

Item 1. Cover Page.

JAT Capital Management, L.P.

One Fawcett Place
Greenwich, Connecticut 06830

Part 2A of Form ADV: Firm Brochure

March 30, 2015

This brochure provides information about the qualifications and business practices of JAT Capital Management, L.P. and its affiliates. If you have any questions about the contents of this brochure, please contact us at (203) 608-3100. The information in this brochure 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 JAT Capital Management, L.P. and its affiliates also is available on the SEC’s website at www.adviserinfo.sec.gov. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes.

In April 2014, a new investment strategy was launched by a wholly-owned subsidiary of JAT Capital Management, L.P. This new investment strategy currently exists as a separate series (the “Series D Shares”) within the JAT Select Funds (defined herein). This Form ADV Part 2A provides further details about the Series D Shares of the JAT Select Funds.

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Item 4. Advisory Business.

JAT Capital Management, L.P. (“JAT Capital”) is a global equity investment firm and a Delaware limited partnership formed by Mr. John A. Thaler in July 2007. JAT Capital employs a fundamentally-oriented, private equity-like approach to public equity investing, taking a longer-term perspective when evaluating investments. The Firm (defined below) offers both long-short and long equity strategies, with a focus on investing in the Telecom, Media & Technology and Travel, Leisure & Gaming sectors.

JAT Capital is headquartered in Greenwich, CT and has been registered as an investment adviser with the Securities and Exchange Commission (“SEC”) since March 2012.

JAT Capital has full discretionary investment authority for the JAT Capital Funds (defined below) pursuant to their governing documents or investment management agreements.

JAT Capital provides portfolio management services to the JAT Capital Funds in accordance with the investment objectives of each fund. The JAT Capital Funds are:

- (1) JAT Capital Domestic Fund, L.P., a Delaware limited partnership (the “Capital Domestic Fund”);
- (2) JAT Capital Offshore Fund, Ltd., a Cayman Islands exempted company (the “Capital Offshore Fund”);
- (3) JAT Capital Intermediate Fund, Ltd., a Cayman Islands exempted company (the “Capital Intermediate Fund”); and
- (4) JAT Capital Master Fund, Ltd., a Cayman Islands exempted company (the “Capital Master Fund,” and together with the Capital Domestic Fund, the Capital Offshore Fund, and the Capital Intermediate Fund, the “JAT Capital Funds”).

JAT Capital’s affiliate, JAT Capital GP, L.L.C., a Delaware limited liability company (the “Capital General Partner”), is the general partner of the Capital Domestic Fund, and is a shareholder of the Capital Intermediate Fund.

JAT Select Management, L.L.C. (“JAT Select”) is a Delaware limited liability company formed by JAT Capital in July 2012 to provide discretionary investment advisory services to the JAT Select Funds (defined below), and as of January 2014, the JAT Prime Funds (defined below). JAT Select is a wholly-owned subsidiary of JAT Capital. JAT Select has full discretionary investment authority for the JAT Select Funds and the JAT Prime Funds pursuant to their governing documents or investment management agreements. JAT Capital and JAT Select (a relying adviser) are filing a single Form ADV in reliance on the position expressed in the SEC Staff’s No Action Letter to the American Bar Association dated January 18, 2012. The Capital General Partner, the Select General Partner, and the Prime General Partner (each, as defined below) are special purpose vehicles formed to act as general partners of certain of the funds and are related persons of JAT Capital.

JAT Select provides portfolio management services to the JAT Select Funds and the JAT Prime Funds in accordance with the investment objectives of each fund.

The JAT Select Funds are:

- (1) JAT Select Fund, L.P., a Delaware limited partnership (the “Select Domestic Fund”);
- (2) JAT Select Fund, Ltd., a Cayman Islands exempted company (the “Select Offshore Fund”);
- (3) JAT Select Intermediate Fund, Ltd., a Cayman Islands exempted company (the “Select Intermediate Fund”); and
- (4) JAT Select Master Fund, Ltd., a Cayman Islands exempted company (the “Select Master Fund,” and together with the Select Domestic Fund, the Select Offshore Fund, and the Select Intermediate Fund, the “JAT Select Funds”).

The JAT Prime Funds are:

- (1) JAT Prime Fund, L.P., a Delaware limited partnership (the “Prime Domestic Fund”);
- (2) JAT Prime Fund, Ltd., a Cayman Islands exempted company (the “Prime Offshore Fund”);
- (3) JAT Prime Intermediate Fund, Ltd., a Cayman Islands exempted company (the “Prime Intermediate Fund”); and
- (4) JAT Prime Master Fund, Ltd., a Cayman Islands exempted company (the “Prime Master Fund,” and together with the Prime Domestic Fund, the Prime Offshore Fund, and the Prime Intermediate Fund, the “JAT Prime Funds”).

JAT Select GP, L.L.C. and JAT Prime GP, L.L.C., each a Delaware limited liability company (respectively, the “Select General Partner” and the “Prime General Partner”), are the general partners of the Select Domestic Fund and the Prime Domestic Fund, respectively, and are each a shareholder of the Select Intermediate Fund and the Prime Intermediate Fund, respectively.

JAT Select is a wholly-owned subsidiary of JAT Capital, and the Select General Partner and the Prime General Partner are each wholly-owned subsidiaries of the Capital General Partner. For ease of reference, throughout this document, JAT Capital, JAT Select, the Capital General Partner, the Select General Partner, and the Prime General Partner, are collectively referred to as the “Firm.”

Mr. Thaler and his affiliates own JAT Capital and control the Firm. The Firm has an ongoing fee-sharing arrangement with certain affiliates of Chris Shumway (the “Shumway Entities”). Neither Chris Shumway, nor the Shumway Entities, have any involvement in the management or operations of the Firm or the investment funds managed by the Firm.

