terms and conditions of investment, set out in their respective private placement memoranda (each, a “PPM”) and their organizational, governing and other related documents (collectively, the “Governing Documents”).

Elizabeth Park provides advice to the Accounts with respect to trading and investing, both long and short, in a broad range of equity and preferred securities with a focus on the financial services industry. Services provided to the Accounts by the GP and/or Elizabeth Park or its personnel or affiliates, also may include, in addition to advice regarding investments, organizing and managing the Accounts’ business affairs, executing and reconciling trades, preparing financial statements, providing audit support, preparing tax-related schedules and documents and sales support and investor relations services.

Add financial analysis language regarding sub contracted mandate. Do not need to mention client name.

For further details, see Item 8 below.

The Accounts are not tailored to the individualized investment needs of any particular investor in the Accounts (each, an “Investor”), though Accounts may take into consideration the general characteristics (e.g., tax status) of its target investors. An investment in an Account does not, in and of itself, create a client-adviser relationship between any Investor and Elizabeth Park. Elizabeth Park typically does not enter into separate advisory arrangements with Investors. However, Elizabeth Park and its affiliates may manage funds that invest in parallel with one or more Accounts or enter into separate account arrangements with Investors, the investment programs and terms of which will generally be individually negotiated at the time of entering into the related

advisory agreement. A prospective investor must consider whether an Account is an appropriate investment, including with respect to such investor's investment objectives and risk tolerance.

As of December 31, 2013, Elizabeth Park had discretionary assets under management of \$166.1 million.

ITEM 5: FEES AND COMPENSATION

Pursuant to the Governing Documents, Elizabeth Park is generally entitled to receive an asset-based management fee payable quarterly in advance, and incentive fees or allocations are paid to Elizabeth Park by the Offshore Fund and to the GP by the U.S. Funds, generally on an annual basis. Management fees and incentive fees or allocations are generally calculated and charged separately, in accordance with such adjustments and pursuant to such process set forth in the Governing Documents. Such compensation is determined at the time of the organization of an Account.

Management fees attributable to Investors in the U.S. Funds or the Offshore Fund are generally payable quarterly in an amount equal to 0.375% (1.5% annually) of the net asset value of the Investor's capital account(s) or shares, as applicable. Management fees will be pro-rated when Elizabeth Park provides services for less than a full quarter and, if paid in advance, will be automatically refunded and reflected in the net asset value of the Investor's capital account(s) or shares, as applicable. Elizabeth Park and the GP and their respective affiliates will not be subject to management fees with respect to their own investment in an Account.

Investors in the U.S. Funds and the Offshore Fund are generally assessed incentive fees or allocations, on December 31st of every year, equal to 20%, in each case based on the net capital appreciation in such Investor's capital account(s) or shares, as applicable, subject to a "high water mark," as described in the Governing Documents. Incentive fees or allocations will also be assessed as of the end of other accounting periods in accordance with the Governing Documents, including upon withdrawal of capital by an Investor or liquidation of a fund, if such withdrawal or liquidation occurs on a date other than the standard assessment date. Elizabeth Park and the GP and their respective affiliates will not be subject to incentive fees or allocations with respect to their own investment in the Accounts.

Management fees are automatically deducted on a quarterly basis and incentive fees and allocations are automatically deducted at the end of each applicable accounting period, as outlined above.

The particular compensation applicable to the Accounts is included in the summaries above (and, in more detail, in the Governing Documents); however, Investors should be aware that such compensation may change over time and that different fee schedules may apply if Elizabeth Park adopts new investment strategies, establishes additional funds or accepts clients other than the current Accounts. Additionally, specific fee arrangements applicable to any Investor are subject to negotiation and Elizabeth Park or the GP may

waive or reduce management fees or incentive fees or allocations, in their discretion, based on the nature of the strategy and services to be provided by Elizabeth Park, total market value invested with Elizabeth Park, regulatory and reporting requirements, requested customization, and any other relevant factor, including employment or familial relationships with Elizabeth Park. Thus, different Investors in the same Account may pay different fees based on, among other things, waivers and investment dates. In particular, Elizabeth Park and the GP expect to waive or reduce management fees and incentive fees and allocations for Investors who are employees or affiliates of Elizabeth Park. Except as otherwise agreed, Elizabeth Park is not obligated to waive or reduce fees for any other Investor when offering such waivers or reductions to a particular Investor.

See Item 6 for discussion of potential conflicts of interest associated with compensation of Elizabeth Park.

The Accounts pay all of their own costs and expenses in connection with trading and investment activities at rates negotiated by Elizabeth Park and/or the GP. Except as otherwise agreed or set forth in the Governing Documents, such costs include, but are not limited to, organizational, offering and trading related expenses (including commissions and brokerage charges, clearing expenses, interest expense, stock borrowing fees, and related items), investment-related travel expenses, government expenses, taxes, administrative expenses, legal expenses, external accounting expenses, including the fees of a third party administrator, research and market data expenses, audit and tax preparation expenses, corporate licensing, custodial fees, directors and officers' liability insurance and other expenses associated with the operations of the Accounts.

For further details on Elizabeth Park's brokerage practices, see Item 12.

Organizational expenses will be paid by the Accounts and amortized over a five year period. Notwithstanding the foregoing, if the amortization of organizational expenses would result in a qualified audit opinion, the GP shall have the right to expense organizational expenses, or account for them in such other manner as the GP shall determine to be appropriate.

The Accounts typically pay such operating expenses, separate and apart from management fees, or otherwise reimburse the GP, Elizabeth Park or such personnel or affiliates, for these and other services. Such services, and any expenses or reimbursements related thereto, will generally be provided in accordance with the Governing Documents. The U.S. Funds and the Offshore Fund bear the expenses of the Master Fund on a *pro rata* basis.

While each Account is generally expected to be fully invested, an Account may hold cash positions for investment, defensive, hedging or collateral purposes or as a result of contributions or in anticipation of withdrawals or redemptions. In the event that Elizabeth Park believes in its sole judgment that there is not sufficiently good value in securities suitable for investment in accordance with the relevant strategy, all or a substantial percentage of an Account's capital may be held in cash, cash equivalents or other short-term instruments including, without limitation, money market funds. When

money market funds are used for cash management purposes, Investors in Accounts, in effect, pay two advisory fees with respect to the portion of the Account invested in such money market funds (e.g., the money market fund's fees and expenses and that portion of Elizabeth Park's fee attributable to such assets).

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

See general discussion of fees in Item 5.

Elizabeth Park is compensated, and the GP receives incentive fees or allocations, based on the market value and/or performance of the Accounts. As a result, to the extent that Elizabeth Park and/or the GP value portfolio investments of the Accounts, and value a security higher than its current market value (or where such market values are unreliable), Elizabeth Park and/or the GP may benefit by receiving a management fee or incentive fee or allocation that is increased by the impact, if any, of such valuation discrepancy. Even where a security is accurately valued, the Accounts may not ultimately realize the value upon which an incentive fee or allocation was charged upon its ultimate sale due to subsequent market movements. The payment of performance-based compensation may create an incentive for Elizabeth Park to make investments that are riskier than would be the case in the absence of such compensation arrangements. Additionally, where an Investor purchases or redeems interests in the Accounts at a net asset value that is impacted by a discrepancy in valuation, such Investor may receive a greater or lesser interest in (or increased or decreased redemption proceeds from) such Account than would have been the case absent the discrepancy. Similarly, existing and continuing Investors may be subject to dilution or accretion. While the Accounts do not generally seek to invest in private or illiquid securities, they have the right to do so on an opportunistic basis. As a result, a portion of the assets in which Accounts managed by Elizabeth Park invest may, at any time or from time to time, be illiquid, thinly traded or otherwise difficult to value. As a result, and as discussed below, Elizabeth Park has established valuation policies and procedures to mitigate the conflicts and potential for material pricing discrepancies in respect of Account assets and to assure that assets are valued in good faith and as accurately as is reasonably practicable. Under these procedures, assets held by or on behalf of the Accounts are valued as agreed with Investors through the Accounts' Governing Documents and as described in the relevant PPM or, in the absence of specific and stated valuation procedures, at fair or market value.

