

**Eaglevale Partners LP**

**March 24, 2015**

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**This Brochure provides information about the qualifications and business practices of Eaglevale Partners LP (the “Adviser”). If you have any questions about the contents of this Brochure, please contact Gary G. Tynes at (212) 621-4500 or [gtynes@eaglevalepartners.com](mailto:gtynes@eaglevalepartners.com). This information has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.**

**Additional information about the Adviser also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Registration with the SEC does not imply a certain level of skill or training.**

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**Item 2. Material Changes**

The Adviser is updating its Brochure as of March 24, 2015 as part of its annual amendment filing. There are no material changes to the Adviser's Brochure dated as of February 13, 2014, however, the Adviser has made some routine updates and clarifying changes to the Brochure, including certain changes relates to its management of additional client accounts.

**TABLE OF CONTENTS**

Item 2. Material Changes .....	2
Item 4. Advisory Business.....	4
Item 5. Fees and Compensation .....	4
Item 6. Performance-Based Fees and Side-by-Side Management .....	5
Item 7. Types of Clients .....	6
Item 8. Methods of Analysis, Investment Strategies and Risk of Loss .....	6
Item 9. Disciplinary Information.....	9
Item 10. Other Financial Industry Activities and Affiliations.....	9
Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	9
Item 12. Brokerage Practices.....	10
Item 13. Review of Accounts .....	12
Item 14. Client Referrals and Other Compensation .....	12
Item 15. Custody .....	12
Item 16. Investment Discretion .....	12
Item 17. Voting Client Securities.....	13
Item 18. Financial Information.....	13

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#### **Item 4. Advisory Business**

The Adviser is an investment adviser with its principal place of business in New York, New York. The Adviser commenced operations on April 9, 2012 and became registered with the SEC as an investment adviser on March 29, 2012. Bennett G. Grau, Kenneth Mark Mallon II and Marc M. Mezvinsky are the principal owners of the Adviser.

The Adviser provides investment advisory services on a discretionary basis to its clients, which include private funds that are pooled investment vehicles intended for sophisticated investors and institutional investors (collectively, the “Funds”) and separately managed accounts (which may be structured as fund vehicles established for one investor) for institutional investors (the “Accounts” and together with the Funds, the “clients”).

The Adviser provides advice to its clients based on the specific investment objectives and strategies described in the offering memorandum of a Fund, or the investment management agreement or other governing document for a client.

The Adviser does not tailor advisory services to the individual needs of its clients. Investors in the Funds may not impose restrictions on the types of securities and other financial instruments in which the Funds may invest, however, the Accounts may impose restrictions on their respective investments in certain types of securities and other financial instruments.

As of December 31, 2014, the Adviser had approximately \$346,574,030 in regulatory assets under management, all of which were managed on a discretionary basis.

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#### **Item 5. Fees and Compensation**

##### **Management Fee**

The Adviser is paid an asset-based investment management fee ranging from 1.25% to 2.0% per annum of the net assets of the respective client account (calculated in accordance with the governing documents of the relevant account).

To the extent a client account is charged its management fee quarterly in arrears, the fee is calculated based on the value of the account as of the last day of each quarter and the management fee is prorated for any period that is less than a full quarter. To the extent a client account is charged its management fee quarterly in advance then the fee is based on the value of the account as of the first day of the quarter and such fee will be prorated to the extent that subscriptions or withdrawals are made during such quarter. Any pre-paid management fees will be refunded based on the number of days remaining in the applicable period if the investment management agreement is terminated before the end of the relevant period.

The management fee may be waived or reduced for an investor in a Fund that is a member, principal, employee or affiliate of the Adviser, Eaglevale Partners GP LLC, relatives of such persons and certain large or strategic investors.

##### **Performance-Based Compensation**

The Adviser (or an affiliate of the Adviser) may be paid annual performance-based compensation, which is compensation that is based on a share of the net capital appreciation of the assets of a client. This performance-based compensation ranges from 15% to 20% and is subject to a loss carryforward provision, which is adjusted to account for any withdrawals.