The JAT Capital Funds, the JAT Select Funds, and the JAT Prime Funds invest in what is known as a “master-feeder” structure. Accordingly, the Capital Domestic Fund, the Capital Offshore Fund, and the Capital Intermediate Fund generally invest substantially all of their capital in the Capital Master Fund (either directly or indirectly), and the Capital Master Fund is generally the trading and investment vehicle for the JAT Capital Funds. The Select Domestic Fund, the Select Offshore Fund, and the Select Intermediate Fund generally invest substantially all their capital in the Select Master Fund (either directly or indirectly), and the Select Master Fund is generally the trading and investment vehicle for the JAT Select Funds. Similarly, the Prime Domestic Fund, the Prime Offshore Fund, and the Prime Intermediate Fund generally invest substantially all their capital in the Prime Master Fund (either directly or

indirectly), and the Prime Master Fund is generally the trading and investment vehicle for the JAT Prime Funds. By pooling their capital in this fashion, the JAT Capital Funds, the JAT Select Funds, and the JAT Prime Funds aim to achieve economies of scale, as well as obtain better credit terms with dealers and counterparties.

JAT Capital and JAT Select (as applicable) provide continuous, fully discretionary portfolio management services to the JAT Capital Funds, the JAT Select Funds, and the JAT Prime Funds (together, the “Funds”).

The JAT Capital Funds and the JAT Select Funds (without giving effect to the Series D Shares, as defined below) have substantially similar investment programs, generally invest on a side-by-side basis, and investments are generally allocated between the funds on a *pro rata* basis based on net asset value. In addition, the JAT Select Funds recently issued a new series of shares/interests (collectively referred to herein as, the “Series D Shares”) with an independent investment program and portfolio from that of the pre-existing series of shares/interests in the JAT Select Funds. The Series D Shares employ an investment program that is designed to seek to capitalize on certain perceived dislocations amongst equity positions in the Firm’s core sectors. Please see Item 6 for a more complete description of the Firm’s process for allocating investments among the various portfolios.

The JAT Capital Funds and the JAT Select Funds may invest globally, long and short, opportunistically across a wide range of sectors, primarily in equity securities.

The JAT Prime Funds employ an investment program that seeks to maximize long-term, risk adjusted returns through the creation and management of a diversified portfolio of individual long investment ideas and such portfolio will generally reflect the liquid long equity positions held by the JAT Capital Funds. The JAT Prime Funds also have the ability to enter into certain short transactions against existing long investments to reduce exposure.

While not specifically targeted toward non-U.S. investment opportunities, the Funds may have a significant portion of their assets invested in companies whose primary businesses are located outside the United States. The Funds are sector and market “agnostic” and will not be limited by the issuer, industry, or market if the Firm believes that a compelling investment opportunity has presented itself.

In addition to investing in exchange-traded equity securities, the Funds may invest opportunistically in a variety of other financial instruments pursuant to the flexible investment authority granted to JAT Capital and JAT Select by each Fund. These financial instruments may include, without limitation, over-the-counter and exchange-traded derivatives relating to equities, equity indices, credit, and credit indices (such as options, swaps, futures, and options on futures), fixed-income securities of companies, including bonds and other debt obligations, sovereign debt securities and derivatives, and foreign currency forwards and other instruments. Investments in these securities and instruments may be made for speculative purposes or to hedge a general or more specific risk that the Firm has identified in the portfolios. The Funds may also invest in short-term cash-like investments, such as money-market funds or U.S. government-issued securities.

Please review the offering documents for the Funds for a more complete description of the securities and the instruments that may be utilized to implement the investment objectives of the Funds.

The Funds are the clients of the Firm. Thus, services of the Firm are intended to maximize the risk-adjusted returns of the Funds, and are not tailored to the needs of any of the investors in the Funds.

As of January 1, 2015, the Firm managed approximately \$2,128,322,947 in net assets on a discretionary basis and no assets on a non-discretionary basis.

Item 5. Fees and Compensation.

JAT Capital's and JAT Select's fee schedule is omitted because this document is only being delivered to qualified purchasers as defined in the U.S. Investment Company Act of 1940, as amended ("Company Act").

JAT Capital and the Capital General Partner receive two forms of compensation in connection with their provision of investment advisory services to the JAT Capital Funds. JAT Capital and the Capital General Partner receive (1) a management fee based on the value of the assets of the JAT Capital Funds and (2) an incentive allocation based on the gains, if any, earned by the JAT Capital Funds.

JAT Select and the Select General Partner receive two forms of compensation in connection with their provision of investment advisory services to the JAT Select Funds. JAT Select and the Select General Partner receive (1) a management fee based generally on the value of the assets of the JAT Select Funds and (2) an incentive allocation based on the gains, if any, earned by the JAT Select Funds.

JAT Select and the Prime General Partner receive two forms of compensation in connection with their provision of investment advisory services to the JAT Prime Funds. JAT Select and the Prime General Partner receive (1) a management fee based on the value of the assets of the JAT Prime Funds and (2) an incentive allocation based on the outperformance, if any, of the Russell 3000 Index.

The management fee is paid to JAT Capital out of the assets of the Capital Master Fund (while the management fee is paid to JAT Select out of the assets of the Select Master Fund and the Prime Master Fund) and the incentive allocation, if any, takes the form of a reallocation of profits to the Capital General Partner's capital account in the Capital Domestic Fund, and to the Capital General Partner's shares in the Capital Intermediate Fund (while the incentive allocation, if any, takes the form of a reallocation of profits to the Select General Partner's capital account in the Select Domestic Fund and to the Select General Partner's shares in the Select Intermediate Fund). Because the incentive allocation for the JAT Prime Funds is calculated by reference to the outperformance of the applicable benchmark, the incentive allocation takes the form of a reallocation of gross profits to the Prime General Partner's capital account in the Prime Domestic Fund and to the Prime General Partner's shares in the Prime Intermediate Fund. Please note that, because the incentive allocation for the JAT Prime Funds is calculated by reference to a benchmark, an investor may be subject to an incentive allocation if the JAT Prime Funds have lost money, but outperformed the benchmark (*e.g.*, the JAT Prime Funds lost 10% while the applicable benchmark lost 20%). While the amount of the compensation and method of payment are not generally negotiable, JAT Capital and JAT Select have the discretion to waive or reduce the management fee and the incentive allocation for investors.

The Funds (without giving effect to the Series D Shares) pay the Firm management fees in advance at the beginning of each quarter which are prorated for an investor that invests mid-quarter. An investor in the Funds (without giving effect to the Series D Shares) that redeems mid-quarter would receive a refund of any prepaid portion of the management fee. The Series D Shares pay the Firm management fees in arrears at the end of each quarter which are assessed daily and which are prorated for any partial calendar quarters.

