

## **PART 2A OF FORM ADV: FIRM BROCHURE**

### **ANDREEFF EQUITY ADVISORS, L.L.C.**

**140 E. St. Lucia Lane  
Santa Rosa Beach, Florida 32459  
Telephone: (850) 622-3353  
Fax: (225) 344-8212**

**FEBRUARY 2012**

**This Brochure provides information about the qualifications and business practices of Andreeff Equity Advisors, L.L.C. (“Andreeff”). If you have any questions about the contents of this brochure, please contact Matt Markovics at (212) 984-2393 or [matt@mapleleaffunds.com](mailto:matt@mapleleaffunds.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

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

## **ITEM 2 – MATERIAL CHANGES**

This is the first version of Andreeff's Brochure. Accordingly, there are no prior versions of the Brochure and no material changes to be noted.

In the future, when Andreeff amends its Brochure for its annual update and the amended version contains material changes from the last annual update, Andreeff will identify and discuss those changes either on this page or as a separate document accompanying the Brochure. For documentation purposes, Andreeff will provide the date of the last annual update of its Brochure.

### ITEM 3 - TABLE OF CONTENTS

	<u>Page</u>
ITEM 2 – MATERIAL CHANGES .....	ii
ITEM 3 - TABLE OF CONTENTS.....	iii
ITEM 4 – ADVISORY BUSINESS .....	1
ITEM 5 – FEES AND COMPENSATION .....	4
ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT ..	7
ITEM 7 – TYPES OF CLIENTS .....	8
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	9
ITEM 9 – DISCIPLINARY INFORMATION .....	15
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.	17
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	19
ITEM 12 – BROKERAGE PRACTICES.....	22
ITEM 13 – REVIEW OF ACCOUNTS.....	26
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION.....	27
ITEM 15 – CUSTODY .....	28
ITEM 16 – INVESTMENT DISCRETION .....	29
ITEM 17 – VOTING CLIENT SECURITIES.....	30
ITEM 18 – FINANCIAL INFORMATION .....	32

## ITEM 4 – ADVISORY BUSINESS

<p><b>Item 4.A</b></p>	<p><b>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</b></p> <p><b>Notes:</b> (1) For purposes of this item, your principal owners include the <i>persons</i> you list as owning 25% or more of your firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If you are a publicly held company without a 25% shareholder, simply disclose that you are publicly held. (3) If an individual or company owns 25% or more of your firm through subsidiaries, you must identify the individual or parent company and intermediate subsidiaries. If you are an SEC-registered adviser, you must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries. If you are a state-registered adviser, you must identify all intermediate subsidiaries.</p> <p>Andreeff Equity Advisors, L.L.C. (“Andreeff”) is a Delaware limited liability company.</p> <p>Andreeff provides discretionary advisory services to its advisory clients, which are pooled investment vehicles organized as private investment funds. Specifically, Andreeff serves as the investment manager of: Maple Leaf Partners, L.P., a Delaware limited partnership, Maple Leaf Partners I, L.P., a Delaware limited partnership, Maple Leaf Offshore, Ltd., a Cayman Islands exempted company (together, the “Maple Leaf Funds”) and Maple Leaf Discovery, L.P., a Delaware limited partnership and Maple Leaf Discovery I, L.P., a Delaware limited partnership (together the “Discovery Funds” and when combined with the Maple Leaf Funds, the “Funds”).</p> <p>Andreeff also serves as investment manager to ML Private Securities, L.P., a Delaware limited partnership and MLO Private Investment, Ltd., a Cayman Islands exempted company (together, the “Liquidating Funds”). Each Liquidating Fund is maintained exclusively for purposes of holding an illiquid security until such time as Andreeff is able to liquidate the position and provide proceeds to underlying investors. Andreeff does not solicit investors for the Liquidating Funds.</p> <p>An affiliate of Andreeff, Maple Leaf Capital I, L.L.C., a Delaware limited liability company, serves as the general partner of the domestic Funds (the “General Partner”). It should be noted that the General Partner has the sole power and authority to manage the business and legal affairs of the domestic Funds.</p> <p>Andreeff is principally owned by the President of its Managing Member, Dane C. Andreeff.</p>
<p><b>Item 4.B</b></p>	<p><b>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</b></p>

	<p>Andreeff provides investment advisory services to the Funds.</p> <p>As described in further detail in Item 8.A below, the Funds seek to achieve capital appreciation primarily by emphasizing principles of value investing and fundamental research, focusing in particular on balance sheet and return on equity analysis. Andreeff utilizes various investment techniques, including the margining of positions, other leveraging techniques and short-selling and, as part of a “hedging” strategy and in certain other situations, the purchase or sale of put or call options in connection with positions in the underlying securities. No assurance can be given that the investment strategies to be used by Andreeff will be successful under all or any market conditions. While it is anticipated that the Funds will invest primarily in equity securities listed primarily on North American exchanges, the Funds generally have broad and flexible investment authority. Accordingly, a Fund’s assets may at any time include long or short positions in U.S. or foreign publicly traded or privately issued common stocks, preferred stocks, stock warrants and rights, corporate debt, bonds, notes or other debentures, convertible securities, and options.</p> <p>With respect to the Discovery Funds (and as further described in Item 8 below), Andreeff intends to limit such investments to “small cap” equity securities, or those having a market capitalization of less than \$1.5 billion.</p> <p><b>Each Fund’s structure, investment objective and strategy is set forth in a confidential private offering memorandum (each a “CPOM”) provided to each investor in the relevant Fund (each an “Investor”).</b></p>
<b>Item 4.C</b>	<p><b>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</b></p> <p>Andreeff presently provides investment advice only to the Funds, and as such, it does not tailor its advisory services to the individual needs of Investors or accept investor-imposed investment restrictions with respect to the Funds.</p> <p>When deemed appropriate for a large or strategic investor, Andreeff may, in the future, establish a Managed Account that will tailor its investment objectives to those of the specific investor (including restrictions on investing in certain types of securities) and/or be subject to different terms than those of the Funds. Such investment objectives and terms will be individually negotiated.</p> <p>In addition, Andreeff has entered into agreements with strategic investors whereby such investors received certain economic rights in exchange for significant investments in the Funds. The strategic investors are subject to the same redemption terms as all other Investors, with certain exceptions under extraordinary circumstances.</p>
<b>Item 4.D</b>	<p><b>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</b></p> <p>Andreeff does not participate in wrap fee programs.</p>