As a general matter: (i) Securities which are listed on one or more United States or foreign securities exchanges (including securities which are principally traded on the National Association of Securities Dealers, Inc. Automated Quotation System ("NASDAQ")) shall be valued at their closing price as is customarily ascertained by the respective exchange and published in recognized newspapers such as the Wall Street Journal and Financial Times or disseminated by quotation services such as Reuters or Bloomberg. If no indicative sale occurred on the valuation date, the market convention of the local market (as determined by the General Partner), the last traded price shall be used to ascertain the closing price on such day.

(ii) other investments are valued using an appropriate method as determined by Elizabeth Park or the valuation service provider, as applicable, to determine the fair value of the

investment (such methods may include comparable company valuations, net asset valuations and discounted cash flows). Elizabeth Park or the valuation service provider, as applicable, also may rely on values and information provided by third party pricing services or the Accounts' administrator or custodian. If no indicative sale occurred on the valuation date, the market convention of the local market (as determined by the General Partner), the last traded price shall be used to ascertain the closing price on such day.

Although Elizabeth Park invests primarily in securities which are liquid and readily marketable, Elizabeth Park or the valuation service provider, as applicable, may, at times, be required to manually price or "fair value" one or more assets held by, or on behalf of, the Accounts. Fair valuation may be necessary where pricing or valuation information with respect to an asset is unavailable or unreliable due to market dislocations, loss of pricing coverage or market-making activities by broker-dealers, mergers and liquidations of broker-dealers or third-party pricing vendors that previously supplied pricing data, the distressed nature of certain forced asset sales due to de-leveraging transactions, extreme market volatility in certain asset classes, uncertainty surrounding potential or actual government intervention in the markets for certain assets and other factors that Elizabeth Park or the valuation service provider, as applicable, determines may diminish the timeliness, accuracy or reliability of pricing information. For example, Elizabeth Park or the valuation service provider, as applicable, may determine that a market quotation is not readily available or is unreliable if, among other reasons, an asset does not have a price source due to lack of liquidity, the price provided varies significantly from a recent trade, the security or asset is thinly traded (as may be the case with non-U.S. securities), recent asset sales represent distressed sales prices not reflective of the price a market participant might reasonably expect to receive from the current sale of that asset in an arm's-length transaction (e.g., one in which both the buyer and seller acted knowledgeably, prudently, and without compulsion), or there is a significant material event subsequent to the most recent market quotation or pricing information.

Elizabeth Park's or the valuation service provider's, as applicable, good faith judgment as to whether an event would constitute a "significant event" or whether a valuation is not readily available or otherwise unreliable may, in hindsight, prove to be incorrect. Investors should be aware that the models, information and/or underlying assumptions utilized in determining fair value will not always allow Elizabeth Park or the valuation service provider, as applicable, to correctly capture the fair value of an asset; rather fair value or manual pricing is intended to yield a good faith approximation of the value of an asset and cannot, *ex ante*, be guaranteed to have reflected the actual or empirical value of any asset, as might be determined with the benefit of hindsight (particularly in periods of market distress) as adjustments may prove incorrect as to direction and magnitude. Thus, the fair value assigned to an asset may not match the next available and reliable market price or, in retrospect, have been the price at which that asset could have been sold during the period in which the particular fair values were being used in determining an Account's value for the incentive fee or allocation or net asset value calculation which may impact: (i) the cost paid or proceeds realized by the Accounts upon the purchase or disposition of the asset; (ii) the management fees and incentive fees or allocations paid to

Elizabeth Park and/or the GP; and (iii) the percentage interest assigned in connection with a contribution or the proceeds received upon a withdrawal.

It is possible that different Investors in the same Account will pay varying incentive fees or allocations or management fees. Similarly, it is possible that Elizabeth Park will establish a separately managed account that pays incentive fees or allocations or management fees at a different rate than such commingled vehicles. In such event, Elizabeth Park utilizes allocation policies which are equitable to all clients over time and does not favor one client over another, particularly one that pays higher fees. The policies are tested on a periodic basis to ensure compliance.

ITEM 7: TYPES OF CLIENTS

Elizabeth Park's clients, which are referred to herein as the Accounts, are privately placed pooled investment vehicles. In addition, Elizabeth Park and its affiliates manage funds that invest in parallel with one or more Accounts or enter into other separate account arrangements with Investors, the investment programs and terms of which have been individually negotiated at the time of entering into the related advisory agreement.

The Accounts are not registered as investment companies under the Investment Company Act of 1940, as amended (the "*Investment Company Act*"). US Fund I will be excepted from the definition of an "investment company" pursuant to Section 3(c)(1) of the Investment Company Act, which provides that an issuer will not be required to register as an investment company if its outstanding securities are beneficially owned by not more than one hundred persons. Compliance with this exception (and other applicable law) requires Fund I to restrict the classes of persons who may invest to persons who are both "accredited investors," as that term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, as amended (the "*Securities Act*") and (ii) "qualified clients" as defined in Section 1301:6-3.15.1(A)(16) of the Ohio Securities Act, as amended (the "*Ohio Securities Act*"). U.S. Fund II and the Offshore Fund will be excepted from the definition of an "investment company" pursuant to Section 3(c)(7) of the Investment Company Act. Compliance with this exception (and other applicable law) requires these Accounts to restrict the classes of persons who may invest to persons who are both accredited investors and "qualified purchasers" as defined by Section 2(a)(51) of the Investment Company Act. However, interests in the Offshore Fund may be offered outside the U.S. to persons who are not "U.S. Persons" as defined in Regulation S under the Securities Act without regard to whether such persons are accredited investors or qualified purchasers and the Offshore Fund may also be offered on a private placement basis to U.S. entities (typically tax exempt) who meet the applicable eligibility requirements.

Provided such investors meet the eligibility requirements, Investors may include high net worth individuals and families and institutional investors.

The Accounts are currently commodity pools for which Elizabeth Park is a commodity pool operator that is exempt from registration and related requirements pursuant to either Rule 4.13(a)(3) or Rule 4.13(a)(4) of the Commodity Exchange Act, as amended, and, in

connection with these exemptions, Investors may be required to meet additional requirements. Investors may also be subject to additional eligibility requirements, as set forth in the relevant PPM.

Elizabeth Park's personnel (including, but not limited to, portfolio management personnel responsible for the management of the Accounts) who are "knowledgeable employees" (as defined in Rule 3c-5 under the Investment Company Act) or who otherwise meet the Account's eligibility criteria may invest in the Account. Elizabeth Park, its affiliates or its related persons may also hold interests in the Accounts and may have different compensatory, investment or pecuniary interests in such Accounts, including some which follow similar, complementary or competing strategies.

A minimum investment of \$250,000 is currently required for investment in an Account. Upon establishment of a new Account or other vehicle for an investment strategy, or from time to time thereafter, Elizabeth Park may establish and alter minimum required investment amounts and may waive or reduce stated minimums, on a case-by-case basis, in its sole discretion.

This Brochure may be provided to current or prospective investors in an Account, together with the Account's PPM and Governing Documents, prior to or in connection with such prospective investor's consideration or execution of an investment in the Account, and may subsequently be provided in the Adviser's discretion or, annually, at the request of an Investor. Investors and other recipients should be aware that while this Brochure may include information about the Accounts, as necessary or appropriate, it should not be considered to represent a complete discussion of the features, risks or conflicts associated with any Account. More complete information about the Accounts is included in the PPMs, which may be provided to current and eligible prospective investors only by Elizabeth Park or another authorized party.

In no event should this Brochure be considered to be an offer of interests in an Account or relied upon in determining whether to invest. It is also not an offer of, or agreement to provide, advisory services directly to any recipient.

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

Elizabeth Park invests primarily in the equity securities of financial services companies, including banks and thrifts, insurance companies, asset management firms, real estate investment trusts ("REITs"), real estate operating companies, business development companies ("BDCs"), commercial and consumer finance, leasing, brokerage and financial technology businesses and companies providing technology, infrastructure, information, support, and services to any of the foregoing, as well as companies or other business or pass-through entities whose activities are similar or attendant to those of companies which are engaged in the financial services sector.