The performance-based compensation may be waived or reduced for an investor in a Fund that is a member, principal, employee or affiliate of the Adviser, Eaglevale Partners GP LLC, relatives of such persons and certain large or strategic investors.

More detailed information about the fees paid by investors in the Funds may be found in each Fund's offering documents and the fees applicable to other client accounts are as set forth in the account's investment management agreement or other governing document, as applicable.

The management fee and any performance-based compensation with respect to a Fund is calculated by the Fund's third party administrator. With respect to a Fund, the management fee is paid pursuant to instructions from the Adviser and the performance based compensation paid to an affiliate of the Adviser is structured as a re-allocation of profits. Other client accounts are sent an invoice for the management fee and performance-based compensation, based on information provided by the third-party administrator for the account or the client's internal accounting department, as applicable.

In addition to paying the management fee and performance-based compensation, certain client accounts are also subject to other expenses such as expenses of the administrator, legal, auditing, accounting (including internal accounting software), tax compliance and tax consulting expenses; entity-level taxes and other professional expenses; research expenses (including fees of consultants that provide technical or fundamental research, subscription fees for data services such as Reuters and Bloomberg, analytics software, risk management software, portfolio management software, order management software and research-related travel expenses); expenses of third-party valuation agents; investment expenses such as commissions; interest on margin accounts and other indebtedness; custodial fees; bank service fees; and other expenses related to the purchase, sale or transmittal of client assets.

Client assets may be invested in ETFs, and in these cases, the client will bear its pro rata share of the investment management fee and other fees of such fund, which are in addition to the management fee or performance based compensation paid or allocated to the Adviser (or an affiliate of the Adviser). Certain of the Adviser's clients are organized as master-feeder structures and accordingly, the feeder funds in each structure bear their pro rata share of the expenses of the relevant master fund. In addition, clients will incur brokerage and other transaction costs. Please refer to Item 12 of this Brochure for a discussion of the Adviser's brokerage practices.

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## **Item 6. Performance-Based Fees and Side-by-Side Management**

The Adviser (or an affiliate of the Adviser) receives performance-based compensation from clients. The Adviser and its investment personnel provide investment management services to multiple clients. Certain client accounts may be subject to higher management fees or more favorable performance-based compensation arrangements than other client accounts. When the Adviser and its investment personnel manage more than one client account a potential conflict exists for one client account to be favored over another client account. Additionally, to the extent that the client accounts are managed in accordance with substantially similar investment strategies, there may be significant overlap in the securities and other financial instruments purchased or sold on behalf of such client accounts. To mitigate the risks associated with managing multiple client accounts, the Adviser has implemented policies and procedures intended to address these conflicts of interest. A description of the Adviser's allocation policy is included below and the Adviser's aggregation policy is described in Item 12 of this Brochure.

The Adviser reviews investment decisions for the purpose of ensuring that all accounts with substantially similar investment objectives are treated fairly and equitably over time. The performance of similarly managed accounts is also regularly compared to determine whether there are any unexplained significant discrepancies among those accounts. For a variety of reasons (as further described below), certain investments may not be allocated to a particular client account or investments may be allocated differently among client accounts (e.g., not on a pro rata basis). The following factors may be taken into account by the Adviser in determining whether it is appropriate to allocate securities and other financial instruments among all of the Adviser's investment advisory clients or whether certain securities and other

financial instruments should only be allocated to certain client accounts and also whether the allocations among advisory clients should differ: client's investment objective, strategy and guidelines (including bringing an account into compliance with any investment guidelines); the amount of capital available for investment, which may be based on the amount that the Adviser has determined to allocate to a particular strategy or with respect to investments in a particular geographic area or sector; the need to rebalance a client's portfolio; client's preference for permissible counterparty to be used for its account; risk profile and exposure targets; tax status; any restrictions placed on a client's portfolio by the client (including investment restrictions) or by virtue of applicable federal or state law (such as the Employee Retirement Income Security Act of 1974, as amended); size of and current composition of the client's account (determined as of the time a particular investment is made); total portfolio invested position; nature of the security or other financial instrument to be allocated (including liquidity constraints); size of available position; supply or demand for a security or other financial instrument at a given price level; current market conditions; timing of cash flows (including contributions and redemptions from client accounts) and account liquidity; and any other information determined to be relevant to the fair allocation of securities and other financial instruments.