Incentive allocations for the Funds (without giving effect to the Series D Shares), if any, are generally made at the end of each Fund's fiscal year, and whenever an investor redeems or withdraws from a Fund. Incentive allocations for the Series D Shares, if any, are generally made whenever an investor redeems or withdraws from the Series D Shares (or upon a distribution) after the investor's initial subscription amount is returned to the investor.

Redemption charges (if applicable) are deducted from the redemption proceeds of an investor that redeems from a Fund prior to the expiration of an applicable "soft" lock-up period. For redemptions from a JAT Capital Fund, redemption charges are paid to JAT Capital Master Fund and are allocated among the investors in JAT Capital Domestic Fund and JAT Capital Offshore Fund. For redemptions from a JAT Prime Fund, redemption charges are paid to JAT Prime Master Fund and are allocated among the non-redeeming investors in JAT Prime Domestic Fund and JAT Prime Offshore Fund. To the extent that employees or affiliates of the Firm are invested in a Fund, they would participate in their *pro rata* portion of such redemption charges.

The Funds bear (i) all their operating expenses, (ii) all trading and investment expenses, including: external (*i.e.*, third-party) legal, audit, accounting, operational, research fees and expenses; transaction and investment expenses such as commission and "bid-ask" spreads; financing and borrowing costs; (iii) custodial fees, (iv) all indemnification expenses, and (v) all expenses of any nature related to the Funds' operations and business (including the retention and attraction of capital). The Funds do not pay any of the internal costs of the Firm (*e.g.*, office rent, allocable overhead, or salaries and bonuses) except as provided below.

Please review the offering documents of each Fund for a description of the expenses that each Fund bears. Generally, the Funds' trading, operating, and administrative costs and expenses include, without limitation (i) investment expenses and all other expenses (including, without limitation, all commissions, clearing fees, all other costs of executing transactions, interest charges, financing charges, and applicable withholding and other taxes) related to the purchase or sale, transmittal of investments, as well as costs and expenses associated with obtaining and maintaining regulatory licenses and exchange memberships; (ii) travel and due diligence costs and expenses; (iii) legal, accounting, auditing, and other professional fees and expenses, including consulting and appraisal fees and expenses; (iv) the costs of subscriptions to financial news, research, accounting, and wire services; (v) tax preparation fees and expenses and the costs of preparing, printing, and distributing annual and periodic reports and other investor communications; (vi) any taxes and duties payable in any jurisdiction in connection with the Funds' operations; (vii) fees in connection with the custody of the Funds' assets; (viii) insurance costs (including the premiums paid for directors and officers, errors and omissions, and other comparable insurance for the Firm, its affiliates, and third parties providing services to the Funds); (ix) administrative costs (including the fees and out-of-pocket expenses of the Funds' administrator), paying agency, transfer agency, and accounting verification (if any); (x) the fees and out-of-pocket expenses of any service providers incurred in performing services for the Funds; (xi) any other operating or administrative expenses relating to accounting, research, due diligence, or reporting; (xii) costs and expenses relating to the Funds' regulatory compliance, including, without limitation, costs of compliance programs, examinations, regulatory inquiries, and regulatory filings; and (xiii) any indemnification payments.

From time to time, the Funds may invest in securities of investment companies that are not managed by the Firm, such as closed-end funds, open-end funds and exchange traded funds as part of the Funds' hedging, trading and investment strategies. To the extent that the Funds invest in such securities, the Funds incur layered fees; that is, they not only pay fees directly to the Firm, but also pay fees charged by the entities that manage the investment company's securities. Such fees may include custodial fees, management fees, early termination fees and other fees and expenses assessed by the sponsor, custodian, transfer agent or other service providers of an investment company.

For a discussion of the brokerage arrangements entered into by the Funds, see Item 12.

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

Performance-Based Fees.

The Capital General Partner and the Select General Partner receive from investors in the respective Funds performance-based compensation in the form of an incentive allocation equal to a percentage of the appreciation in the net asset value of an investor's interest or shares in the relevant Fund. The Prime General Partner receives from investors in the JAT Prime Funds performance-based compensation in the form of an incentive allocation equal to a percentage of the JAT Prime Funds' outperformance of the Russell 3000 Index for each investor's interest or shares.

Performance compensation arrangements may create an incentive for JAT Capital and JAT Select to make investments that may be riskier or more speculative than would be the case if such arrangements were not in effect. In addition, because performance compensation for the JAT Capital Funds and the JAT Select Funds (without giving effect to the Series D Shares) is calculated on a basis that includes unrealized capital appreciation, it may be greater than if such compensation were based solely on realized gains. The JAT Prime Funds are also entitled to performance compensation on unrealized capital appreciation, but investors should note that because the incentive allocation for the JAT Prime Funds is calculated by reference to the outperformance of a benchmark, investors may be subject to an incentive allocation if the JAT Prime Funds have lost money but outperformed the benchmark (*e.g.*, the JAT Prime Funds lost 10% while the applicable benchmark lost 20%).

Side-by-Side Management.

As described in Item 4, the JAT Capital Funds, the JAT Select Funds, and the JAT Prime Funds each invest in a "master-feeder" structure, with the Capital Master Fund, the Select Master Fund, and the Prime Master Fund generally conducting the trading activity on behalf of the Funds. Assets, and profits and losses, are generally allocated between: (i) the Capital Domestic Fund and the Capital Offshore Fund *pro rata* based on their investment in the Capital Master Fund; (ii) the Select Domestic Fund and the Select Offshore Fund *pro rata* based on their investment in the Select Master Fund; and (iii) the Prime Domestic Fund and the Prime Offshore Fund *pro rata* based on their investment in the Prime Master Fund.

As further described in Item 4, the JAT Capital Funds and the JAT Select Funds (without giving effect to the Series D Shares) (together, the "Long/Short Strategy") have substantially similar investment programs, and as such, generally invest on a side-by-side basis, and investments are generally allocated between the two master funds in the Long/Short Strategy on a *pro rata* basis based on net asset value.