Within the financial services industry, Elizabeth Park uses fundamental value analysis and other research methods to identify mispriced securities. Elizabeth Park develops and

maintains target values for acceptable investments and seeks to buy available securities at the greatest risk-adjusted discounts to value and sell them as their values approach targets or substantially better alternative investments are identified.

Elizabeth Park seeks to:

- identify specific companies that will prosper as their operating environments change;
- identify strong management teams operating in attractive markets with above-average growth potential;
- take advantage of turnaround opportunities in the industry;
- take advantage of the continued consolidation activity that is expected to occur; and
- manage portfolio risk to limit liquidity risk and downside volatility.

Elizabeth Park examines numerous factors relating to a potential investment, which may include its financial condition, earnings quality, distribution of loans and deposits, projected earnings, prospects for dividends, prospects for appreciation of stock price, capitalization, management capability and practices, various valuation ratios of comparable public companies, diversification of an Account's portfolio and the possibilities for corporate restructuring, such as prospects that an issuer could become a target of a tender offer or acquisition candidate. Elizabeth Park also considers macro-economic factors, such as the general economic and political outlook and interest and inflation rates.

Investments will generally be concentrated in small and mid-cap companies, but allocations may shift at the discretion of Elizabeth Park. Investments in small and medium capitalization companies involve greater risk than is customarily associated with larger, more established companies. Smaller companies often have limited markets or financial resources, and they may be dependent upon small management teams. Securities of smaller companies may have limited marketability and may be subject to more abrupt or erratic movements in price than securities of larger companies or market averages in general.

Certain factors affecting the financial services industry generally are associated with the investment strategies employed by Elizabeth Park:

- the extensive regulation, supervision and examination of financial services entities by U.S. federal and state law and regulatory agencies, which regulatory framework is subject to changes that may affect materially the operations and results of financial services entities and their holding companies including, for example, the consequences of recent legislation which limits the ability of banks to engage in proprietary trading and increases capital requirements;

- the prospects for a robust recovery still remain uncertain; continuing high levels of unemployment, the lack of improvements in the housing market, a lack of consumer confidence, the European sovereign debt crisis and/or political instability may continue to impact the performance of certain sectors of the economy;
- regulatory and charter restrictions applicable to changes in control of certain banks, thrifts and insurance companies, which may limit the potential for acquisitions and the stock appreciation that may arise from such transactions;
- the risks associated with local, national and international economic conditions;
- changes in regulation may have unforeseen results and, therefore, in addition to creating investment opportunities, may also create additional risk;
- the sensitivity of the insurance industry to catastrophic events beyond its control, such as future military action or acts of terrorism and acts of nature, including earthquakes, floods and storms, all of which can increase claims as well as decreasing the availability and increasing the cost of reinsurance;
- increasing internationalization of financial and credit markets increases the possible adverse effect on U.S. financial institutions of non-U.S. economic disturbances; and
- increasing competition in the financial services and insurance industries is eroding market share and decreasing margins.

Elizabeth Park may maintain significant amounts of an Account's capital in cash, particularly when it believes the Account should maintain a defensive posture, or when Elizabeth Park determines that opportunities for investing are unattractive. Among the cash equivalents which Elizabeth Park may acquire are: obligations of the United States Government, its agencies or instrumentalities, commercial paper, and certificates of deposit and bankers' acceptances issued by domestic branches of U.S. banks that are members of the Deposit Insurance Fund. Elizabeth Park also may enter into repurchase or reverse repurchase agreements, may purchase shares of money market mutual funds properly registered under the securities laws, and may receive interest paid on its credit balances with securities firms or others. There is no restriction on the amount of time that funds may be held prior to being utilized. All funds will be received in the name of an Account, and funds held as margin deposits will be properly segregated in accordance with applicable regulations.

Although, it does not expect to do so on a regular basis, Elizabeth Park reserves the right to invest in futures and options on futures. The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation,

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

Elizabeth Park may engage in short selling or selling securities it does not own for risk management or hedging purposes as well as to create profit opportunities. Short selling involves selling securities which 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 declines in market prices to the extent the decline exceeds the transaction costs and the costs of borrowing the securities. Since the borrowed financial instruments must later be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed securities would result in a loss. Purchasing securities to close out the short position can itself cause the price of securities to rise further, thereby exacerbating the loss. An unanticipated tender offer for an issuer could also cause a sudden increase in the price of securities sold short. Theoretically, the potential loss of securities sold short is unlimited as there is no ceiling on how far the price of the security may rise. Also, a short seller may be prematurely forced out of a position due to an inability to maintain a loan of the stock that is borrowed to establish the short.

Elizabeth Park may employ leverage in an attempt to increase the overall returns, but leverage may increase the volatility and the risk of loss. Borrowing money to purchase instruments may provide greater capital appreciation, but at the same time will increase the portfolio's risk of loss with respect to securities financed with debt. The amount of borrowings that the Accounts may have outstanding at any time may be large in relation to its capital. In particular, it should be noted that options inherently contain much greater leverage than does a purchase of the underlying security inasmuch as only a small portion of the value of the underlying security is required in order to invest in such options. In addition, the level of interest rates generally, and the rates at which the Accounts can borrow in particular will be an expense of the Accounts and will therefore affect the operating results of the Accounts. Fluctuations in the market value of the portfolio of a heavily leveraged investment have a disproportionately large effect in relation to the return or loss on the investment.

Elizabeth Park may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or result in a distribution of cash or a new security the value of which will be less than the purchase price to the Accounts of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, an Account may be required to sell its investment at a loss. Because there is substantial

uncertainty concerning the outcome of transactions involving financially troubled companies in which the Accounts may invest, there is a potential risk of loss by the Accounts of their entire investment in such companies.

The Accounts may invest in securities or other financial instruments traded outside the United States (“*Non-U.S. Investments*”). Such investments involve considerations and possible risks not typically involved in securities or other financial instruments that trade in the United States (“*U.S. Investments*”), including instability of some non-U.S. governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, changes in governmental administration or economic or monetary policy (in the United States or abroad) or changed circumstances in dealings between nations. The application of foreign tax laws (e.g., the imposition of withholding taxes on dividend, interest or other payments) or confiscatory taxation may also affect Non-U.S. Investments. Higher expenses may result from Non-U.S. Investments than would from investments in securities because of the costs that must be incurred in connection with conversions between various currencies and foreign brokerage commissions that may be higher than U.S. Investments. Non-U.S. commodity and securities markets also may be less liquid, more volatile and less subject to governmental supervision than in the United States. Non-U.S. Investments could be affected by other factors not present in the United States, including lack of uniform accounting, auditing and financial reporting standards and potential difficulties in enforcing contractual obligations.

Because certain purchases, sales, and derivative instruments such as options in which the Accounts may engage are not traded on an exchange but are instead traded between counterparties based on contractual relationships, Elizabeth Park’s investment strategy will subject the Accounts to the risk that a counterparty will default and not perform its obligations under the related contracts. Therefore, the Accounts’ exposure to loss in the event of default by its counterparty or counterparties in such transactions may be significant. Such risks may be exacerbated with respect to non-U.S. securities or transactions with non-U.S. counterparties. Although the Accounts intend to enter into transactions with counterparties which Elizabeth Park believes to be creditworthy, there can be no assurance that a counterparty will not default and that the Accounts will not sustain a loss on a transaction as a result.

The Accounts may purchase securities of companies in initial public offerings of any equity security (“*New Issues*”) or shortly thereafter. Special risks associated with these securities may include a limited number of interests available for trading, unseasoned trading, lack of investor knowledge of the company, and a limited operating history. These factors may contribute to substantial price volatility for the interests of these companies. The limited number of interests available for trading in some initial public offerings may make it more difficult for the Accounts to buy or sell significant amounts of interests without an unfavorable impact on prevailing market prices. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.

Elizabeth Park does not seek to maintain a highly diversified portfolio. Elizabeth Park focuses on a limited number of investments that it can follow closely and no limits are imposed on the concentration of the Accounts' investments in particular securities, industries, or sectors, provided that not more than 25% of an Account's investments may be invested in securities of any one issuer. This may represent a special risk in that the level of diversification of an Account's portfolio may be lower than a well-diversified portfolio.