Item 4.E	<p>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a <i>non-discretionary basis</i>. Disclose the date “as of” which you calculated the amounts.</p> <p><b>Note:</b> Your method for computing the amount of “<i>client</i> assets you manage” can be different from the method for computing “assets under management” required for Item 5.F in Part 1A. However, if you choose to use a different method to compute “<i>client</i> assets you manage,” you must keep documentation describing the method you use. The amount you disclose may be rounded to the nearest \$100,000. Your “as of” date must not be more than 90 days before the date you last updated your <i>brochure</i> in response to this Item 4.E</p> <p>As of February 1, 2012, Andreeff manages \$284,191,969 of the Funds and the Liquidating Funds assets on a discretionary basis. Andreeff does not currently manage any assets on a non-discretionary basis.</p>

## ITEM 5 – FEES AND COMPENSATION

<p><b>Item 5.A</b></p>	<p><b>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</b></p> <p><b>Note: If you are an SEC-registered adviser, you do not need to include this information in a brochure that is delivered only to qualified purchasers as defined in section 2(a)(51)(A) of the Investment Company Act of 1940.</b></p> <p>The Funds offer interests or shares (as applicable) only to certain qualified investors and admission in the Funds is not open to the general public.</p> <p>In general Andreeff receives a quarterly management fee equal to 0.375% (i.e., 1.5% per annum) of the net assets of the given Fund (the “Management Fee”). It is noted that Investors who became shareholders in Maple Leaf Offshore, Ltd. prior to May 1, 2004, and Investors who became limited partners of Maple Leaf Fund, L.P. prior to April 1, 2004, are subject to a Management Fee equal to 0.25% (i.e., 1.0% per annum). Furthermore, at the end of each fiscal year, an amount subject to 20% of net profits (the “Incentive Allocation”) is generally reallocated to the General Partner from the capital account of each domestic Fund limited partner or paid to Andreeff from total profits allocated to each offshore Fund shareholder. In all cases, the Incentive Allocation is subject to a loss carryforward provision.</p> <p>Andreeff does not receive Management Fees or an Incentive Allocation with respect to the Liquidating Funds.</p> <p><b>It is critical that Investors refer to the relevant Fund’s offering documents for a complete understanding of how Andreeff is compensated for its advisory services.</b></p>
<p><b>Item 5.B</b></p>	<p><b>Describe whether you deduct fees from <i>clients’</i> assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</b></p> <p>Andreeff deducts fees from each Fund’s assets. Andreeff generally deducts the Management Fee based on the net assets of each Fund, quarterly in advance. To the extent a capital contribution is made as of any day that is not the first day of a fiscal quarter, the Management Fee is prorated and charged at the time of subscription.</p> <p>As stated above, Andreeff also charges performance-based compensation in the form of an Incentive Allocation. The Incentive Allocation is generally calculated monthly and charged as of the last day of each fiscal year. Under the loss carryforward provision, generally an Investor will not be charged an Incentive Allocation until any net loss previously allocated to such Investor has been offset by subsequent net profits.</p> <p>Andreeff or the General Partner, in their respective sole discretion, may waive or reduce the Management Fee or the Incentive Allocation for certain Investors.</p>

	<p><b>It is critical that Investors refer to their respective Fund’s offering documents for a complete understanding of how fees are deducted from their assets. The information contained herein is a summary only and is qualified in its entirety by the relevant Fund’s offering documents.</b></p>
Item 5.C	<p><b>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</b></p> <p>Each Fund bears its own organizational expenses. Operating expenses borne by a given Fund include: the Management Fee; legal, accounting, auditing and other professional expenses, research expenses and investment expenses such as commissions, interest on margin accounts and other indebtedness, custodial fees, bank service fees and other reasonable and customary expenses related to the purchase, sale or transmittal of Fund assets.</p> <p>The Funds may be deemed to be paying for research and other services with “soft” or commission dollars. Refer to <b>Item 12 – Brokerage Practices</b> for further information.</p> <p>Each Liquidating Fund bears its own organizational expenses. Operating expenses borne by a given Liquidating Fund include: legal, accounting, auditing and other professional expenses, research expenses and investment expenses such as commissions, interest on margin accounts and other indebtedness, custodial fees, bank service fees and other reasonable and customary expenses related to the purchase, sale or transmittal of Liquidating Fund assets.</p>
Item 5.D	<p><b>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</b></p> <p>As described in <b>Item 5.B</b> above, investors in the Funds generally pay Management Fees in advance. To the extent a capital contribution is made as of any day that is not the first day of a fiscal quarter, the Management Fee is prorated and charged at the time of subscription. The prorated amount is based on the net asset value of each share or limited partnership interest (as applicable) at the time of subscription.</p> <p>Investors also have the ability to withdraw all or a portion of their invested capital, in each case subject to certain limitations and otherwise in accordance with the terms of the applicable operative agreements pertaining to its investment. The terms for withdrawal of capital may vary and are set forth in the offering documents for each Fund.</p> <p><b>It is critical that Investors refer to the relevant Fund’s offering documents for a complete understanding of the calculation of the Management Fee and other applicable withdrawal terms. The information contained in this Item 5 is a summary only and is qualified in its entirety by the relevant Fund’s offering documents.</b></p>

<b>Item 5.E</b>	<p>If you or any of your <i>supervised persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</p> <p>Not applicable to Andreeff.</p>
<b>Item 5.E.1</b>	<p>Explain that this practice presents a conflict of interest and gives you or your <i>supervised persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client's</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend “no-load” funds.</p> <p>Not applicable to Andreeff.</p>
<b>Item 5.E.2</b>	<p>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</p> <p>Not applicable to Andreeff.</p>
<b>Item 5.3.3</b>	<p>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</p> <p>Not applicable to Andreeff.</p>
<b>Item 5.E.4</b>	<p>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</p> <p>Note: If you receive compensation in connection with the purchase or sale of securities, you should carefully consider the applicability of the broker-dealer registration requirements of the Securities Exchange Act of 1934 and any applicable state securities statutes</p> <p>Not applicable to Andreeff.</p>

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

**If you or any of your *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *supervised persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *supervised persons* face by managing these accounts at the same time, including that you or your *supervised persons* have an incentive to favor accounts for which you or your *supervised persons* receive a *performance-based fee*, and describe generally how you address these conflicts.**

As noted in Item 5.B above, Andreeff receives performance-based compensation in the form of an Incentive Allocation. While each Fund managed by Andreeff pays performance-based compensation, it should be noted that the General Partner does not charge an Incentive Allocation with respect to members, employees, and affiliates of either Andreeff or the General Partner. It is specifically noted that Andreeff does not receive an Incentive Allocation with respect to the Liquidating Funds.