JAT Prime Master Fund's investment program is narrower than that of the Long/Short Strategy: its portfolio generally reflects the liquid long equity positions of the Long/Short Strategy (the "Global Long Strategy"). Because the investment programs and risk profiles of the Long/Short Strategy and the Global Long Strategy differ, not all trades to be consummated for the Long/Short Strategy will be consummated for the Global Long Strategy (and vice versa). For instance, the Global Long Strategy is expected to have different exposure targets in specific investments, and in its portfolio as a whole, and may elect to adhere to different investment parameters/guidelines (internally imposed or agreed to with investors). As a

result, the Firm may cause the Global Long Strategy to sell a position while causing the Long/Short Strategy to hold or buy the same position, or may cause the Global Long Strategy to buy or hold a position, while the Long/Short Strategy sells or shorts that same position.

Similarly, the investment program and risk profile for the Series D Shares varies significantly from that of the Long/Short Strategy and the Global Long Strategy: its portfolio generally reflects highly concentrated investments (both long and short) in high-conviction and high return-for-risk equity positions in the Firm's core sectors. Because the investment programs and risk profiles differ, not all trades to be consummated for either the Long/Short Strategy or the Global Long Strategy will be consummated for the Series D Shares (and vice versa). For instance, the Series D Shares are expected to have different exposure targets in specific investments, and in its portfolio as a whole, and may elect to adhere to different investment parameters/guidelines (internally imposed or agreed to with investors). As a result, the Firm may cause the Series D Shares to sell a position while causing either the Long/Short Strategy or the Global Long Strategy to hold or buy the same position, or may cause the Series D Shares to buy or hold a position, while either the Long/Short Strategy or the Global Long Strategy sells or shorts that same position (subject to the limitations described herein).

The Firm has adopted a trade allocation policy that is committed to allocating investment opportunities on a fair and equitable basis over time, and in a manner that is consistent with the investment objectives of each of the portfolios (defined below). Trades that are to be pursued by the Long/Short Strategy, the Global Long Strategy, and the Series D Shares (referred to collectively throughout as the "portfolios") on a "side-by-side" basis will generally be allocated among the portfolios on a *pro rata* basis based on order size, targeted exposure, net asset value, or otherwise. However, the Firm may diverge from trading in a "side-by-side" approach when the investment programs and/or risk profiles of the portfolios differ, as well as due to a number of other factors, including, without limitation: if any of the portfolios are not permitted (or are limited in the ability) to participate in certain investments (as a result of tax, regulatory, contractual, or other reasons); pending, anticipated, or actual redemptions or subscriptions; odd lot sizes; portfolio manager discretion (e.g. risk management, exposure targets, etc.); and such other criteria as is determined by the Firm to be reasonably related to the reasonable allocation of a particular investment opportunity.

Trades pursued by one or more portfolios on the same day in the same investment (so long as traded in the same direction), generally will be allocated on an average price basis (but may be allocated on any other basis deemed fair and equitable by the Firm). The effect of average pricing in such a manner may operate to the disadvantage of any one of the portfolios.

By managing the portfolios this way, the Firm mitigates investment allocation conflicts that might arise when an investment adviser accepts performance-based compensation from some funds (or clients), but not from other funds (or clients), or accepts higher performance-based compensation from some funds (or clients) than from other funds (or clients).

Item 7. Types of Clients.

As described above, the clients of the Firm are the Funds, each of which is a private investment fund exempt from registration as an investment company under Section 3(c)(7) of the U.S. Investment Company Act of 1940, as amended (the “Company Act”).

The investors in the Funds generally consist of endowments, foundations, insurance companies, high net worth individuals, funds of funds, public and corporate pensions, and other sophisticated investors. Investors must be either: (i) both “qualified purchasers” as defined in the Company Act and “accredited investors” as defined in the U.S. Securities Act of 1933, as amended or (ii) non-United States persons. Generally, the Funds require a minimum initial investment of \$5 million, which minimum may be waived in the discretion of the board of directors of the applicable offshore fund (the “Board”) or the general partner of the applicable domestic fund.

Item 8. Method of Analysis, Investment Strategies, and Risk of Loss.

Methods of Analysis and Investment Strategies.

Please refer to Item 4 for a description of the types of securities and other financial instruments in which the Funds invest.

In general, the Firm's core investment approach is driven by a dedication to producing quality proprietary research that seeks to uncover over/undervalued investments and to identify the metrics that will drive price realization. The Firm uses a fundamental, research driven approach to identify what it perceives to be attractive risk-adjusted assets for purchase while using what it perceives to be poor risk-adjusted assets for short sale.

The Firm's analytic framework typically will come from a "kick the tires" evaluation of the potential of any investment. This analysis may include creating earnings models, creating bottom-up estimates of demand through discussions with customers, suppliers, and competitors, detailing the economic model employed to identify return economics, uncovering cash flow and balance sheet issues, and performing reference checks on key management personnel.

Generally, long investments have an investment horizon of 1 to 2 years and may (but not always) fit into one of the following categories: (1) growth companies with long-term earnings prospects and an attractive model of reinvestment economics; (2) restructurings where a new management team cuts costs and/or rationalizes business units; (3) free cash flow generators with a management team that understands how to use the cash for the benefit for shareholders; (4) companies with competitive moats around their business such that margins and market share are increasing; and (5) lesser covered companies with a significant pickup in business prospects.

Generally, short investments have an investment horizon of 3 to 12 months and may (but not always) fit into one or more of the following categories: (1) companies with a significant deterioration in earnings driven by competitive/industry force; (2) companies with promotional management teams that have poor return economics and require additional capital to execute their business plan; (3) companies with fraudulent accounting that meaningfully overstates the true economics of the business; and (4) companies encountering a significant shift in their business model from a high margin to a low margin business.

The descriptions set forth in this document of specific advisory services that the Firm offers to the Funds, investment strategies pursued, and investments made on behalf of the Funds, should not be understood to limit in any way the Firm's investment activities. JAT Capital and JAT Select may offer any advisory services, engage in any investment strategy, and make any investment, including ones not described in this document, if JAT Capital and JAT Select consider it appropriate, subject to the Funds' investment objectives and guidelines. The investment strategies that JAT Capital and JAT Select pursue are speculative and entail substantial risks. There can be no assurance that the investment objective of the Funds will be achieved.

Material, Significant, or Unusual Risks Relating to Investment Strategies.

The following is a summary of some of the material risks associated with the strategies implemented by JAT Capital and JAT Select. This summary does not attempt to describe all the risks associated with an investment in the Funds or even all risks associated with the Funds' strategies. Although no summary can fully describe all of such risks, the offering documents of each Fund contain a more complete description of the risks associated with an investment in each Fund, and no investment in any Fund can be made without such offering documents.