Elizabeth Park will rely heavily on the services of Fred Cummings, the President and Managing Member of Elizabeth Park. Should Mr. Cummings determine to discontinue managing the affairs of, or withdraw from, Elizabeth Park or should Mr. Cummings die, become incapacitated or, for some other reason, be unable to effectively manage the affairs of Elizabeth Park, the business and results of the operations of the Accounts may be adversely affected.

Elizabeth Park intends to pursue the investment strategy described above as long as it is in accordance with the Accounts' investment objective, although Elizabeth Park reserves the right to formulate new strategies to carry out the investment objective of the Accounts. In the event that such new strategies represent a material change to the strategies disclosed herein, the PPM for the relevant Fund and this Brochure will be updated to reflect such change and existing Investors will be notified.

There can be no assurance that the strategies Elizabeth Park employs will be successful. An investment in an Account should be viewed as a speculative investment. It is not intended as a complete investment program and is designed only for Investors who have adequate means of providing for their needs and contingencies without relying on distributions or redemptions, who are financially able to maintain their investment and who can afford the loss of their investment. All potential investors in the Accounts should understand the investment approaches and techniques that Elizabeth Park expects to use in the management of the Accounts and the particular risks associated with those approaches and techniques.

Except for the limited rights of withdrawal, Investors must be prepared to bear the risk of their investment for a substantial period of time. The Governing Documents impose substantial restrictions on the transfer of an Investor's interest in an Account. Interests in the Accounts will not be registered under the Securities Act or under state securities laws and, therefore, cannot be sold unless they are subsequently registered under such Act and laws or an exemption from such registration is available.

Any investment decision with respect to an investment in an Account should be made based upon the information contained in the PPM and Governing Documents for such Account, and Investors should carefully read such documents, in consultation with their advisers, prior to making any such investment decision. The information contained herein is not intended to be complete or final and is qualified in its entirety by the PPM and Governing Documents for the applicable Account.

ITEM 9: DISCIPLINARY INFORMATION

Elizabeth Park and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As noted above, an affiliate of Elizabeth Park that is wholly-owned by Elizabeth Park's principals, serves as GP of the U.S. Funds. Elizabeth Park and/or the GP have filed with the National Futures Association with respect to the Accounts, a claim for exemption from commodity pool operator registration with the Commodity Futures Trading Commission ("CFTC") pursuant to CFTC Rule 4.13(a)(3) for U.S. Fund I and CFTC Rule 4.13(a)(4) for U.S. Fund II.

Because the GP and Elizabeth Park are affiliated, there exists a potential disincentive for Elizabeth Park to be replaced, even if such action is in the best interests of an Account. Moreover, the fees and expenses paid by the GP or Elizabeth Park on behalf of an Account that are required to be reimbursed by the Account have not been established in an arm's length transaction.

See the discussion of placement agents in Item 14B.

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

Elizabeth Park's Code of Ethics (the "Code") governs personal transactions by access persons and to assure that their interests do not conflict with the interests of Accounts, or, as applicable, Investors in Accounts. As such, Elizabeth Park's Code includes: (i) standards of business conduct, requiring that covered persons comply with relevant provisions of the federal securities laws and the fiduciary duties an investment adviser owes to its clients; (ii) personal securities transaction policies governing the personal investment activities of relevant personnel and requiring the submission by such persons of reports regarding their personal trading accounts and activities; and (iii) an insider trading policy. A copy of the Code is available to current and prospective investors upon request and without charge.

Participation or Interest in Client Transactions

Elizabeth Park does not buy or sell securities for its own account. However, Elizabeth Park's principals (or entities which they may control and be deemed to have a beneficial interest in) may own, buy and/or sell securities that are also recommended to clients, subject to the limitations described below. Such transactions may also include trading in securities in a manner that differs from or is inconsistent with advice given to clients.

Currently, all employees, officers, directors and principals of Elizabeth Park are considered to be access persons for purposes of the Code. Personnel who fail to observe

the Code and related compliance policies risk serious sanctions, including dismissal and personal liability.

Standards of Business Conduct

A basic tenet of Elizabeth Park's Code is that the interests of clients (e.g., Accounts) are always placed first. The Code includes standards of business conduct requiring covered persons to comply with the federal securities laws and the fiduciary duties an investment adviser owes to its clients. Elizabeth Park's standards of business conduct, among other things: (i) restrict such persons from (a) giving or accepting certain gifts and inducements from or to clients or others doing business with the firm when such gifts or inducements may present a material conflict of interest or (b) otherwise taking advantage of their position with Elizabeth Park; and (ii) require that access persons (a) treat clients fairly and consistently with Elizabeth Park's compliance procedures, (b) provide disinterested advice to clients insulated from personal or business conflicts of interest and (c) report potential violations of the Code to Elizabeth Park's Chief Compliance Officer ("CCO").

Personal Securities Transactions Policy

Elizabeth Park's Code also includes a personal securities transactions policy which imposes certain requirements and restrictions with respect to personal trading and investment activity by access persons. In particular, the Code requires access persons to obtain the approval of the CCO prior to investing in reportable securities. A "reportable security" under the Advisers Act is any "security" except for: (i) direct obligations of the U.S. government, (ii) banker's acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, including repurchase agreements, (iii) shares issued by money market funds (including affiliated funds), (iv) shares issued by open-end funds other than "reportable funds," and (v) shares issued by unit investment trusts that are invested exclusively in one or more open-end funds, none of which are reportable funds. A "reportable fund" is any fund for which the investment adviser serves as such or any fund whose investment adviser or principal underwriter controls, is controlled by or is under common control with the investment adviser. The Code also prohibits access persons from engaging in short term trading in mutual fund shares and other securities. In appropriate circumstances the CCO may grant waivers to the Code's restrictions.

Insider Trading Policy

Elizabeth Park and its related persons may, from time to time, come into possession of material nonpublic and other confidential information which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Elizabeth Park may be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any other person, regardless of whether such other person is an advisory client. Accordingly, should Elizabeth Park come into possession of material nonpublic or other confidential information with respect to any company, it may be prohibited from communicating such information to, or using such information for the benefit of its Accounts, and have no obligation or responsibility to disclose such

information to, nor responsibility to use such information for the benefit of Accounts, when following policies and procedures designed to comply with law. Accordingly, Elizabeth Park's Code includes an "Insider Trading Policy" which establishes procedures to prevent the misuse of material nonpublic information by Elizabeth Park's supervised persons.

Reporting Requirements under the Code

To assist Elizabeth Park in monitoring personal trading activities in order to detect potential conflicts of interest or violations of the Code, fiduciary duty or applicable law, access persons must provide periodic reports with respect to personal securities transactions, holdings and accounts, including annual reports of holdings in certain, reportable securities and quarterly reports of their personal transactions in reportable securities. To facilitate compliance with reporting requirements, access persons may direct their brokers to send copies of all brokerage statements and confirmations relating to all personal securities transactions and accounts in which they have a beneficial ownership interest. These reports and relevant brokerage statements and confirmations are submitted to and reviewed by the CCO. The CCO's reports and pre-clearance requests will be reviewed by another appropriate officer of Elizabeth Park. If any violation of the Code, fiduciary duty or applicable law with respect to trading activities is determined to have occurred, the CCO may impose sanctions and take such other actions, including, without limitation, requiring that the trades in question be reversed and/or profits be disgorged.

Gifts, Entertainment or Other Payments

Elizabeth Park will take reasonable steps set forth in the Code to ensure that neither it nor its employees offer or give, or solicit or accept, in the course of business, any inducements which may lead to conflicts. Due to the various relationships the firm may have with its clients and other entities, employees generally may not solicit gifts or gratuities nor give inducements, except in accordance with the Code. The term "inducements" means gifts, entertainment and similar benefits which are offered to or given by employees. Gifts of an extraordinary or extravagant nature to an employee are to be declined or returned in order not to compromise the reputation of the employee or the firm. Gifts of nominal value or those that are customary in the industry such as meals or entertainment may be appropriate. Any form of a loan by an employee to a client or by a client to an employee is not allowed as a matter of firm policy and good business practice. A relaxation of, or exemption from the procedures set forth in the Code may only be granted by the CCO.