The possibility that Andreeff may receive performance-based compensation creates a potential conflict of interest in that it may create an incentive to make investments that are riskier or more speculative than in the absence of such performance-based fees. Further, since the Incentive Allocation is calculated on a basis which includes unrealized appreciation of the Funds' shares or limited partnership interests (as the case may be), such allocation may be greater than if it were based solely on realized gains. Investors are provided with clear disclosure as to how performance-based compensation is charged with respect to a particular Fund and the risks associated with such performance-based compensation prior to making an investment.

## ITEM 7 – TYPES OF CLIENTS

**Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.**

Andreeff provides investment advisory services to pooled investment vehicles operating as private investment funds.

Each Investor in the Funds must meet the eligibility provisions specific to the given Fund. The minimum initial investment for each Fund is \$1,000,000. This minimum is subject to waiver at the discretion of the General Partner in the case of the domestic Funds and the Board of Directors in the case of the Maple Leaf Offshore, Ltd. (but in the case of Maple Leaf Offshore, Ltd., the minimum initial subscription may not be reduced to less than the Cayman Islands statutory minimum of \$50,000).

Andreeff does not solicit investors for the Liquidating Funds.

## ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Item 8.A	<p><b>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</b></p> <p><u>Overview</u></p> <p>Andreeff seeks capital appreciation primarily by emphasizing principles of value investing and fundamental research, focusing in particular on balance sheet and return on equity analysis. Andreeff intends to utilize various investment techniques, including the margining of its positions, other leveraging techniques and short-selling and, as part of its “hedging” strategy and in certain other situations, the purchase or sale of put or call options in connection with positions in the underlying securities. With respect to the Discovery Funds, Andreeff intends to limit such investments to “small cap” equity securities, or those having a market capitalization of less than \$1.5 billion.</p> <p><u>Maple Leaf Funds -- Investment Strategy</u></p> <p>In evaluating potential investments, Andreeff intends to consider factors peculiar to each company such as its position in the marketplace, its product niches, pricing policies and possible changes in its operating environment. Andreeff intends to maximize opportunities and reduce risk by periodically maintaining short positions as a “hedge” to protect against, and possibly profit from, a market decline. In addition, Andreeff intends to take advantage of special situations by investing in companies it perceives as undervalued with rapid growth possibilities and by seeking to identify potential catalysts (such as management changes, possible spin-offs or sales of divisions, potential takeover or acquisition possibilities or possible liquidation) which may lead to the realization of underlying asset values. Andreeff intends to effect portfolio transactions, generally, without regard to holding periods. Accordingly, while the holding period for Maple Leaf Fund’s investments is generally long-term, the turnover rate for Maple Leaf Fund’s portfolio may at times be high. Investments may potentially be made both in medium or smaller, less-seasoned companies and to some extent, in large, well-established companies. Securities of companies in comparatively early stages of development will also be considered although Andreeff does not intend to invest a substantial portion of Maple Leaf Fund’s assets in such securities. Larger companies often have greater financial resources, more extensive research and development, manufacturing, marketing and service capabilities and more stability and greater depth of management and technical personnel. The securities of medium or smaller companies may be subject to more abrupt or erratic market movements than those of larger, more established companies. These companies may have limited product lines, markets or financial resources, or they may be dependent upon a limited management group. Their securities may be traded only in the over-the-counter market or on a regional securities exchange and may not be traded as frequently or in a volume typically associated with securities trading on a national securities exchange. The disposition by a Maple Leaf Fund of portfolio securities to meet its obligations or to effect a distribution of thinly traded securities may require the given Maple</p>
----------	---

	<p>Leaf Fund to sell these securities at a discount from market price or during periods when such disposition is not desirable. Overall, investments in medium or smaller, less-seasoned companies may involve greater risks than are customarily associated with established companies; however, in Andreeff's view, such investments may present greater opportunities for growth than the investments in more established companies.</p> <p><u>Discovery Funds – Investment Strategy</u></p> <p>In evaluating potential investments, Andreeff intends to consider factors specific to each company evaluated. Factors include, but are not limited to, market share, products, pricing environment and changes within its markets. Andreeff intends to maximize opportunities and reduce risk by periodically maintaining short positions as a “hedge” to protect against, and possibly profit from, a market decline. In addition, Andreeff intends to take advantage of special situations by investing in companies it perceives as undervalued with rapid growth potential and by seeking to identify potential catalysts, including management changes, spin-offs, asset sales, potential takeover, acquisitions or liquidation that may ultimately lead to the realization of the underlying asset values. Andreeff intends to pursue a “value” investing strategy that seeks to identify equity securities that are trading below their intrinsic value. As such, holding periods may be longer than that of other investment strategies as it may take a significantly longer period of time for the full value of a given Discovery Fund's investments to be realized in the market. In addition, Andreeff intends to limit its investment strategy to equities of “small cap” companies. Investing in smaller capitalization companies generally carries greater risk and the possibility of greater price volatility than investing in the securities of larger capitalization and more established companies because smaller companies generally have limited operating histories, product lines, management tenure and financial resources. In addition, these companies may lack sufficient market liquidity and stock prices may be particularly sensitive to expected changes in interest rates, borrowing costs and earnings. Their securities may be traded only in the over-the-counter market or on a regional securities exchange and may not be traded as frequently or in a volume typically associated with securities trading on a national securities exchange. As a result, the disposition by a Discovery Fund of portfolio securities to meet its obligations or to effect a distribution may require the given Discovery Fund to sell these securities at a discount from market price or during periods when such disposition is not desirable. On balance, Andreeff intends to pursue a strategy in which the risk described above is offset by the possibly of greater growth opportunities inherent in investing in smaller capitalization companies.</p> <p><b>Andreeff has broad and flexible investment authority. The Funds may have other strategies or engage in other activities than those described herein. It is critical that Investors refer to the relevant Fund's CPOM for a complete understanding of that Fund's investment objective and strategy. The information contained in this Item 8 is a summary only and is qualified in its entirety by the relevant Fund's offering documents.</b></p> <p><b>An investment in the Funds may be deemed speculative and is not intended as a complete investment program. The Funds are designed only for experienced and sophisticated persons who are able to bear the risk of substantial impairment or total loss of their investment in the Funds.</b></p>
--	--