Directional Trading.

Most of the positions taken on behalf of the Funds are designed to profit from forecasting absolute price movements in a particular instrument. Predicting future prices is inherently uncertain and the losses incurred, if the market moves against a position, will often not be hedged. The speculative aspect of attempting to predict absolute price movements is generally perceived to exceed that involved in attempting to predict relative price fluctuations.

Hybrid and Other Strategies.

Many of the strategies the Firm executes on behalf of the Funds combine elements of more than one of the foregoing general strategy types or may represent a completely different strategy type. Often, in the course of implementing a particular strategy, an opportunistic trade representing a different trading approach will be made. For example, in seeking to identify a relatively mispriced pair of assets, the Firm, as applicable, may conclude that an asset is sufficiently over- or underpriced to merit taking an outright directional position. This approach combines a range of different trading techniques, both implementing different strategies in different markets and combining different strategies, in the same or related markets. The Firm is continually developing new, and adapting and refining existing, strategies. There are no material limitations on the strategies that the Firm may apply, and no assurance as to which types of strategies may be applied at any one time.

Leverage.

JAT Capital and JAT Select may cause the Funds to invest on a leveraged basis, both through borrowings and through the significant degree of leverage typically embedded in the derivative instruments traded by the Funds. Losses incurred on leveraged investments increase in direct proportion to the degree of leverage employed. The Funds also incur interest expenses to the extent they use borrowings to leverage their positions.

To the extent that the assets of the Funds have been leveraged through the borrowing of money, the purchase of securities on margin or otherwise, the interest expense and other costs and premiums incurred in relation thereto may not be recovered. If the gains earned fail to cover such costs, the net asset value of the Funds may decrease faster than if it had not engaged in such borrowing transactions.

Short Sales.

As an integral part of their trading strategies, the Firm will cause the Funds routinely to sell securities “short.” A short sale is effected by selling a security that the Funds do not own, or selling a security that the Funds own but that they do not deliver upon consummation of the sale. In order to make delivery to the buyer of a security sold short, the Funds must borrow the security. In doing so, they incur the obligation to replace that security, whatever its price may be, at the time it is required to be delivered to the lender. The Funds must also pay the lender of the security any dividends or interest payable on the security during the borrowing period and may have to pay a premium to borrow the security. This obligation must, unless the Funds then own or have the right to obtain, without payment, securities identical to those sold short, be collateralized by a deposit of cash or marketable securities with the lender. Short selling is subject to a theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. There can be no assurance that the securities necessary to cover the short position will be available for purchase. In addition, purchasing securities to close out the short position can itself cause the price of the relevant securities to rise further, thereby increasing any loss incurred. Furthermore, the Funds may be forced to close out a short position prematurely if a counterparty from which they borrowed securities demands its return, resulting in a loss on what might otherwise have been a profitable position.

U.S. and non-U.S. regulatory authorities have recently initiated new limitations on short sales, including temporary bans and ongoing reporting requirements. The long-term impact of such reporting requirements on strategies that make material use of short sales is unclear, but if bans on short sales are reinstated such bans may make it impracticable or uneconomical to implement some of the Firm’s investment and trading strategies.

Hedging.

The Firm may not attempt to hedge all market or other risks inherent in the Funds’ positions, and may hedge certain risks only partially. Specifically, the Firm may choose not to hedge certain risks or determine that hedging is economically unattractive — either in respect of particular positions or in respect of the overall portfolio. The Funds’ portfolios’ composition may have various directional market risks remaining unhedged, and although the Firm may rely on diversification, and specifically, as applicable, by attempting to have long and short positions in the portfolios which may be exposed to the same directional market risks, to control such risks to the extent that the Firm believes to be desirable to do so, the Funds will not be subject to any formal diversification policies.

The Firm may enter into hedging transactions or positions with the intention of reducing or controlling risk. Even if the Firm is successful in doing so, the hedging may reduce the Funds’ returns. Furthermore, it is possible that hedging strategies will not be effective in controlling risk, due to unexpected non-correlation (or even positive correlation) between the hedging instrument and the position being hedged, increasing rather than reducing both risk and losses.

To the extent that the Firm attempts to hedge risks, the hedges will not be static but rather will need to be continually adjusted based on an assessment of market conditions, as well as the expected degree of non-correlation between the hedges and the portfolio being hedged. The success of the hedging strategies will

depend on the Firm's ability to implement such strategies efficiently and cost-effectively, as well as on the accuracy of its ongoing judgments concerning the hedging positions to be acquired.

Turnover.

The Funds' portfolios' turnover rate may be significant, potentially involving substantial brokerage commissions, fees, bid-ask spreads, and other transaction costs, which must be recouped before the Funds' investment can be profitable.

Contagion Risk Factor

The Funds have the power to issue interests or shares in classes, series and sub-series. The offering documents of each Fund provide for the manner in which the liabilities are to be attributed across the various classes, series or sub-series (liabilities are to be attributed to the specific class, series or sub-series in respect of which the liability was incurred). However, each Fund is a single legal entity and there is no limited recourse protection for any class, series or sub-series within a Fund. Accordingly, all of the assets of a Fund will be available to meet all of such Fund's liabilities regardless of the class, series or sub-series to which such assets or liabilities are attributable. In practice, cross-class or cross-series liability is only expected to arise where liabilities referable to one class, series or sub-series are in excess of the assets of such class, series or sub-series and it is unable to meet all liabilities attributed to it. In such a case, the assets of the Fund attributable to other classes, series, or sub-series of such Fund, as the case may be, may be applied to cover such liability excess and the value of the contributing classes, series or sub-series will be reduced as a result. Since the launch of the Series D Shares, the JAT Select Funds employ two different investment strategies within one set of investment funds via multiple series.

Risks Associated with Particular Types of Securities.

Equity Securities.

The Funds' portfolios typically predominantly consist of equity and equity-related securities. Numerous inter-related and difficult-to-quantify economic factors, as well as market sentiment, subjective and extraneous political, climate-related and other factors, influence the cost of equities; there can be no assurance that the Firm will be able to predict future price levels correctly. Directional equity positions are typically leveraged, and even comparatively minor adverse market movements can result in substantial losses.