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## **Item 7. Types of Clients**

The Adviser's clients consist of the Funds and the Accounts, however, the Adviser may also, in the future, serve as investment manager to other client accounts.

With respect to the Funds, the initial and additional subscription minimums for investors in the Funds are disclosed in the offering memorandum for each Fund, which may be waived at the discretion of the Adviser or the Fund's general partner, as applicable. With respect to the Accounts, the Adviser determines the minimum investment amount on a case-by-case basis with each advisory client.

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## **Item 8. Methods of Analysis, Investment Strategies and Risk of Loss**

The Adviser generally has broad and flexible investment authority with respect to the investment portfolios that it manages for its advisory clients. The Adviser utilizes a variety of methods and strategies to make investment decisions on behalf of client accounts depending on the applicable investment strategy and objective of such account. The Adviser generally pursues global macro investment strategies for its clients wherein the Adviser attempts to anticipate global macroeconomic events using discretionary selection. In developing investment ideas for those client accounts, the Adviser evaluates various factors, such as monetary policy, fiscal policy, GDP growth, geopolitical climate, inflation dynamics, capital flows and interest rates, among others. The Adviser also manages other client accounts that have a more specialized focus (either with respect to a particular region or investment type focus), which may be designed to capitalize on specific investment opportunities that the Adviser believes exist as of a particular time period and based on the market conditions at such time.

These methods, strategies and investments involve a risk of loss to clients and clients must be prepared to bear the loss of their entire investment.

The following summary identifies the material risks related to the Adviser's significant investment strategies and should be carefully evaluated before making an investment with the Adviser; however, the following does not intend to identify all possible risks of an investment with the Adviser or provide a full description of the identified risks.

### **Material Risks (Including Significant or Unusual Risks) Relating to Investment Strategy**

*Emerging Markets Risk.* Political risk for many developing countries is a significant factor. During certain social and political circumstances, governments may be involved in policies of expropriation, confiscatory taxation, nationalization, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls. In comparison to more developed markets, trading

volumes in emerging markets may be lower, which can result in a lack of liquidity and greater price volatility. Practices in relation to settlement of securities transactions in emerging markets involve higher risks than those in developed markets, in part because a client will need to use brokers and counterparties that may be less well capitalized and custody, registration and title of assets in some countries may be less reliable.

*Investments in Greece.* Certain of the Adviser's client accounts have a significant portion of their respective assets invested primarily in issuers based in Greece. Greece's economy is heavily dependent on the services sector and Greece also has a large public sector. Accordingly, decreasing demand for Greek products and services or changes in governmental regulations with respect to trade may have a significant adverse impact on Greece's economy. Greece has also experienced recent periods of high, persistent unemployment. Economic competitiveness has also decreased in recent years, and structural weaknesses exist that could impede economic growth and reduce competitiveness further. Greece has been required to impose harsh austerity measures on its population in order to receive financial aid from the IMF and EU member countries. The persistence of these factors poses risks for the country's economy in the future.

*Currency Exposure Risk.* Certain investments may be denominated in non-U.S. currencies; however, a client's account will be valued in U.S. dollars. A change in the value of such foreign currencies against the U.S. dollar will result in a corresponding change in the U.S. dollar value of a client's assets denominated in those currencies. Foreign currency exchange rates are determined by forces of supply and demand in foreign exchange markets. These forces are, in turn, affected by international balance of payments and other economic and financial conditions, government intervention, speculation and other factors. Foreign currency exchange rates may also be affected by government intervention in the foreign exchange markets.

*Counterparty Risk.* To the extent that the Adviser's clients invest in foreign exchange, swaps (including credit default swaps), derivative or synthetic instruments, repurchase agreements or other over-the-counter instruments, the Adviser may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. Transactions entered into directly between two counterparties expose the parties to the risk of counterparty insolvency and counterparty default upon settlement of a transaction.