ITEM 12: BROKERAGE PRACTICES

Generally, Elizabeth Park is retained with respect to each Account on a discretionary basis and is authorized to make the following determinations in accordance with the Account's specified investment objectives without consultation or consent before a transaction is effected:

- which securities to buy or sell;

- the total amount of securities to buy or sell;
- the broker or dealer through whom securities are bought or sold;
- the commission rates at which securities transactions will be effected; and
- the prices at which transactions are effected, including spreads and transaction costs.

Investment and Brokerage Decisions and Review

Investment and brokerage decisions for each Account are made by Elizabeth Park and/or the GP, with assistance from relevant personnel. Elizabeth Park periodically considers and reviews its trading practices, including the quality of executions received and commission rates paid by Accounts, in order to determine what changes, if any, should be made in its brokerage arrangements. The goal of this process is to exercise reasonable, good faith judgment to select broker-dealers or other trading venues (collectively, for purposes of this discussion, “*brokers*”) that will consistently provide quality execution at acceptable cost. The following summarizes Elizabeth Park’s policies with respect to its exercise of investment and brokerage discretion on behalf of the Accounts.

Elizabeth Park currently has three Accounts.

Selection Criteria for Brokers and Dealers

Elizabeth Park places orders for the purchase or sale of securities with the primary objective of seeking prompt execution of orders at the most favorable price and execution readily obtainable from responsible brokers at competitive commission rates. Elizabeth Park insists on a high standard of quality regarding execution services and deals only with brokers that can meet that standard. Elizabeth Park also places value on brokers who are able to provide useful research assistance and quality client service.

Elizabeth Park’s objective in selecting brokers and in effecting portfolio transactions is to seek to obtain the best combination of price and execution readily available under the circumstances and given the requirements of the trade for an Account’s portfolio transactions. The best net result, giving effect to brokerage commissions, spreads and other costs, is normally an important factor in this decision, but a number of other judgmental factors are considered as they are deemed relevant. In applying these factors, Elizabeth Park recognizes that different brokers may have different execution capabilities with respect to different types of securities and transactions, and that no one broker will likely be judged the best at every relevant factor as a general matter or with respect to any particular transaction.

The factors Elizabeth Park considers may include, but are not limited to:

- Elizabeth Park’s knowledge of negotiated commission rates and spreads currently available, to seek to determine whether the broker’s rates are competitive and reasonable and the broker’s ability to provide the best price, net of brokerage commissions, spreads or other costs;

- the broker's perceived knowledge of, and expertise in, securities, issuers and markets in which Accounts invest and the broker's apparent familiarity with the sources from or to whom particular securities might be purchased or sold;
- the nature of the security being traded;
- the size and type of the transaction;
- the nature and character of the markets for the security to be purchased or sold;
- the desired timing of the trade and the broker's ability to meet Elizabeth Park's required or requested speed of execution;
- the activity existing and expected in the market for the particular security;
- the broker's access to primary and other relevant markets and quotation sources;
- confidentiality and the broker-dealer's ability to execute a transaction without causing undue market movements;
- the execution, clearance and settlement capabilities as well as the reputation, reliability and perceived soundness of the broker selected and others which are considered;
- Elizabeth Park's knowledge of the broker's technological infrastructure and trading system as well as any actual or apparent operational problems of any broker;
- the quality of the broker's execution services rendered on a continuing basis and in other transactions (including the quality of communication between Elizabeth Park and the broker);
- the broker's reliability in executing and settling trades, keeping records and accounting for and correcting the broker's trade errors and failed trades or settlements;
- the broker's ability and willingness to accommodate Elizabeth Park's needs with respect to one or more trades – including the ability and willingness to maintain acceptable quality of execution in unusual or volatile market conditions and, if necessary, to commit capital by taking positions in order to complete trades;
- the availability of the broker to stand ready to execute possible difficult transactions in the future;
- the broker's abilities and expertise with respect to block trading and arbitrage;
- the broker's access to, and expertise in, initial public offerings, limited offerings and restricted or illiquid securities;
- the broker's access to other markets through which the Accounts may invest from time to time; and
- the quality of research and brokerage services provided by the broker and whether Elizabeth Park maintains a soft dollar relationship with the broker.

When buying or selling securities in dealer markets, Elizabeth Park may, subject to its duty to seek best execution, deal directly with market makers either on a commission basis or on a "net" basis, without paying the market maker any commission, commission equivalent or markup/markdown other than the "spread." Net trades mean that the market maker profits from the "spread," that is, the difference between the price paid (or

received) by the Account and the price received (or paid) by the market maker in trades with other brokers or other customers.

“Soft Dollar” or Research/Execution Policy

Brokers typically provide a bundle of services including research and execution of transactions. As noted above, Elizabeth Park may consider research and other services provided by brokers in making trading decisions and, as it deems appropriate, may use a portion of the commissions generated when executing Account transactions (commonly referred to as “soft dollars”) to acquire useful research and brokerage services (“soft dollar items”) in a manner consistent with the “safe harbor” provided by Section 28(e) of the Securities Exchange Act of 1934, as amended. Under the safe harbor, as it has been interpreted by the SEC, Elizabeth Park may use soft dollars to acquire soft dollar items even where such soft dollar items may also be available for cash, to the extent appropriate and permitted by law, when such items assist Elizabeth Park in meeting the Accounts’ investment objectives or in managing the Accounts.

Research services provided by a broker can be either proprietary (created and provided by the broker, including tangible research products as well as access to analysts and traders) or third-party (created by a third party but provided by the broker). Elizabeth Park may use soft dollars to acquire either type of research and any permissible brokerage service. The receipt of these services in exchange for soft dollars benefits Elizabeth Park by allowing Elizabeth Park, at no direct cost, to among other things: (i) supplement and enhance its own research and analysis activities; (ii) receive the views and information of individuals and research staffs of other securities firms; and (iii) gain access to persons having special expertise on certain companies, industries, areas of the economy and market factors.

Thus, in allocating brokerage, and consistent with Elizabeth Park’s policies and procedures, Elizabeth Park takes into account the value of permissible soft dollar items services provided by a broker, and may pay a higher rate or amount of commissions to brokers who provide soft dollar items, as long as doing so is not inconsistent with the objective of seeking best price and execution for Account transactions. Elizabeth Park’s policies with respect to the use of soft dollars is consistent with the safe harbor except when local laws, rules and regulations applicable to the markets or brokers through which Elizabeth Park executes Account transactions impose limitations or restrictions that are in excess of those imposed by Section 28(e), which may limit Elizabeth Park’s ability to maximize its use of client commissions for the benefit of the Accounts. Consistent with the safe harbor, in determining whether to “pay up” for a particular execution or in connection with soft dollar items, Elizabeth Park evaluates whether the soft dollar item(s):

- (i) with respect to research items, consist of advice, analyses or reports containing substantive content with respect to appropriate subject matter(s) or
- (ii) with respect to brokerage items, are sufficiently related to the effectuation, clearance or settlement of a transaction and are provided and/or used during the time period commencing when Elizabeth Park communicates with the relevant broker for the purpose of transmitting an order for execution and

- concluding when the funds or securities are delivered or credited to the Account or a relevant agent;
- provide lawful and appropriate assistance to Elizabeth Park in carrying out its relevant responsibilities to Accounts; and
- are acquired for a commission amount which is reasonable in relation to the value of the soft dollar item(s).

Research obtained with soft dollars will not always be utilized by Elizabeth Park for the specific Account that generated the soft dollars. It should be noted that the value of many soft dollar items cannot be measured precisely and commissions paid for such items certainly cannot always be allocated to Accounts in direct proportion to the value of the services to each Account. Because, as discussed below, Elizabeth Park may batch Account transactions, brokerage commissions attributable to one or more Accounts may be allocated to brokers who provide statistical data and other research used by Elizabeth Park in managing other Accounts, and vice versa. Although it is often inevitable (at least in the short run) that commissions paid by one Account may, in effect, subsidize services that benefited another Account, over time, Elizabeth Park believes that any distortions should balance out as Elizabeth Park's various sources of research and brokerage services enable Elizabeth Park to make better investment decisions and execute more effective trades for all Accounts. As such, Elizabeth Park does not usually attempt to allocate the relative costs or benefits of research among Accounts because it believes that, in the aggregate, the soft dollar items it receives benefits all of the relevant Accounts and assists Elizabeth Park in fulfilling its overall duty to the Accounts.