Debt Securities.

The Firm may invest in debt securities for the Funds, as applicable, which may be subject to price volatility due to various factors including, but not limited to, changes in interest rates, market perception of the creditworthiness of the issuer and general market liquidity. In addition to high investment grade debt securities, the Firm may invest in low investment grade or non-investment grade debt securities, which are typically subject to greater market fluctuations and risks of loss of income and principal than lower yielding, investment grade securities and are often influenced by many of the same unpredictable factors which affect equity prices. In addition to the sensitivity of debt securities to overall interest-rate movements, debt securities involve a fundamental credit risk based on the issuer's ability to make principal and interest payments on the debt it issues. This risk is exacerbated in the case of the smaller

market capitalization issuers. Investments in debt securities may experience substantial losses due to adverse changes in interest rates and the market's perception of issuers' creditworthiness.

The Firm may cause the Funds to invest in certain hybrid debt arrangements, as applicable, which are subject to risks in addition to overall interest-rate movements and the issuers' ability to pay the debt in accordance with its terms. For example, if the Funds invest in syndicated debt such as loan participations, it is subject to certain additional risks as a result of having no direct contractual relationship with the borrower of the underlying loan. In such circumstances, the Funds will generally depend on the lender to enforce its rights and obligations under the loan arrangements in the event of a default by the borrower on the underlying loan and will generally have no voting rights with respect to the issuer, as such rights are typically retained by the lender. Such investments are subject to the credit risk of the lender (as well as the borrower) because they will depend upon the lender forwarding payments of principal and interest received on the underlying loan. There can be no assurance that the lender will not default on its obligations under such arrangements, resulting in substantial losses.

Distressed and High Yield Securities.

The Firm may invest in the securities of issuers in weak financial condition, experiencing poor operating results, needing substantial capital investment, perhaps having negative net worth, facing special competitive or product obsolescence problems or involved in bankruptcy or reorganization proceedings. Investments of this type may involve specialized financial and business risks that can result in significant or even total losses. Among the risks inherent in investments in financially troubled issuers is the fact that it is frequently difficult to obtain reliable information as to their true financial condition. The market prices of distressed and high yield securities are subject to abrupt and erratic market movements and excessive price volatility, and unusually wide "bid-ask" spreads.

Derivatives.

The Firm may use derivative financial instruments, including, without limitation, warrants, options, swaps, convertible securities, notional principal contracts, contracts for difference, forward contracts, futures contracts and options thereon, and may use derivative techniques for hedging and for speculative trading purposes. The use of derivative instruments involves a variety of material risks, including the extremely high degree of leverage often embedded in such instruments and the possibility of counterparty non-performance as well as of material and prolonged deviations between the theoretical and realizable value of a derivative (*i.e.*, due to nonconformance to anticipated or historical correlation patterns). These anticipated risks (and other risks that may not be anticipated) may make it difficult as well as costly to close out positions in order to realize gains or to limit losses.

Many of the derivatives traded by the Funds are principal-to-principal or "over-the-counter" contracts between a Fund and third parties entered into privately, rather than on an exchange. As a result, the Funds will not be afforded the regulatory and financial protections of an exchange or its clearinghouse (or of the government regulator that oversees such exchange and clearinghouse). In privately negotiated transactions, the risk of the negotiated price deviating materially from fair value is substantial, particularly when there is no active market available from which to derive benchmark prices.

Many derivatives are valued on the basis of dealers' pricing of these instruments. However, the price at which dealers value a particular derivative and the price at which the same dealers would actually be willing to pay for such derivatives should the Funds wish or be forced to sell such position may be materially different. Such differences can result in an overstatement of a Fund's net asset value and may materially and adversely affect the Funds in situations in which the Funds are required to close out derivative instruments.

The Funds' use of derivatives and other techniques (such as short sales) for hedging purposes involves certain additional risks, including (i) imperfect correlation between movements in the asset on which the derivative is based and movements in the asset being hedged; and (ii) possible impediments to effective portfolio management or the ability to meet short-term obligations because of the percentage of the Funds' assets segregated to secure its obligations under derivatives contracts. By hedging a particular position, the Funds limit the potential gain from an increase in value of such position, but may not achieve a commensurate increase in risk control.

Credit Default Swaps.

The Firm may purchase and sell credit derivatives contracts — primarily credit default swaps — for both hedging and for speculative trading purposes. The typical credit default swap contract requires the seller to pay to the buyer, in the event that a particular reference entity experiences specified credit events, the difference between the notional amount of the contract and the value of a portfolio of securities (or single security) issued by the reference entity. In return, the buyer agrees to make periodic payments equal to a fixed percentage of the notional amount of the contract. The Firm may also sell credit default swaps on a basket of reference entities as part of a synthetic collateralized debt obligation transaction.

Credit default swaps generally trade on the basis of theoretical pricing and valuation models, which may not accurately value such swap positions when established or when subsequently traded or unwound under actual market conditions.

Non-U.S. Securities and Emerging Markets.

The Funds trade and invest in securities of companies domiciled or operating in non-U.S. countries, including in countries that are considered to be "emerging markets." Investing in these securities involves considerations and possible risks not typically involved in investing in securities of companies domiciled and operating in the United States, including instability of some non-U.S. governments, the possibility of expropriation, limitations on the use or removal of funds or other assets, more limited disclosure and access to information from issuers than is customary in the United States, changes in governmental administration or economic or monetary policy (in the United States or abroad) or changed circumstances in dealings between nations. The application of non-U.S. tax laws (*e.g.*, the imposition of withholding taxes on dividend or interest payments, income taxes and excise taxes) or confiscatory taxation, as well as various other laws and regulations, including anti-money laundering laws, may also affect the Funds' investment in non-U.S. securities and its other investments in entities located outside the United States. The Funds may incur higher expenses from investment in non-U.S. securities and outside the United States, in particular, in emerging markets, than from investment in U.S. securities and in non-emerging markets because of the costs that must be incurred in connection with conversions between various currencies and because non-U.S. brokerage commissions may be higher than commissions in the United

States. Non-U.S. markets also may be less liquid, more volatile and subject to less stringent governmental supervision than in the United States. The Funds' investments in non-U.S. countries could be adversely affected by other factors not present in the United States, including lack of uniform accounting, auditing and financial reporting standards and potential difficulties in enforcing contractual obligations and in hedging market risk.