*Leverage.* Performance may be more volatile since the Adviser may employ leverage. The use of leverage may result in (i) greater losses from investments than would otherwise have been the case had the Adviser not borrowed to make the investments, (ii) margin or collateral calls or interim margin requirements that may force premature liquidations of investment positions and (iii) losses on investments when the investment fails to earn a return that equals or exceeds the cost of borrowing. Additionally, the Adviser uses options, futures, options on futures, swaps, and other "synthetic" or derivative financial instruments, which inherently contain much greater leverage than a non margined purchase of the underlying security, commodity or other financial instrument.

*Lack of Diversification.* The Adviser invests primarily in worldwide currency, fixed-income, commodity, equities and equity related instruments and related derivative products. A client's portfolio may not be diversified among geographic areas, types of securities and other financial instruments. Additionally, as noted above, certain client accounts invest primarily in Greek securities (including those related to Greek financial institutions) and accordingly, such client accounts will not be diversified among geographic areas and may not be diversified among a wide range of sectors or issuers. Accordingly, the investment portfolio of a client account may be subject to more rapid change in value than would be the case if the Adviser were required to maintain a wide diversification among types of securities and other financial instruments.

*Interest Rate Risk.* The value of fixed-income instruments in which the Adviser trades will change in response to fluctuations in interest rates. When interest rates decline, the value of fixed-income instruments generally can be expected to rise. Conversely, when interest rates rise, the value of fixed-income instruments generally can be expected to decline.

*Custody Risk.* There are risks involved in dealing with the custodians or prime brokers who settle trades for client accounts. There is no guarantee that a prime broker, or any other custodian that may be used from time to time, will not become bankrupt or insolvent. While both the U.S. Bankruptcy Code and the U.S. Securities Investor Protection Act of 1970 seek to protect customer property in the event of a bankruptcy, insolvency, failure, or liquidation of a broker-dealer, it is likely that losses would be incurred due to assets being unavailable for a period of time, the ultimate receipt of less than full recovery of the assets, the ultimate receipt of different assets or some combination of the foregoing.

*Short Selling Risk.* Short selling, or the sale of securities or other financial instruments not owned by a client, necessarily involves certain additional risks. Such transactions expose the client to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and, in the case of certain short sales (e.g., foreign exchange, commodity or equity short sales), without effective limit.

### **Risks Associated with Types of Securities that are Primarily Recommended (Including Significant or Unusual Risks)**

*Foreign Exchange.* The Adviser, on behalf of client accounts, may engage in foreign exchange trading, including spot, forward contracts and other derivative transactions, including non-deliverable forwards (“NDFs”). There is no central clearing system for foreign exchange contracts entered into on this market. Furthermore, a client may attempt to novate or assign a foreign exchange contract to a third party, but the original counterparty would have to consent to any such novation or assignment. The inability to novate or assign a foreign exchange contract to a third party may affect the points of exit and entry with respect to a particular position.

*Options.* The use of options is a significant part of the Adviser’s implementation of the investment strategy and will be used for both hedging and directional risk taking. Options can be highly volatile and the prices of options can be subject to large swings. The value of options is subject to many factors including, but not limited to, time decay, volatility and interest rates. Because option premiums paid or received by an investor are small in relation to the market value of the investments underlying the options, buying put and call options can result in large amounts of leverage.

*Futures and Other Derivatives.* These instruments can be highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish positions in such instruments permit a high degree of leverage. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses.

*Non-U.S. Securities and Financial Instruments.* Investments in securities and other financial instruments of non-U.S. issuers (including non-U.S. governments) that are denominated or whose prices are quoted in non-U.S. currencies pose, to the extent not hedged, currency exchange risks (including blockage, devaluation and non-exchangeability) as well as other potential risks which could include expropriation, confiscatory taxation, political or social instability, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding non-U.S. issuers, and non-U.S. issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. issuers.

*Fixed-Income Instruments.* The value of fixed-income instruments will change in response to fluctuations in interest rates, volatility, perceptions of creditworthiness, political stability or soundness of economic policies. Valuations of certain fixed-income instruments may fluctuate in response to changes in issuer risk, counterparty credit risk or broader changes to the economic environment that may affect expectations of future cash flows.