Elizabeth Park may use soft dollars to pay for any specific service or for any portion of its "mixed use" items (products or services that provide both research and non-research benefits). In such instances, and where a cash value is affixed to the service or item, Elizabeth Park may use available soft dollar credits and pay cash to make up any difference. Further, if the product or service obtained by Elizabeth Park is a mixed use item, Elizabeth Park may use soft dollars for the research (or brokerage) portion and pay cash for the remainder. Although the allocation between soft dollars and cash is not always capable of precise calculation, Elizabeth Park will make a good faith effort to allocate such items reasonably. Records of any such allocations and payments will be prepared and maintained.

Other Limitations Resulting from Legal, Regulatory or Market Features

Legal or regulatory restrictions or reporting requirements related to certain types of investments or investment thresholds may limit Elizabeth Park's freedom of action or may have an adverse effect on the price or liquidity of a holding. For example, when certain aggregate ownership thresholds (which may apply across all Accounts) are reached, the ability of any Account to purchase or sell an investment, exercise rights (including voting rights) or engage in transactions may be restricted or impaired or may trigger reporting obligations which would entail the disclosure of Elizabeth Park's or such Accounts' interests in the relevant investment or issuer, which may adversely affect price and liquidity. Elizabeth Park may, in its discretion, limit additional purchases, dispose of existing holdings, or refrain from exercising certain rights, when Elizabeth

Park believes that doing so is appropriate in light of regulatory requirements or restrictions.

Allocations

When Elizabeth Park determines that it would be appropriate for multiple Accounts to participate in an investment opportunity, Elizabeth Park will seek to execute orders for all of the participating Accounts, on an equitable basis (subject to the limitations discussed above). Specifically, to the extent feasible under applicable rules and regulations, if Elizabeth Park has determined to invest at the same time for more than one Account, Elizabeth Park may place combined orders for all such accounts simultaneously and, if any order is not filled at the same price, Elizabeth Park may average the prices paid. Similarly, if an order on behalf of more than one Account cannot be fully executed under prevailing market conditions, Elizabeth Park may allocate the securities traded among the different accounts on a basis which Elizabeth Park considers equitable. Situations may occur where Elizabeth Park could be disadvantaged because of the investment activities conducted by Elizabeth Park for other investment accounts.

Batch Transaction Policy

Because the size and mandate of Accounts may differ, the securities held in Accounts may not be identical. In appropriate circumstances, any Account managed by Elizabeth Park may purchase or sell a security prior to other Accounts managed by Elizabeth Park. This could occur, for example, as a result of the specific investment objectives of the Account, different cash resources arising from contributions or withdrawals, or the purchase of a small position to assess the overall investment desirability of a security. In most circumstances, transactions for each Account are effected independently, unless Elizabeth Park independently determines to purchase or sell the same securities for several Accounts at approximately the same time. However, Accounts that are managed to the same or similar strategies may have similar or identical portfolio compositions and weightings and Elizabeth Park may seek to acquire or dispose of the same securities for all (or many) of such similar Accounts contemporaneously.

In either case, as part of the duty to seek best price and execution and to the extent consistent with relevant investment advisory agreements and other Governing Documents, Elizabeth Park may, but is not required to, “bunch” or batch together purchases or sales for such Accounts and allocate the trades, in a manner that is fair and equitable over time, across participating Accounts to facilitate best execution. Use of batch transactions may allow Elizabeth Park to negotiate more favorable prices, obtain more timely, efficient and equitable executions or reduce overall commission charges. While Elizabeth Park may effect trades in this manner to reduce the overall level of brokerage commissions paid or otherwise enhance the proceeds or other benefits of the trade for the Accounts, because Elizabeth Park may direct transactions to brokers based on both their ability to provide high quality execution and the nature and quality of research services, if any, such brokers provide to Elizabeth Park, an Account may not always pay the lowest available commission rates when its trades are effected in this manner, so long as Elizabeth Park believes that the batched transaction is consistent with Elizabeth Park’s duty to seek best execution.

Elizabeth Park may also consider the following when allocating trades and determining whether or how to use a batch transaction: (i) recent and anticipated cash flow changes (including available cash, redemptions, exchanges, capital additions and capital withdrawals) which may provide a basis to deviate from a pre-established allocation so long as it doesn't result in an unfair advantage to specific Accounts or types of Accounts over time; (ii) Accounts with specialized investment strategies, objectives or restrictions emphasizing investment in a specific category of securities may be given priority over other Accounts in allocating such securities; (iii) the proportion that the size of the Account's order bears to the total amount desired by all Accounts; (iv) the size of each Account's original order; (v) the desire to achieve "round lots"; (vi) the Account's asset size; and (vii) the Account's (and other participating Account's) current holdings of the security.

Except when inconsistent with the Code, Elizabeth Park may include proprietary or personal accounts in such aggregate trades, subject to its duty to seek best execution.

Allocation of "New Issues"

Elizabeth Park may invest Accounts in "New Issues," as defined in relevant rules established by the Financial Industry Regulatory Authority ("FINRA"). To the extent that Elizabeth Park determines to invest Accounts in New Issues, such investments will be allocated fairly and consistently with FINRA Rules 5130 and 5131 (the "New Issues Rule"). The New Issues Rule provides that broker-dealers, their affiliates and certain other persons ("restricted persons") may not be able to participate in New Issues. Newly issued Rule 5131 restricts the ability of executive officers and directors of public companies and certain non-public companies meeting certain thresholds from participating in the sale of New Issues by their companies in certain circumstances.

Only Accounts that are eligible under the New Issues Rule to participate in profits and losses attributable to New Issues ("Eligible Accounts") will be permitted to receive allocations of New Issues. Elizabeth Park will make allocations of New Issues generally on a *pro rata* basis, and in any event in accordance with Elizabeth Park's batch trading procedures, subject, as noted here, to considerations imposed by the New Issues Rule, among Eligible Accounts. However, Elizabeth Park may consider, when allocating New Issues, any relevant tax implications for the Accounts and whether and to what extent the Accounts' custodian is capable of executing same day trades in New Issues.

To the extent that Accounts advised by Elizabeth Park expect to invest in New Issues, Elizabeth Park, on behalf of the Accounts, takes measures necessary to ensure compliance with the New Issues Rule which may include, for example, prohibiting or limiting investment by restricted persons or by creating multiple class structures pursuant to which a certain class (or classes) of interests may be issued only to restricted persons while other classes exclude restricted persons.

Portfolio management personnel are typically restricted persons (and thus are restricted by the New Issues Rule from making New Issues investments). Additionally, Elizabeth

Park's Code requires that any investment in a new issue security by relevant Elizabeth Park personnel be pre-cleared by Elizabeth Park's CCO.

Services Provided by Custodians and/or Prime Brokers

Elizabeth Park may select one or more firms to serve as custodian to hold the funds and securities of a related Account. The identity of, and other relevant information about, the custodian for each Account is contained in each Account's PPM. Elizabeth Park reserves the right, in its sole discretion (subject, however, to the relevant Account's Governing Documents), to change relevant custodial and brokerage arrangements without further notice to Investors in the Accounts.

A custodian may also serve as a prime broker for, and be selected to execute transactions on behalf of, the Accounts, as consistent with Elizabeth Park's duty to seek best execution. In addition to custody and execution, a prime broker may provide other core functions (such as reporting, clearing, financing, securities lending, and client service) as well as value added items (such as capital introductions, advanced research and analytics and technology services) to the Accounts. Elizabeth Park may take advantage of some or all of these value added functions with respect to any particular Account it advises. Certain of these services may be outside the soft dollar safe harbor.

Prime Brokerage Services

As discussed above, Elizabeth Park's use of a prime broker or custodian with respect to the Accounts may yield increased administrative ease and, therefore, increased profitability for Elizabeth Park. A prime broker may from time to time introduce potential Investors to the Accounts. Elizabeth Park may, as noted above, take prime brokerage services, including capital introduction, into account when selecting a prime broker or custodian.