Private Investments; Illiquid Investments; Estimated Values.

The Firm may occasionally invest in illiquid and restricted, as well as thinly-traded, instruments (including privately placed securities). There is often a limited trading market for these investments, and the Funds might only be able to liquidate these positions, if at all, at disadvantageous prices. The Funds holding any such investments may be required to hold such investments despite adverse price movements. In addition, if the Firm causes a Fund to make a short sale of an illiquid holding, it may have difficulty in covering the short sale, resulting in a potentially unlimited loss on that position.

Illiquid investments in the portfolios are valued in the Firm's good faith discretion, although the Firm generally expects to be able to obtain third-party quotes for such securities. Although there can be no assurance that these valuations will accurately predict the price at which an arm's-length buyer would be willing to purchase the investments, these valuations will be part of the calculation of the Funds' net asset value.

In order to ascertain the net asset value of the Funds, the Firm may need to use an estimated "fair value" (determined by the Firm) for illiquid investments. Any such "fair value" may differ materially from the value ultimately realized upon the liquidation of these investments. Nevertheless, management fees will be paid, incentive allocations will be made, the participation of new subscriptions in the profits and losses of the Funds determined, and redemption proceeds calculated based on the Funds' net asset value which may incorporate "fair value" determinations.

Item 9. Disciplinary Information.

Not applicable.

Item 10. Other Financial Industry Activities and Affiliations.

The Capital General Partner serves as the general partner to the Capital Domestic Fund and is a shareholder of the Capital Intermediate Fund.

JAT Select serves as the investment manager to the JAT Select Funds, and the Select General Partner serves as the general partner to the Select Domestic Fund and is a shareholder of the Select Intermediate Fund. JAT Select also serves as the investment manager to the JAT Prime Funds, and the Prime General Partner serves as the general partner to the Prime Domestic Fund and is a shareholder of the Prime Intermediate Fund.

JAT Capital and JAT Select (a relying adviser) are filing a single Form ADV in reliance on the position expressed in the SEC Staff's No Action Letter to the American Bar Association dated January 18, 2012. The Capital General Partner, the Select General Partner, and the Prime General Partner are special purpose vehicles formed to act as general partners of certain of the Funds, shareholders of certain of the Funds, and are related persons of JAT Capital.

JAT Capital, JAT Select, the Capital General Partner, the Select General Partner, and the Prime General Partner are exempt from registration with the Commodity Futures Trading Commission ("CFTC") as commodity pool operators because the JAT Capital Funds, the JAT Select Funds, and the JAT Prime Funds are being operated pursuant to an exemption from registration under CFTC regulation 4.13(a)(3).

Item 11. Code of Ethics, Participation in Client Transactions, and Personal Trading.

Code of Ethics.

The Firm strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty, and trust. In seeking to meet these standards (and in accordance with SEC rule 204A-1), the Firm has adopted a Code of Ethics (the “Code”). The Code incorporates the following general principles that all employees are expected to uphold:

- As a fiduciary, the Firm must serve the Funds’ best interests. The Firm must place the Funds’ interests ahead of its interests;
- Employees must not take inappropriate advantage of their positions at the Firm;
- Employees must abide by all applicable laws, rules, and regulations; and
- Employees must engage in personal investing that is in full compliance with the Code.

In addition to the general principles discussed above, the Code sets forth the Firm’s specific personal trading procedures, as well as policies and procedures regarding other business-related activities that present or may present conflicts of interest, such as restrictions on and reporting of gifts and entertainment, the Firm’s policies and procedures on political contributions and compliance with “pay-to-play” laws, as well as policies and procedures for pre-clearance of outside activities that may conflict with an employee’s duties at the Firm.

The provisions of the Code apply to all employees, and accordingly, all employees receive training with respect to the Code periodically. Investors (or prospective investors) in the Funds may request a copy of the Code by contacting the Firm at the address or telephone number listed on the first page of this document.

Personal Trading.

The Code places significant restrictions on personal trades by employees. Certain transactions, such as the purchase or sale of publicly traded equities or options is generally prohibited, unless an employee is seeking to sell or cover a pre-existing position in a personal account that he/she held prior to becoming subject to the Code. In such a case, the employee must receive the approval of the Firm’s Compliance Department prior to engaging in such transaction. Certain other transactions, such as the purchase or sale of exchange traded funds (ETFs), are allowed with the prior approval of the Compliance Department, while other transactions, such as the purchase or sale of open-end mutual funds or money market funds, are allowed without the approval of the Compliance Department. In addition, employees are required to disclose their reportable securities transactions on a quarterly basis, and their reportable securities holdings on an annual basis. In certain rare circumstances, the Firm’s Compliance Department may make an exception to the rules set out above. The general guidelines of the Code discussed above, as well as the Compliance Department’s consideration of any other relevant factors (including perceived conflicts) and its discretion to decline to approve any transaction, help to address any conflicts that could arise as a result of personal trading requests.

The Firm is subject to certain conflicts of interest in advising the Funds. Some of these conflicts are summarized here, but this summary does not attempt to describe all the conflicts of interest associated with an investment in the Funds. The offering documents for each Fund contain a more complete description of what JAT Capital and JAT Select believes to be the most significant conflicts of interest associated with an investment in such Fund, but is also not an exhaustive list.

Allocation of Investment Opportunities.

As described in Item 4 and Item 6, the Funds invest in a “master-feeder” structure, with (i) substantially all the assets of the Capital Domestic Fund, Capital Offshore Fund, and Capital Intermediate Fund generally being invested in (either directly or indirectly), and generally traded by, the Capital Master Fund, (ii) substantially all the assets of the Select Domestic Fund, Select Offshore Fund, and Select Intermediate Fund generally being invested in (either directly or indirectly), and generally traded by, the Select Master Fund, and (iii) substantially all the assets of the Prime Domestic Fund, Prime Offshore Fund, and Prime Intermediate Fund generally being invested in (either directly or indirectly), and generally traded by, the Prime Master Fund. The Firm has adopted a trade allocation policy that is committed to allocating investment opportunities on a fair and equitable basis over time between and among the portfolios. When an investment is appropriate for more than one portfolio, the investment typically is allocated between the portfolios pursuant to a predetermined formula that generally results in a *pro rata* allocation based on order size, targeted exposure, net asset value, or otherwise. The Firm may diverge from this general approach due to a number of factors, including, without limitation, those factors described in Item 6.