*Government Securities.* Generally, these types of securities include obligations issued or guaranteed by government agencies, instrumentalities or sponsored enterprises. Government securities also include



global Treasury receipts and other stripped global government securities. These securities are subject to market and interest rate risk. Investments may also be made in zero coupon global Treasury securities and in zero coupon securities issued by financial institutions, which represent a proportionate interest in underlying global Treasury securities. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

*Securities of Companies with Foreign-Based Operations.* Certain client accounts make significant investments in the securities of issuers with a significant portion of their business and operations in, or a significant portion of their revenues from, Greece and other locations outside the U.S. and therefore are impacted by conditions in such countries. Investing in these securities involves additional considerations and risks beyond those typically involved in investing in U.S. companies, including the instability of some foreign 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 U.S. or abroad) or changed circumstances in dealings among nations.

*Commodities.* Commodity investments are affected by business, financial market or legal uncertainties. There can be no assurance that the Adviser will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on commodity investments. Prices of commodity investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the value of the investments of the Adviser's clients.

*Credit Default Swaps.* In addition to general market risks, credit default swaps are subject to liquidity risk and credit risk. The buyer of credit default swaps will incur a loss if the seller fails to perform on its obligation should a credit event occur. In certain circumstances, the buyer can receive the notional value of a credit default swap only by delivering a physical security to the seller, and is at risk if the deliverable security is unavailable or illiquid. Additionally, in the event of a default, the timing of any payment may be at the discretion of an auction/bond delivery or settlement process.

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#### **Item 9. Disciplinary Information**

This Item is not applicable.

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#### **Item 10. Other Financial Industry Activities and Affiliations**

The Adviser is registered as a commodity pool operator with the U.S. Commodity Futures Trading Commission. In connection with the Adviser's registration, certain employees and related persons of the Adviser are registered as associated persons, swap associated persons and/or principals of the Adviser.

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#### **Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

The Adviser has adopted a Code of Ethics (the "Code") that obligates the Adviser and its related persons to put the interests of the Adviser's clients before their own interests and to act honestly and fairly in all respects in their dealings with clients. All of the Adviser's personnel are also required to comply with applicable federal securities laws.

Clients or prospective clients may obtain a copy of the Code by contacting Gary G. Tynes, the Adviser's Chief Compliance Officer, by e-mail at [gtynes@eaglevalepartners.com](mailto:gtynes@eaglevalepartners.com), or by telephone at (212) 621-4500.

The Adviser, in the course of its investment management and other activities, may come into possession of confidential or material non-public information. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a client. The Adviser maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to ensure that the Adviser is meeting its obligations to clients and remains in compliance with applicable law.

The Adviser or its related persons may invest in the same securities (or related securities and other financial instruments, e.g., warrants, options or futures) that the Adviser or a related person recommends to clients. Such practices would present a conflict when, because of the information the Adviser has, the Adviser or its related persons are in a position to trade in a manner that could adversely affect clients (e.g., place their own trades before or after client trades are executed in order to benefit from any price movements due to the clients' trades). In addition to affecting the Adviser's or its related persons' objectivity, these practices by the Adviser or its related persons may also harm clients by adversely affecting the price at which the clients' trades are executed.

The Adviser has adopted the following procedures in an effort to minimize such conflicts: The Adviser requires its partners, officers, members, principals, employees and all other persons who provide investment advice on behalf of the Adviser and are subject to the supervision and control of the Adviser (i) who have access to nonpublic information regarding any clients' purchase or sale of securities, or nonpublic information regarding portfolio holdings or (ii) who are involved in making investment recommendations to clients (or who have access to such recommendations that are nonpublic) (collectively, "Covered Persons") to pre-clear certain transactions in their personal accounts (i.e., any account in which a Covered Person has any beneficial ownership) with the Chief Compliance Officer, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on one of the Adviser's clients. In addition, the Adviser's Code prohibits the Adviser or its Covered Persons from executing personal transactions of any kind in any securities or other financial instruments on a restricted list maintained by the Chief Compliance Officer. A Covered Person also may not execute a personal securities transaction in a personal account on a day during which the Adviser, on behalf of a client account, (i) executes a transaction in that security (or other financial instrument) or (ii) has a pending "buy" or "sell" order for that security (or other financial instrument). Additionally, no trade by a Covered Person may occur three calendar days before or after any trades executed on behalf of clients. All of the Adviser's Covered Persons are required to disclose their holdings upon commencement of employment with the Adviser and on an annual basis thereafter. All of the Adviser's Covered Persons are also required to provide monthly brokerage statements. Trading in employee accounts is reviewed by the Chief Compliance Officer (or his delegate) and compared with transactions for client accounts and reviewed against the restricted list.