Because an increase in the size of an Account would likely result in additional compensation or other benefits to a prime broker, a prime broker may receive a benefit from introducing investors to an Account. For example, a prime broker is entitled to sell, loan or otherwise use an Account's portfolio securities (securities so used being referred to herein as "*Collateral*") for its own purposes or the purposes of any third party, and the Accounts have a contractual right against the prime broker for the return of assets equivalent to the Collateral. Collateral may not, therefore, be recoverable in full in the event of the prime broker's insolvency. The use of a prime broker and these arrangements subject Accounts to the risk that the relevant counterparty will not be able to meet its obligations to Elizabeth Park and/or the Accounts.

ITEM 13: REVIEW OF ACCOUNTS

Fred Cummings, the President and Managing Member of Elizabeth Park, reviews the investments held in each Account on an ongoing basis in order to ensure ongoing suitability of those holdings and their consistency with its investment guidelines. This monitoring will enable Elizabeth Park to focus on situations in which it may be

appropriate to replace a particular holding with a more attractive company identified through its ongoing research and analysis. Mr. Cummings confers with and considers information provided by the members of his investment team when evaluating and making decisions for Accounts. While such personnel may provide information or insight regarding, among other things, investment ideas, economic developments, current events, investment strategies, and issues related to one or more portfolio holdings, Mr. Cummings has full discretion over the investment decisions made for each Account. In addition to his day-to-day oversight of the Accounts, Mr. Cummings performs periodic reviews of the Accounts to ensure that each is managed in accordance with stated investment guidelines and objectives. In performing such periodic reviews, additional or particular aspects of an Account's portfolio (e.g., utilization of leverage) may be considered. Elizabeth Park has established risk management guidelines and monitors the portfolio of each Account on a regular basis to ensure compliance with risk guidelines.

Reports

Investors in each Account receive periodic reports, communications and/or statements, as set forth in the relevant Account's Governing Documents and PPM, or as otherwise agreed. Generally, Investors in the Accounts receive unaudited performance reports quarterly. However, as noted above, certain Investors may have negotiated the right to receive more frequent or detailed reports than others.

Additionally, annual audited financial statements will be provided to each Investor within 120 days after the end of the relevant Account's fiscal year. Reports may include or be accompanied by information with respect to the performance of the Account, information about the Investor's capital account(s) or shares, as applicable, and certain tax-reporting information (e.g., Form K-1). Under relevant local law, Elizabeth Park and/or an Account may be required to prepare and distribute certain annual statements relating to the Account and its Investors. Investors agree to cooperate with Elizabeth Park by providing information and computations necessary to such reports.

Elizabeth Park may rely on information provided by affiliates or third parties in preparing reports and an affiliate or third party may assist in preparing or distributing reports. To the extent reports include or rely upon information from a source other than Elizabeth Park (e.g., index information when a report includes a comparison of an Account's performance to one or more indices), Elizabeth Park attempts to obtain such information from reliable sources, however the accuracy of such information cannot be guaranteed. Additionally, as noted in Item 6 above, reports may include or rely upon fair value determinations made by Elizabeth Park or a third party. While such valuations are made in good faith, their actual or empirical accuracy cannot be guaranteed.

Representatives of Elizabeth Park may be made available for discussions with Investors on a periodic or agreed upon basis.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

The Accounts may, in the discretion of the GP, appoint one or more brokers or placement agents to assist in the placement of Interests (each, a “*Placement Agent*”). Placement fees payable to Placement Agents in respect of Interests sold by it will be paid out of the fees and allocations payable to Elizabeth Park and the GP, respectively, and will not increase the fees and allocations payable by Investors. Such placement fees will vary depending on the arrangements between the Account and the Placement Agent.

Placement Agents that solicit investors on behalf of the Accounts will be entitled to receive placement fees in respect of Interests sold by it equal to a percentage of the management fees received by Elizabeth Park and the incentive fee or allocation received by the GP. As a result, Placement Agents have a substantial financial interest in selling Interests in the Accounts to its clients and others. Such placement fees will vary depending on the arrangements between the Account and the Placement Agent.

Zuheir Sofia, who owns a 1% interest in the GP, is currently paid 20% of any management fees payable by an Account which are attributable to capital contributions from Investors that he has referred to such Account.

ITEM 15: CUSTODY

The Adviser provides each Investor in an Account audited financial statements within 120 days following the Account’s fiscal year end. If you have invested in an Account and have not received audited financial statements timely, please contact us immediately.

Elizabeth Park may select one or more firms to serve as custodian to hold the funds and securities of a related Account. The identity of, and other relevant information about, the custodian for each Account is contained in each Account’s PPM. Elizabeth Park reserves the right, in its sole discretion (subject, however, to the relevant Account’s Governing Documents), to change relevant custodial and brokerage arrangements without further notice to Investors in the Accounts.

A custodian may also serve as a prime broker for, and be selected to execute transactions on behalf of, the Accounts, as consistent with Elizabeth Park’s duty to seek best execution. In addition to custody and execution, a prime broker may provide other core functions (such as reporting, clearing, financing, securities lending, and client service) as well as value added items (such as capital introductions, advanced research and analytics and technology services) to the Accounts. Elizabeth Park may take advantage of some or all of these value added functions with respect to any particular Account it advises. Certain of these services may be outside the soft dollar safe harbor.

ITEM 16: INVESTMENT DISCRETION

Investors in the Accounts will have no authority to make decisions or participate in the management of or exercise business discretion with respect to the Accounts. The

authority to make all business decisions (including, most importantly, the selection of securities and execution) for an Account, is entrusted to the complete discretion of Elizabeth Park and the GP. Accordingly, no person should invest in an Account unless he or she is willing entrust all aspects of the management of the Account to Elizabeth Park and the GP.

Each Account enters into an investment advisory agreement with Elizabeth Park pursuant to which the Account delegates to Elizabeth Park full investment discretion over the Account's assets.

ITEM 17: VOTING CLIENT SECURITIES

Elizabeth Park is generally responsible for voting proxies with respect to securities held in the Accounts. Elizabeth Park has ultimate authority with respect to proxy voting, including: (i) receiving proxy solicitations; (ii) determining whether Elizabeth Park has a material conflict of interest that would interfere with its ability to vote a proxy; (iii) voting (or refraining from voting) in the best interests of each relevant Account, when no such conflict has been identified; and (iv) determining how an identified conflict should be addressed. Elizabeth Park generally seeks to vote all proxies that are timely received; however, Elizabeth Park may refrain (or be precluded) from voting proxies where: (i) the effect of the proposal on an Account's interests is *de minimis* or the cost of exercising a vote materially outweighs the benefit (e.g., where the person voting is required or voting would limit Elizabeth Park's ability to engage in subsequent transactions in the subject issuer); (ii) where the securities are no longer held on the meeting date; (iii) where proxies were not received with sufficient time to make an appropriate voting determination and cast a vote; and (iv) where the exercise of voting rights is restricted or prohibited by the terms of the security, by applicable law, or otherwise (e.g., where Elizabeth Park holds an interest in an issuer through participatory notes, no voting right is conferred with respect to the underlying equity).

Elizabeth Park acknowledges its responsibility for identifying material conflicts of interest prior to voting proxies. Relevant personnel of Elizabeth Park are expected to disclose to the CCO any personal conflicts such as director or officer positions held by them, their spouses or close relatives in a soliciting issuer or another party interested in the proxy measure (personnel having such conflicts will be prohibited from participating in or contributing to voting decisions). The CCO will also consider whether Elizabeth Park has any business relationships with a soliciting issuer or another party interested in the proxy measure. The following measures may be employed when a conflict of interest is identified to insulate the voting decision from the conflict: (i) disclosing the conflict to a board of directors responsible for the Account (e.g., the Account's or a feeder fund's board) or the Investors and obtaining voting instructions or consent from such board or Investors; (ii) voting based on the recommendations of an independent third-party such as a proxy voting service; (iii) mirror voting the proxies in the same proportion as the votes of other proxy holders; or (iv) voting in accordance with pre-determined voting criteria, if it involves little or no discretion. In making voting decisions in the absence of a conflict, Elizabeth Park has discretion to take action in the manner it believes to be in the best interests of the relevant Account(s). Elizabeth Park believes that an Account's "best

interest” is served by voting in a manner believed to improve the Account’s economic interest in the subject security over the long term. That is, each Account’s best interest is the common interest that the Account, as an Investor in the soliciting issuer, shares in seeing the value of a common investment increase over time and irrespective of any political or social interests of Elizabeth Park or an Investor.