<p><b>Item 8.B</b></p>	<p><b>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.</b></p> <p><u>High Growth Industry Related Risks</u>  Andreeff may invest in securities with the potential for sustained growth in revenue and earnings that has not been reflected in the market price. Growth stocks are generally riskier and more volatile than average stocks because they usually have higher price/earnings ratios, they may not pay significant dividends to investors, they may face undeveloped or limited markets, have limited products, have no proven profit-making history, may operate at a loss or with substantial variations in operating results from period to period, have limited access to capital and/or be in the developmental stages of their businesses, have limited ability to protect their rights to certain patents, copyrights, trademarks and other trade secrets, or be otherwise adversely affected by the extremely competitive nature in which many of their competitors operate. In addition, 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 these investments.</p> <p><u>Portfolio Turnover</u>  While the typical holding period of the Funds' investments is generally long-term, the investment strategy of the Funds may sometimes involve frequent trading of portfolio positions and, as a result, turnover and brokerage commission expenses of the Funds may at times significantly exceed those of other investment entities of comparable size. Moreover, the total fees and expenses of the Funds may be significantly higher than those of investment entities of comparable size and type.</p> <p><u>Special Situations</u>  The Funds 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 will result in a distribution of cash or a new security the value of which will be less than the purchase price to the given Fund 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, the Fund 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 a Fund may invest, there is a potential risk of loss by the Fund of its entire investment in such companies.</p> <p><u>Reliance on the Managing Member of the General Partner and President of the Management Company</u>  Dane C. Andreeff is the managing member of the General Partner and President of the Management Company. If Mr. Andreeff is no longer participating in the management of the Funds, it is possible that a significant number of investors in</p>
------------------------	---

	<p>the Funds would exercise their right to withdraw. There can be no assurance that the portfolio could thereupon be liquidated in an efficient manner to accommodate such withdrawals and investors could therefore experience losses in connection with such withdrawals. In addition, there can be no assurance that enough investors would choose to remain invested in a given Fund to make it feasible to continue to manage that Fund's portfolio.</p> <p><u>Short Sales</u></p> <p>Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There is the risk that a Fund must return the securities it borrows, in connection with a short sale, to the securities lender on short notice. If a request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, and a Fund may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short. Short sales will be utilized to enhance returns and hedge the portfolio.</p> <p><u>Lack of Liquidity of Partnership Assets, Valuation</u></p> <p>Fund assets may, at any given time, include securities and other financial instruments or obligations which are thinly traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws. The sale of any such investments may be possible only at substantial discounts and it may be extremely difficult to value accurately any such investments.</p> <p><u>Lack of Diversification</u></p> <p>A Fund's portfolio will not generally be as diversified as a mutual fund. Accordingly, a Fund's investments may be subject to more rapid change in value than would be the case if the Fund were required to maintain a wide diversification among types of securities and other instruments and countries and industries.</p> <p><u>Trading in Futures Contracts</u></p> <p>A Fund may, in the future, invest in futures contracts and options thereon both for hedging purposes and to increase the total return on the Fund's portfolio. Trading in futures contracts and options is a highly specialized activity which, while it may increase the total return on the Fund's portfolio, may entail greater than ordinary investment risks. A given Fund will not purchase, hold, sell or otherwise deal in commodities, commodity contracts, commodity futures, financial futures or options until, to the extent required, Andreeff has registered with the CFTC.</p> <p><b>Please refer to the offering documents of the Funds for a detailed description of the material risks related in an investment in the Funds.</b></p>
<b>Item 8.C</b>	<p><b>If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</b></p>

#### Small Capitalization Stocks

At any given time, a Fund may have significant investments in smaller-sized companies of a less seasoned nature whose securities may be traded in the over-the-counter market. These "secondary" securities often involve significantly greater risks than the securities of larger, better known companies. In addition to being subject to the general market risk that common stock prices may decline over short or even extended periods, the Fund may invest in securities of companies that are not well-known to the investing public, may not have significant institutional ownership and may have cyclical growth prospects. The stocks of such companies may be more volatile in price and have lower trading volumes than the larger capitalization stocks included in the S&P 500 Index. Accordingly, investors in the Funds should have a long-term investment horizon.

#### Non-U.S. Securities

The Fund may invest a portion of its assets in non-U.S. securities. Investing in securities of non-U.S. companies which are generally denominated in non-U.S. currencies and utilization of options on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of United States companies. These considerations include changes in exchange rates and exchange control regulations, political and social issues, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

#### Options

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, on the other hand, 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.

#### Leverage

Leverage increases returns to the investors if the Fund earns a greater return on leveraged investments than the Fund's cost of such leverage. However, the use of margin borrowing exposes the Fund to additional levels of risk including (i) greater losses from investments than would otherwise have been the case had the Fund not borrowed to make the investments, (ii) margin calls or changes in margin requirements may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Fund's cost of leverage related to such investments. In case of a sudden, precipitous drop in value of the Fund's assets, the Fund might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying the losses incurred by the Fund.

	<p><u>Counterparty and Custodial Risk</u></p> <p>To the extent a Fund invests in swaps, "synthetic" or derivative instruments, repurchase agreements, certain types of option or other customized financial instruments, or, in certain circumstances, non-U.S. securities, the Fund takes the risk of non-performance by the other party to the contract. This risk may include credit risk of the counterparty and the risk of settlement default. This risk may differ materially from those entailed in exchange-traded transactions that generally are supported by guarantees of clearing organizations, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. In addition, there are risks involved in dealing with the custodians or brokers who settle Fund trades particularly with respect to non-U.S. investments. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets of the given Fund and hence the Fund should not be exposed to a credit risk with respect to such parties. However, it may not always be possible to achieve this segregation and there may be practical or timing problems associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.</p> <p><b>Please refer to the offering documents of the Funds for a detailed description of the material risks related in an investment in the Funds.</b></p>
--	---

## ITEM 9 – DISCIPLINARY INFORMATION

If there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Items 9.A, 9.B, and 9.C list specific legal and disciplinary events presumed to be material for this Item. If your advisory firm or a *management person* has been *involved* in one of these events, you must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in your or the *management person's* favor, or was reversed, suspended or vacated, or (2) you have rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the “date” of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. If your advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not listed in Items 9.A, 9.B, or 9.C, but nonetheless is material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of its management, you must disclose the event. Similarly, even if more than ten years have passed since the date of the event, you must disclose the event if it is so serious that it remains material to a *client's* or prospective *client's* evaluation.