The Adviser or a related person may, from time to time, recommend securities or other financial instruments to clients, or buy or sell securities or other financial instruments for client accounts, at or about the same time that the Adviser or a related person buys or sells the same securities or other financial instruments for its own account. However, the Adviser has adopted the procedures described above, including the prohibition on trading by a Covered Person in a personal account three calendar days before or after any trades are executed on behalf of clients, in order to minimize the conflicts stemming from situations where the contemporaneous trading results in an economic benefit for the Adviser or its related persons to the detriment of a client.

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## **Item 12. Brokerage Practices**

The Adviser considers a number of factors in selecting a broker-dealer or counterparty to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's (or counterparty's) compensation. Such factors include, but are not limited to, financial stability and creditworthiness; a client's preference to effect transactions with a particular broker or counterparty; the actual executed price and the commission or spread; research (including economic forecasts, investment strategy advice, fundamental and technical advice on securities and other financial instruments, valuation

advice and market analysis), custodial and other services provided for the enhancement of the Adviser's general portfolio management capabilities; the size and type of the transaction; the difficulty of execution and the ability to handle difficult trades; willingness of the broker or counterparty to make a market; and the operational facilities of the brokers and/or dealers involved (including back office efficiency). In selecting a broker-dealer or counterparty to execute transactions (or a series of transactions) and determining the reasonableness of the broker-dealer's compensation, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Adviser's practice to negotiate "execution only" commission rates; thus, a client may be deemed to be paying for research, brokerage or other services provided by a broker-dealer, which are included in the commission rate.

The Adviser may receive research or other products or services other than execution from a broker-dealer and/or counterparty in connection with client transactions. This is known as a "soft dollar" relationship. Currently, the Adviser has no soft dollar arrangements.

To the extent the Adviser enters into soft dollar arrangements in the future, except for services that would be a client expense, the Adviser will limit the use of "soft dollars" to obtain research and brokerage services to services of a type that would qualify as research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)") although, due to the trading strategy of certain of the Adviser's clients, certain arrangements through which the Adviser receives these services are not expected to be within the safe harbor afforded by Section 28(e). Investment transactions for clients and the use of commissions by the Adviser from them may be outside the safe harbor provided by Section 28(e) and applicable regulatory interpretations due to the type of investment, the market mechanism or the market intermediary compensation involved in the transaction. However, even when investment transactions for clients are outside the Section 28(e) safe harbor, the commissions paid will be used for the acquisition of Section 28(e) types of research and brokerage.

The Adviser and its related persons did not acquire any products or services with client brokerage commissions (or markups or markdowns) within its last fiscal year.

From time to time, the Adviser may participate in capital introduction programs arranged by broker-dealers or receive consulting assistance services from broker-dealers, including firms that serve as prime brokers to a private fund managed by the Adviser or recommend private funds managed by the Adviser as investments to their clients. The Adviser may place client portfolio transactions with firms who have made such recommendations or provided capital introduction opportunities or consulting services if the Adviser determines that it is otherwise consistent with seeking best execution. In no event will the Adviser select a broker-dealer as a means of remuneration for recommending the Adviser or any other product managed by the Adviser (or an affiliate) or affording the Adviser with the opportunity to participate in capital introduction programs or providing consulting services.

The Adviser currently does not recommend, request or require that a client direct the Adviser to execute transactions through a specified broker-dealer, nor does the Adviser permit clients to direct the Adviser to transact with a specific broker.