ITEM 18: FINANCIAL INFORMATION

A balance sheet is not required to be provided because Elizabeth Park does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$500 per client, and six month or more in advance. Elizabeth Park has never been subject of a bankruptcy petition at any time.

Elizabeth Park Capital Advisors, Ltd. (“Elizabeth Park”)

Form ADV, Part 2B
(the “Brochure Supplement”)

March 2014

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This Brochure Supplement provides information about Fred Cummings, Founder, President/Managing Member, Michael Bartlett, Senior Analyst, Ernest Pelaia, Chief Operating Officer and Tolga Habip, Senior Analyst. It supplements Elizabeth Park Capital Advisors, Ltd.’s accompanying Form ADV Brochure. Please contact Elizabeth Park Capital Advisors, Ltd. at (216) 292-5755 if you have any questions about the Form ADV Brochure or this Brochure Supplement, or if you would like to request additional or updated copies of either document.

Fred Cummings, Founder and President/Managing Member

Mr. Cummings has approximately 24 years experience in the securities industry, primarily as a Senior Research Analyst covering the banking industry. Mr. Cummings was employed by McDonald Investments/KeyBanc Capital Markets from June 1989 until February 2007. From June 1991 until February 2007, he led the financial institutions research group and was responsible for covering over 20 banks and thrifts, including all the large banks in Indiana, Michigan and Ohio. Mr. Cummings also published several widely followed reports on the region's banks and thrifts and was widely quoted. He has been recognized as one of The Wall Street Journal's 1998 All-Star Analysts, ranking first in stock-picking and second in estimate accuracy. Mr. Cummings was employed by FSI Group, Inc as a Senior Analyst from March 2007 until August 2007.

Mr. Cummings graduated with honors in Economics from Oberlin College in May 1989.

Additional information about Fred Cummings and Elizabeth Park's investment and review process is available on the SEC's website at www.adviserinfo.sec.gov.

Fred Cummings has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Fred Cummings or Elizabeth Park.

Fred Cummings is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Elizabeth Park.

Fred Cummings does not receive economic benefits from any person or entity other than Elizabeth Park in connection with the provision of investment advice to clients.

As Elizabeth Park's founder and President/Managing Member, Fred Cummings maintains ultimate responsibility for the company's operations. Mr. Cummings discusses investment decisions with the other members of the Elizabeth Park investment team. These individuals can be reached directly by calling the telephone number on the cover of this Brochure Supplement.

Fred Cummings has not been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;

- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

3. A bankruptcy petition

Michael Bartlett, Senior Analyst

Prior to becoming a Senior Analyst at Elizabeth Park, Michael worked as a sell-side equity research associate first covering technology hardware at William Blair & Co. in Chicago and later covering Steel/Metals at KeyBanc Capital Markets in Cleveland. Prior to William Blair, Michael worked at Banc One Capital Markets in their Hedge Fund Credit Underwriting Team, and also in roles with increasing responsibility within Bank One's Private Client Services – initially as an associate, then as an analyst, and finally as an Investment Specialist maintaining and growing a client book of business worth over \$25 million. Mr. Bartlett has been a CFA Charterholder since 2003, earned a B.A. in Business, from Lake Forest College in 2000, and a M.B.A. with High Honors and concentrations in Finance and Accounting from University of Chicago's Graduate School of Business in 2006. He lives in Hudson Ohio with his wife Jessica and their three sons.

Michael Bartlett has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Michael Bartlett or Elizabeth Park.

Michael Bartlett is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Elizabeth Park.

Michael Bartlett does not receive economic benefits from any person or entity other than Elizabeth Park in connection with the provision of investment advice to clients.

Mr. Bartlett can be reached directly by calling the telephone number on the cover of this Brochure Supplement.

ITEM 6: SUPERVISION

Fred Cummings and Michael Bartlett are authorized to place orders for the Accounts. Michael Bartlett typically places orders when Fred Cummings is out of the office. All orders placed by Michael Bartlett must be pre-approved by Fred Cummings, the President and Managing Member, who can be reached at 216-292-5755.

Michael Bartlett has not been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

3. A bankruptcy petition

Ernest C. Pelaia, Chief Operating Officer

For 22 years prior to becoming COO at Elizabeth Park, Mr. Pelaia worked for KeyBank and/or its investment management subsidiary, Victory Capital Management. Most

recently he served as the CIO of Passive Investments for Victory responsible for over \$3 billion in AUM. While CIO, he lead the firms transition from an active fixed income manager to a passive strategy integrating a new analytics system and investment process into a new operating infrastructure and existing compliance/trade order entry systems. He was also the firms Government Specialist and Socially Responsible Investments resource. Prior to becoming CIO, Mr. Pelaia was a Sr. Portfolio Manager and Director at Victory responsible for all Passive Investments and risk management for the long only Fixed Income products. He also managed portfolio attribution and the trade order entry/allocation process. Mr. Pelaia began career at Key as a Corporate Actions Analyst moving on to become a Trader and AVP in the firms Treasury Department where he headed the execution side of all parent company debt issuance.

Mr. Pelaia has B.A., in Business Economics, from The College of Wooster in 1990.

Ernest C. Pelaia has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Ernest C. Pelaia or Elizabeth Park.

Ernest C. Pelaia is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Elizabeth Park.

Ernest C. Pelaia does not receive economic benefits from any person or entity other than Elizabeth Park in connection with the provision of investment advice to clients.

Mr. Pelaia can be reached directly by calling the telephone number on the cover of this Brochure Supplement or at 216-292-5711.

ITEM 6: SUPERVISION

As Chief Operating Officer, Ernest C. Pelaia is not authorized to place orders for the Accounts. Fred Cummings and Michael Bartlett are authorized to place orders for the Accounts. Michael Bartlett typically places orders when Fred Cummings is out of the office. All orders placed by Michael Bartlett must be pre-approved by Fred Cummings, the President and Managing Member, who can be reached at 216-292-5755.

Ernest C. Pelaia has not been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or

(e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

(a) an investment or an investment-related business or activity;

(b) fraud, false statement(s), or omissions;

(c) theft, embezzlement, or other wrongful taking of property;

(d) bribery, forgery, counterfeiting, or extortion; or

(e) dishonest, unfair, or unethical practices.

3. A bankruptcy petition

Tolga Habip, Senior Analyst

Prior to joining the Elizabeth Park Capital in November of 2012, Tolga worked with the firm as a consultant providing research services. From 2002 to 2009, Mr. Habip founded Inflection Capital and managed a long/short equity financial sector fund and a multi industry quantitative strategy. For two year prior to venturing off on his own, Mr. Habip worked for AIG as an Associate in their Mergers & Acquisitions Group. He began his

career with Barclays Capital serving as an Associate for three years in their Financial Institutions Group.

Mr. Habip Graduated Cum Laude in May 1996, B.S. in Economics from The Wharton School, University of Pennsylvania

Tolga Habip has not been involved in any legal or disciplinary events that would be material to a client's evaluation of Tolga Habip or Elizabeth Park.

Tolga Habip is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Elizabeth Park.

Tolga Habip does not receive economic benefits from any person or entity other than Elizabeth Park in connection with the provision of investment advice to clients.

Tolga Habip can be reached directly by calling the telephone number on the cover of this Brochure Supplement or at 212-828-8424.

ITEM 6: SUPERVISION

As Senior Analyst, Tolga Habip is not authorized to place orders for the Accounts. Fred Cummings and Michael Bartlett are authorized to place orders for the Accounts. Michael Bartlett typically places orders when Fred Cummings is out of the office. All orders placed by Michael Bartlett must be pre-approved by Fred Cummings, the President and Managing Member, who can be reached at 216-292-5755.

Tolga Habip has not been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

3. A bankruptcy petition