<b>Item 9.A</b>	<p><b>A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a <i>management person</i></b></p> <ol style="list-style-type: none"> <li><b>1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any <i>felony</i>; (b) a <i>misdemeanor</i> that <i>involved</i> investments or an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;</b></li> <li><b>2. is the named subject of a pending criminal <i>proceeding</i> that involves an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;</b></li> <li><b>3. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation; or</b></li> <li><b>4. was the subject of any <i>order</i>, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a <i>management person</i> from engaging in any <i>investment-related</i> activity, or from violating any <i>investment-related</i> statute, rule, or <i>order</i>.</b></li> </ol> <p style="color: blue;">Not applicable to Andreeff.</p>
-----------------	---

Item 9.B	<p><b>An administrative <i>proceeding</i> before the SEC, any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> in which your firm or a <i>management person</i></b></p> <ol style="list-style-type: none"> <li><b>1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or</b></li> <li><b>2. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation and was the subject of an <i>order</i> by the agency or authority</b> <ol style="list-style-type: none"> <li><b>(a) denying, suspending, or revoking the authorization of your firm or a <i>management person</i> to act in an <i>investment-related</i> business;</b></li> <li><b>(b) barring or suspending your firm's or a <i>management person's</i> association with an <i>investment-related</i> business;</b></li> <li><b>(c) otherwise significantly limiting your firm's or a <i>management person's</i> <i>investment-related</i> activities; or</b></li> <li><b>(d) imposing a civil money penalty of more than \$2,500 on your firm or a <i>management person</i>.</b></li> </ol> </li> </ol> <p>Not applicable to Andreeff.</p>
Item 9.C	<p><b>A self-regulatory organization (SRO) proceeding in which your firm or a management person</b></p> <ol style="list-style-type: none"> <li><b>1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or</b></li> <li><b>2. was <i>found</i> to have been <i>involved</i> in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from <i>investment-related</i> activities; or (iii) fined more than \$2,500.</b></li> </ol> <p><b>Note:</b> You may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, you are not required to disclose it. When you review a legal or disciplinary event involving your firm or a <i>management person</i> to determine whether it is appropriate to rebut the presumption of materiality, you should consider all of the following factors: (1) the proximity of the <i>person involved</i> in the disciplinary event to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If you conclude that the materiality presumption has been overcome, you must prepare and maintain a file memorandum of your determination in your records. See SEC rule 204-2(a)(14)(iii).</p>

	Not applicable to Andreeff.
--	-----------------------------

## ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Item 10.A	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>Not applicable to Andreeff.</p>
Item 10.B	<p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</p> <p>Not applicable to Andreeff.</p>
Item 10.C	<p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> <li>1. broker-dealer, municipal securities dealer, or government securities dealer or broker</li> <li>2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)</li> <li>3. other investment adviser or financial planner</li> <li>4. futures commission merchant, commodity pool operator, or commodity trading advisor</li> <li>5. banking or thrift institution</li> <li>6. accountant or accounting firm</li> <li>7. lawyer or law firm</li> <li>8. insurance company or agency</li> <li>9. pension consultant</li> <li>10. real estate broker or dealer</li> <li>11. sponsor or syndicator of limited partnerships</li> </ol> <p>Andreeff acts as the investment manager for the Funds and the Liquidating Funds. Also, as described in Item 4.A, above, the General Partner serves as the general partner of the domestic Funds and the domestic Liquidating Fund, and has absolute legal authority for such entities. The General Partner invests directly in the Funds and employees of Andreeff and the General Partner may also invest directly in the Funds. It should be noted that investments made by such parties generally are not subject to the Management Fee and Incentive Allocation noted in Item 5, above.</p>

Item 10.D	<p>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</p> <p>Not applicable to Andreeff.</p>
-----------	--

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

Item 11.A	<p>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any <i>client</i> or prospective <i>client</i> upon request.</p> <p>Andreeff’s Code of Ethics (the “Code”) is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (“Advisers Act”). The Code applies to Andreeff’s access persons (which term includes all employees of Andreeff) (the “Access Persons”) and sets forth a standard of business conduct that takes into account Andreeff’s status as a fiduciary and requires Access Persons to place the interests of Funds and Investors above their own interests. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of Andreeff’s Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code on at least an annual basis.</p> <p>As required by Rule 204A-1 of the Advisers Act, and as further discussed in Item 11.C below, the Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons are generally restricted from purchasing reportable securities. Access Persons may, subject to certain pre-clearance requirements, sell pre-existing positions in reportable securities acquired prior to such individual becoming an Access Person. Access Persons must also provide the Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Rule 204A-1.</p> <p>Andreeff’s Code of Ethics also contains a Gift and Business Entertainment Policy in order to address conflicts of interest that may arise when a Covered Person accepts or gives a gift, favor, special accommodation, or other items of value.</p> <p>Investors or prospective Investors may obtain a copy of Andreeff’s Code of Ethics by contacting the Andreeff’s Chief Compliance Officer.</p>
Item 11.B	<p>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>Examples: (1) You or a <i>related person</i>, as principal, buys securities from (or sells securities to) your <i>clients</i>; (2) you or a <i>related person</i> acts as general partner in a partnership in which you solicit <i>client</i> investments; or (3) you or a <i>related person</i> acts as an investment adviser to an investment company that you recommend to <i>clients</i>.</p> <p>As described above, Andreeff serves as the investment manager of the Funds and</p>