The Adviser may purchase or sell the same security or other financial instrument for multiple clients contemporaneously and using the same executing broker/dealer or counterparty. It is the Adviser's practice, when appropriate, to aggregate client orders for the purchase or sale of the same security or other financial instrument submitted at or near the same time for execution using the same executing broker/dealer or counterparty. Such aggregation may enable the Adviser to obtain a more favorable price or a better commission rate for clients based upon the volume of a particular transaction. Prior to the order being filled, the allocation of the order across various client accounts will be determined in accordance with the Adviser's allocation policy, which is further described in Item 6 of this Brochure.

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**Item 13. Review of Accounts**

Each client account is reviewed by the Adviser's portfolio managers on an ongoing basis to determine whether investments should be maintained in light of current market conditions. Matters reviewed include specific investments held, adherence to investment guidelines and the performance of each client account.

The investors in the Funds receive annual audited financial statements and such other reports as are described in the applicable offering memorandum of the Fund. Other client accounts receive reports from the Adviser as set forth in the applicable governing document of the client account.

If it appears that a trade error has occurred, the Adviser will review the relevant facts and circumstances to determine an appropriate course of action. To the extent that material trade errors and breaches of investment guidelines and restrictions occur, the Adviser's error correction procedure is to ensure that clients are treated fairly. The Adviser has discretion to resolve a particular error in any appropriate manner that is consistent with the above stated policy. In the event that a client account incurs a trade error as a result of the Adviser's gross negligence, willful misconduct or violation of the standard of care that is applicable to the client account, the Adviser will reimburse the client account. Trade errors that do not result from the Adviser's gross negligence, willful misconduct or violation of the standard of care that is applicable to the client account are borne by the client account.

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**Item 14. Client Referrals and Other Compensation**

This Item is not applicable.

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**Item 15. Custody**

An affiliate of the Adviser is deemed to have custody of client assets due to serving as the general partner to U.S. limited partnerships and intends to comply with Rule 206(4)-2 under the Investment Advisers Act of 1940 (the "Custody Rule") by meeting the conditions of the pooled vehicle annual audit provision.

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**Item 16. Investment Discretion**

The Adviser provides investment advisory services to clients on a discretionary basis. Prior to assuming discretion over a client's assets, the Adviser enters into an investment management agreement or other agreement that sets forth the scope of the Adviser's discretion. Subject to any limitations that may be imposed by a client account in an investment management agreement or other applicable governing document, the Adviser has the authority to determine the securities or other financial instruments and the amount of the securities or other financial instruments to be purchased or sold for client accounts.

The Adviser has entered into and may in the future enter into additional agreements, or "side letters", with certain prospective or existing investors in the Funds whereby such investors may be subject to terms and conditions that are more advantageous than those set forth in the applicable offering memorandum of a Fund. For example, such terms and conditions may provide for special rights to make future investments; special redemption rights, relating to frequency or notice; a waiver or rebate in fees and/or other terms; rights to receive reports on a more frequent basis or that include information not provided to other investors (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated by a Fund and such investor.

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**Item 17. Voting Client Securities**

To the extent the Adviser has been delegated proxy voting authority on behalf of its clients, the Adviser complies with its proxy voting policies and procedures that are designed to ensure that in cases where the Adviser votes proxies with respect to client securities, such proxies are voted in the best interests of its clients. For the fiscal year ending December 31, 2014, to the extent the Adviser was delegated proxy voting authority for a client, the Adviser was not required to vote any proxies on behalf of such client. In fulfilling its obligations to advisory clients, the Adviser seeks to act in a manner that will enhance the economic value of the underlying securities held by each advisory client. Investors in the Funds are not permitted to direct their votes in a particular solicitation.

If a material conflict of interest between the Adviser and a client exists, the Adviser will determine whether voting in accordance with the guidelines set forth in the proxy voting policies and procedures is in the best interests of the client or take some other appropriate action.

Clients may obtain a copy of the Adviser's proxy voting policies and procedures and information about how the Adviser voted a client's proxies by contacting Gary G. Tynes, the Adviser's Chief Compliance Officer, by e-mail at [gtynes@eaglevalepartners.com](mailto:gtynes@eaglevalepartners.com) or by telephone at (212) 621-4500.

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**Item 18. Financial Information**

This Item is not applicable.