	<p>its affiliate serves as the General Partner of the domestic Funds. Andreeff and the General Partner recommend interests in the Funds to prospective Investors. As noted in Item 5 above, Andreeff does not charge a Management Fee or Incentive Allocation to Investors that are members, employees or affiliates of Andreeff or the General Partner.</p> <p>The fact that Andreeff, the General Partner and the Access Persons may each have financial ownership interests in the Funds creates a potential conflict in that it could cause Andreeff to make different investment decisions than if such parties did not have such financial ownership interests.</p> <p>Mr. Andreeff is a member of the Board of Directors of TraceSecurity, Inc. (“TraceSecurity”) and, in addition, several of the Funds maintain investments in TraceSecurity. Mr. Andreeff does not receive compensation related to his role on the Board of TraceSecurity. However, it should be noted that Mr. Andreeff’s outside business activities create potential conflicts of interest with respect to his time and provision of investment advice and the potential receipt of material non-public information. To deal with these potential conflicts, Andreeff requires Mr. Andreeff to disclose outside business activities and acknowledge his receipt and understanding of Andreeff’s Code of Ethics (which requires that access persons of Andreeff place the interests of Andreeff’s clients and underlying investors over their own (or those of Andreeff) and details the procedures to follow in the event of the receipt of material non-public information).</p> <p>Andreeff addresses these potential conflicts through regular monitoring of the Funds’ portfolios for consistency with the Funds’ objectives, strategies, and target capacity. Further, Andreeff carefully considers the risks involved in any investments and provides extensive disclosure to Investors regarding the potential risks that come with an investment in the Funds. The Code requires Access Persons to place the interests of the Funds and Investors over their own or those of Andreeff, and all Access Persons are required to acknowledge their receipt and understanding of the Code. Also, as noted in Item 11.A. and 11.C, Access Persons are subject to certain personal securities transaction restrictions and pre-clearance requirements to ensure all Access Persons place the interests of the Funds and Investors above their own.</p>
Item 11.C	<p><b>If you or a <i>related person</i> invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a <i>related person</i> recommends to <i>clients</i>, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</b></p> <p>As noted above, Andreeff’s Access Persons and related entities have investments in the Funds.</p> <p>Subject to significant restrictions, Access Persons of Andreeff may be permitted to make securities transactions in their personal accounts. This presents potential conflicts in that an employee could make improper use of information regarding a Funds’ holdings, future transactions or research paid for by the Funds. For example, an Access Person could take for himself or herself an investment opportunity available to a Fund.</p>

	<p>Andreeff manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains strict restrictions, pre-clearance and reporting guidelines for Access Persons. Specifically, as noted in Item 11.A above, Andreeff’s Code of Ethics generally restricts Access Persons from purchasing reportable securities for their personal accounts and requires Access Persons to obtain prior written approval from Andreeff’s Chief Compliance Officer before engaging in any sales of reportable securities in their personal accounts. The Chief Compliance Officer may only approve the transaction if he concludes that the transaction would comply with the provisions of the Code of Ethics and is not likely to have any adverse economic impact on the Funds.</p> <p>The Chief Compliance Officer reviews each Access Person’s personal transaction reports to make sure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code.</p>
Item 11.D	<p><b>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</b></p> <p><b>Note: The description required by Item 11.A may include information responsive to Item 11.B, C or D. If so, it is not necessary to make repeated disclosures of the same information. You do not have to provide disclosure in response to Item 11.B, 11.C, or 11.D with respect to securities that are not “reportable securities” under SEC rule 204A-1(e)(10) and similar state rules.</b></p> <p>Please refer to Items 11.A, 11.B, and 11.C.</p>

## ITEM 12 – BROKERAGE PRACTICES

Item 12.A.1	<p>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (e.g., commissions).</p> <p><b>1. Research and Other Soft Dollar Benefits.</b> If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.</p> <p><b>Note:</b> Your disclosure and discussion must include all soft dollar benefits you receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.</p> <ol style="list-style-type: none"> <li>a. Explain that when you use <i>client</i> brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.</li> <li>b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your <i>clients’</i> interest in receiving most favorable execution.</li> <li>c. If you may cause <i>clients</i> to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact.</li> <li>d. Disclose whether you use soft dollar benefits to service all of your <i>clients’</i> accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to <i>client</i> accounts proportionately to the soft dollar credits the accounts generate.</li> <li>e. Describe the types of products and services you or any of your <i>related persons</i> acquired with <i>client</i> brokerage commissions (or markups or markdowns) within your last fiscal year.</li> </ol> <p><b>Note:</b> This description must be specific enough for your clients to understand the types of products or services that you are acquiring and to permit them to evaluate possible conflicts of interest. Your description must be more detailed for products or services that do not qualify for the safe harbor in section 28(e) of the Securities Exchange Act of 1934, such as those services that do not aid in investment decision-making or trade execution. Merely disclosing</p>
-------------	---

	<p><b>that you obtain various research reports and products is not specific enough.</b></p> <p><b>f. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for soft dollar benefits you received.</b></p> <p>Andreeff recognizes its duty to obtain “best execution” for the Funds. Andreeff is authorized to determine the broker or dealer the Funds will use for each securities transaction. In selecting brokers or dealers to execute transactions, Andreeff need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not Andreeff's practice to negotiate "execution only" commission rates, thus a Fund may be deemed to be paying for research and other services provided by the broker which are included in the commission rate. Research and related services (which may be in written or oral form or electronic) may include, among other things, research concerning market, economic and financial data, statistical information, data on pricing and availability of securities, financial publications, electronic market quotations and news, performance measurement and pricing services, risk management analysis and performance studies, analyses concerning specific securities, companies or sectors, and market, economic and financial studies and forecasts.</p> <p>Andreeff intends to limit the use of soft dollars to pay for products and services within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended. Andreeff may use research services obtained by the use of commissions arising from a Fund's portfolio transactions in its other investment activities. In selecting brokers and negotiating commission rates, Andreeff will take into account the financial stability and reputation of brokerage firms, the brokerage, research and related services provided by such brokers and the referral of investors (consistent with best execution), although the Fund may not, in any particular instance, be the direct or indirect beneficiary of the research or services provided.</p>
<p><b>Item 12.A.2</b></p>	<p><b><u>Brokerage for <i>Client</i> Referrals.</u> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</b></p> <p><b>a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients'</i> interest in receiving most favorable execution.</b></p> <p><b>b. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals.</b></p> <p>Although it does not do so frequently, Andreeff may from time to time place transactions with a broker or dealer that (i) provides Andreeff with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers Investors to the Funds. Andreeff recognizes that it may have an incentive</p>

	<p>to favor broker-dealers that provide capital introduction services to Andreeff or refer Investors. Andreeff receives asset-based fees and accordingly would receive a financial benefit from the increase in assets under management that result from capital introduction services and Investor referrals. Similarly, Andreeff receives performance-based compensation and accordingly could receive a larger performance-based fee in any given profit period as a result of an increase in assets under management that results from capital introduction services and Investor referrals. The potential for higher fees presents a potential conflict in that Andreeff has an incentive to favor broker-dealers that provide services that have a direct impact on fees even if those broker-dealers rate unfavorably in other categories that are part of Andreeff's best execution analysis. Andreeff addresses this potential conflict through its thorough best execution review process (as described above), which requires that key Andreeff individuals look at a broker-dealer's performance in a wide variety of categories. Such reviews allow Andreeff to determine when broker-dealers that outperform in capital introduction and Investor referrals underperform in other areas. In such situations, Andreeff may provide heightened scrutiny to a relationship with a broker-dealer.</p> <p>The Chief Compliance Officer will meet periodically with Andreeff's Trader to discuss and evaluate the services provided by brokers in relation to the commissions that the Funds pay such brokers.</p>
Item 12.A.3	<p><b><u>Directed Brokerage.</u></b></p> <p>a. If you routinely <b><u>recommend, request or require</u></b> that a <i>client</i> direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their <i>clients</i> to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money.</p> <p>b. If you <b><u>permit</u></b> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices.</p> <p>Note: If your clients only have directed brokerage arrangements subject to most favorable execution of client transactions, you do not need to respond to the last sentence of Item 12.A.3.a. or to the second or third sentences of Item 12.A.3.b.</p> <p>Not applicable to Andreeff.</p>
Item 12.B	Discuss whether and under what conditions you aggregate the purchase or

	<p><b>sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</b></p> <p>Andreeff's policy is to generally aggregate orders for the purchase or sale of securities and allocate amongst the Maple Leaf Funds and the Discovery Funds pro rata based on each Fund's proportionate ownership of the total net asset value of funds managed by Andreeff. Andreeff will generally follow the guidelines set forth below in aggregating Fund orders for securities:</p> <ul style="list-style-type: none"> <li>• no Fund will be favored over any other investment advisory client;</li> <li>• each Fund that participates in an aggregated order will participate at the average share price for all of Andreeff's transactions in that security on a given business day or as specified in these procedures and transaction costs will be shared pro rata based on each Fund's participation in the transaction; and</li> <li>• if the aggregated order is filled in its entirety, or if the aggregated order is partially filled, it will be allocated among Funds pro rata.</li> </ul> <p>Notwithstanding the foregoing, an aggregated order may be allocated on a basis different from that specified in the allocation statement, if the reason for the different allocation is explained in writing and approved by the Chief Compliance Officer no later than the close of trading on the day on which the order was executed, and generally, in cases where certain investors are barred from participating in the order (i.e., IPO participation). Reasons for allocation on a basis different from that specified in the allocation statement may include: a client's investment guidelines and restrictions; available cash; liquidity requirements; legal regulatory reasons; or to avoid odd lots.</p> <p>Further, it is Andreeff's basic policy that none of the Funds shall receive preferential treatment. In allocating the portfolio's securities among clients, it is Andreeff's policy that all clients should be treated fairly and that, to the extent possible, all clients should receive equivalent treatment, consistent with the advisor's fiduciary obligations and underlying documents for each Fund.</p>
--	--

## ITEM 13 – REVIEW OF ACCOUNTS

<p><b>Item 13.A</b></p>	<p><b>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.</b></p> <p>The Funds’ portfolios are under continuous review and their performance is analyzed on a daily basis. Andreeff’s operations team is responsible for ensuring the accuracy of trade confirmations and related documents. The operations team performs a daily cash and position reconciliation between its portfolio accounting system and the prime broker records. Andreeff’s third party administrator also receives trade data from the prime brokers (independently). The administrator reconciles the prime brokers data on a monthly basis and the Operations Team reviews all work performed by the administrator on a monthly basis.</p> <p>Data for the Liquidating Funds is reconciled on a monthly basis between the prime broker and the administrator, and an independent third party valuation firm provides an independent valuation on a quarterly basis.</p> <p>Further, Matt Markovics, in his capacity as Chief Compliance Officer, (with the assistance of Andreeff’s other supervised persons) periodically reviews the firm’s trading and current practices to ensure consistency with applicable law and regulations.</p>
<p><b>Item 13.B</b></p>	<p><b>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review.</b></p> <p>Please see Item 13.A. The accounts are under continuous review.</p>
<p><b>Item 13.C</b></p>	<p><b>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</b></p> <p>Generally, Investors will receive written, unaudited, estimated monthly net asset value statements from the Maple Leaf Funds and the Discovery Funds and estimated quarterly net asset value statements from the Liquidating Funds. In addition, Investors will receive annual audited financial statements.</p>

## ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Item 14.A	<p>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</p> <p>Not applicable to Andreeff.</p>
Item 14.B	<p>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>supervised person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</p> <p><b>Note:</b> If you compensate any person for client referrals, you should consider whether SEC rule 206(4)-3 or similar state rules regarding solicitation arrangements and/or state rules requiring registration of investment adviser representatives apply.</p> <p>Andreeff currently maintains one agreement for referrals of Investors in the Funds. Any written arrangements with third parties to act as solicitors for Andreeff's investment advisory business, including the one existing arrangement, will be established and maintained in a way to ensure full disclosure to each prospective client consistent with applicable law. Any such referral activities will be conducted in accordance with SEC Rule 206(4)-3 under the Advisers Act, as well as relevant SEC guidance.</p>

## ITEM 15 – CUSTODY

**If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.**

Andreeff and the General Partner are deemed to have custody of the Funds' and Liquidating Funds' assets by virtue of their respective status as investment manager and general partner. Andreeff and the General Partner maintain the assets of the Funds and the Liquidating Funds in accounts with "qualified custodians" pursuant to Rule 206(4)-2 under the Advisers Act. The qualified custodians presently utilized by Andreeff are:

BNP Paribas Prime Brokerage Inc.  
787 Seventh Avenue  
New York, NY 10019

Goldman, Sachs & Co.  
200 West Street, 3<sup>rd</sup> Floor  
New York, NY 10282

To ensure compliance with Rule 206(4)-2 under the Advisers Act, Andreeff reasonably believes that all Investors in the Funds and the Liquidating Funds will be provided with audited financial statements, prepared by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board, in accordance with U.S. Generally Accepted Accounting Principles, within 120 days of the respective fiscal year end. The audited financial statements are sent by Andreeff's third party administrator. Investors should carefully review the audited financial statements of the Funds and the Liquidating Funds upon receipt.

## ITEM 16 – INVESTMENT DISCRETION

**If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).**

Andreeff has discretionary authority to manage the Funds and the Liquidating Funds. Andreeff is authorized to make purchase and sale decisions for the Funds. As explained in Item 4.C above, individual Investors in the Funds do not have the ability to impose limitations on Andreeff's discretionary authority. Prospective Investors are provided with an offering memorandum prior to their investment and are encouraged to carefully review the offering memorandum, along with all supplements and other relevant offering documents, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective Investors in the domestic Funds must also execute a limited partnership agreement and all Investors must execute a subscription agreement, each of which constitutes a legal, valid and binding obligation of the Investor, enforceable in accordance with its terms.

## ITEM 17 – VOTING CLIENT SECURITIES

Item 17.A	<p><b>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</b></p> <p>Andreeff understands and appreciates the importance of proxy voting. To the extent that Andreeff has discretion to vote the proxies on behalf of the Funds, Andreeff will vote any such proxies in the best interests of the Funds and Investors (as applicable) and in accordance with set compliance procedures.</p> <p>Andreeff has entered into an agreement with Broadridge Investor Communications, Inc. (sometime referred to as the “ProxyEdge” or “Proxy Voting Service”), an independent third party, for ProxyEdge to facilitate the electronic voting of proxies.</p> <p>Proxies relating to securities held by the Funds will be sent directly to the Proxy Voting Service by the prime brokers. If a proxy is received by Andreeff and not sent directly to the Proxy Voting Service, the Chief Compliance Officer (or his designee) will promptly forward it to the Proxy Voting Service. Whether Andreeff determines that it is in the best interests of the Funds for Andreeff to vote the proxy, or if Andreeff decides to vote via ProxyEdge, Andreeff’s general proxy-voting procedures are required to be followed. The Compliance Officer will:</p> <ol style="list-style-type: none"> <li>1. Keep a record of each proxy received (which may be via ProxyEdge);</li> <li>2. Determine which Funds hold the security to which the proxy relates, and reconcile the total number of votes allocated to each Fund as of the proxy’s record date to the number of shares held in such accounts as of same date;</li> <li>3. Provide the portfolio manager responsible for voting the proxy on behalf of Andreeff with the number of total votes controlled by the Funds, which of the Funds hold the security and the date by which Andreeff must vote the proxy in order to allow enough time for the completed proxy to be returned to the issuer prior to the vote taking place;</li> <li>4. Absent material conflicts, the portfolio manager will determine how Andreeff will vote the proxy in accordance with Andreeff’s voting guidelines. The portfolio manager will send his/her decision on how Andreeff will vote a proxy to the Chief Compliance Officer (or his designee) who will submit votes using the ProxyEdge electronic voting platform, or will mail in the completed the proxy in a timely and appropriate manner.</li> </ol>
-----------	--

	<p>Andreeff generally believes that voting proxies in accordance with the following guidelines is in the best interests of its Funds:</p> <ul style="list-style-type: none"> <li>• Generally, Andreeff will vote in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated), selection of auditors, and increases in or reclassification of common stock.</li> <li>• Generally, Andreeff will vote against proposals that make it more difficult to replace members of the issuer's board of directors, including proposals to stagger the board, cause management to be overrepresented on the board, introduce cumulative voting, introduce unequal voting rights, and create supermajority voting.</li> <li>• For specific proposals, Andreeff will determine whether a proposal is in the best interests of its clients and may take into account the following factors, among others: whether the proposal was recommended by management and Andreeff's opinion of management; whether the proposal acts to entrench existing management; and whether the proposal fairly compensates management for past and future performance.</li> </ul> <p>The Chief Compliance Officer will examine conflicts that exist between the interests of Andreeff and its Funds. This examination will include a review of the relationship of Andreeff, its personnel and its affiliates with the issuer of each security and any of the issuer's affiliates to determine if the issuer is a client of Andreeff or an affiliate of Andreeff or has some other relationship with Andreeff, its personnel or the Funds. If, as a result of the Chief Compliance Officer's examination, a determination is made that a material conflict of interest exists, Andreeff will determine whether voting in accordance with the voting guidelines and factors described above is in the best interests of the Funds. If the proxy involves a matter covered by the voting guidelines and factors described above, Andreeff will generally vote the proxy in accordance with the voting guidelines.</p> <p>The Chief Compliance Officer will maintain files relating to Andreeff's proxy voting procedures (and all related documents) in an easily accessible place, generally via the ProxyEdge service. Records will be maintained and preserved for five years from the end of the fiscal year during which the last entry was made on a record.</p> <p>If you have any questions about Andreeff's proxy policy, its proxy record-keeping procedures or if you would like any detailed information about how proxies are actually voted, please contact Matt Markovics by email at <a href="mailto:matt@mapleleaffunds.com">matt@mapleleaffunds.com</a>.</p>
--	---

## ITEM 18 – FINANCIAL INFORMATION

Item 18.A	<p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none"> <li>1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.</li> <li>2. Show parenthetically the market or fair value of securities included at cost.</li> <li>3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to Article 2 of SEC Regulation S-X.</li> </ol> <p>Note: If you are a sole proprietor, show investment advisory business assets and liabilities separate from other business and personal assets and liabilities. You may aggregate other business and personal assets unless advisory business liabilities exceed advisory business assets.</p> <p>Note: If you have not completed your first fiscal year, include a balance sheet dated not more than 90 days prior to the date of your brochure.</p> <p>Exception: You are not required to respond to Item 18.A of Part 2A if you also are: (i) a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules; or (ii) an insurance company.</p> <p>Not applicable to Andreeff.</p>
Item 18.B	<p>If you have <i>discretionary authority</i> or <i>custody</i> of <i>client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>Note: With respect to Items 18.A and 18.B, if you are registered or are registering with one or more of the state securities authorities, the dollar amount reporting threshold for including the required balance sheet and for making the required financial condition disclosures is more than \$500 in fees per client, six months or more in advance.</p> <p>Andreeff is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.</p>
Item 18.C	<p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p>

	Not applicable to Andreeff.
--	-----------------------------