Cross Trades.

Generally as a result of capital flows (or such other reasons as the Firm reasonably determines), the Firm may “rebalance” the portfolios by causing one portfolio to purchase securities held by another portfolio. The Firm will enter into such “cross” transactions between the portfolios only if permitted by applicable law. Cross trades that result from capital flows will generally be done at the closing price for the respective security on the last day of the month. The Firm does not receive any compensation in connection with “cross” transactions.

Permitted Transactions.

The Firm has the right to organize, engage in or possess an interest in, directly or indirectly, other business ventures or investments of any nature or description for its own account (including engaging in transactions involving investment assets owned by, or of the same type owned by, the Funds), independently or with others, including any investment in any aspect of the investment and trading business or any other business engaged in by the Funds, and none of the Funds or investors in the Funds will have any rights in or to such investment or independent venture or the income or profits derived therefrom.

Subject to applicable law, JAT Capital and JAT Select may cause the Funds, and any affiliate or their clients to engage in all manner of transactions with any other affiliate, their clients, or the Funds, including joint ventures, “master-feeder” structures, principal-to-principal, “riskless principal,” “agency

cross” and agency transactions in investment assets, repurchase agreements, reverse repurchase agreements, lendings, borrowings, guarantees and swaps and other derivative transactions. For the avoidance of doubt, JAT Capital, JAT Select, and their affiliates will, subject to any consent required by law, have full authority to cause the Funds, any affiliate and any of their clients to enter into all manner of commercial, investing, lending, borrowing or trading transactions with the Funds, any affiliate and any of their clients, including joint ventures, participations or other business combinations or arrangements, irrespective of whether such transactions increase the Funds’ risk of loss, liability or costs and irrespective of whether the economic or tax attributes are shared on a *pro rata* basis. Notwithstanding the foregoing, the Funds shall not make loans to any investor or affiliate of JAT Capital or JAT Select.

Management Time.

The Firm is required to devote only such time and attention to the conduct of the business and affairs of the Funds as the Firm determines necessary or advisable.

Investors in the Funds acknowledge and agree that by reason of the other business activities of the Firm and its employees, the Firm may not be able, or may determine not, to initiate a transaction for the Funds that it would otherwise have initiated for the Funds.

Item 12. Brokerage Practices.

Selecting Broker-Dealers and the Use of Soft Dollars.

The Firm has full investment discretion on behalf of the Funds and has full authority to select the broker-dealers (the “brokers”) through which transactions are effected on behalf of the Funds. In selecting the broker to use for a transaction for the Funds, the Firm’s traders will consider a variety of factors, but ultimately will be guided by the duty to seek best execution. The factors that will guide their decision will include, among other things, the broker’s quality of execution, willingness to commit capital, confidentiality of trading activity, ongoing reliability, overall costs of a trade, reputation, financial strength and stability, and the receipt of brokerage or research services. The Firm maintains an “approved broker list” and trades executed by the Firm will often be guided based on a vote of the investment team. When casting votes for the approved broker list, the investment team considers, among other things, the quality of the research provided, and the ability of the broker to provide access to issuer management, conferences, and ability to provide access to securities offerings.

In selecting brokers or dealers to execute transactions, the Firm does not have an obligation to seek the lowest available transaction cost, but rather may consider all relevant factors, including those specifically addressed above, in selecting a broker or dealer and agreeing to a particular commission rate. If the Firm determines, in good faith, that the commissions charged by a broker are reasonable in relation to the value of the brokerage and research products or services provided by such broker, it may cause the Funds to pay commissions to such broker in an amount greater than the amount another broker might charge. The Firm may have an incentive to select a broker based on an interest in receiving research products or services rather than the Funds’ interests in receiving the cheapest possible execution. The Firm’s use of soft dollars (as described below) is generated by the Funds and is used by the Firm in providing investment advisory services to the Funds. In addition, the Firm’s Brokerage and Soft Dollar Committee reviews trade executions and soft dollar arrangements to confirm that best execution standards are met.

The Firm’s use of commissions or “soft dollars” to pay for research products or brokerage services falls within the safe harbor created by Section 28(e) of the Securities Exchange Act of 1934, as amended. If a product or service obtained with soft dollars provides both research/brokerage and non-research/brokerage assistance, it is considered a mixed-use product or service, and the Firm will make a reasonable allocation of the cost to ensure that only the eligible portion of the product or service is paid for with soft dollars.

The Firm regularly receives research products and services directly from brokers and third party research providers paid for by brokers. These products and services include, among other things, research reports, recommendations on specific securities, access to industry experts, and other products and services, all of which provide lawful and appropriate assistance in the performance of the Firm’s investment decision-making responsibilities. The Firm’s Compliance Department and the accounting/operations group review all soft dollar arrangements to ensure that the arrangements meet the requirements of the Section 28(e) safe harbor.

Prime Brokers.

Deutsche Bank Securities Inc., Goldman, Sachs & Co., Morgan Stanley & Co. LLC, Pershing LLC, and UBS Securities LLC (collectively, the “Prime Brokers”) operate as the Prime Brokers for the Funds and clear the Funds’ securities transactions which are effected through executing brokers. The Prime Brokers generally maintain the Funds’ securities and receive no separate fee for providing these services. The Funds may, in the future, utilize other prime brokers.

Custodian.

The Funds have entered into a custodial relationship with Bank of New York Mellon (the “Custodian”). The Custodian generally maintains a portion of the Funds’ fully-paid for long securities, and was retained for asset protection purposes. The amount of securities that are maintained with the Custodian on behalf of the Funds fluctuates over time. The Funds may, in the future, utilize other custodians.

Client Referrals and Directed Brokerage.

When the Firm’s trading desk is selecting brokers for trade execution, it does not consider whether the Firm might receive investor referrals from such brokers. Similarly, the Firm does not request, or allow any investor in a Fund to direct trade executions through a particular broker or otherwise engage in directed brokerage.

The Firm may speak at, or attend conferences sponsored by the Funds’ Prime Brokers, for prospective (or existing) investors interested in learning more about the Funds. These “capital introduction” events and other “capital introduction” services may present a conflict of interest for the Firm when executing trades or allocating business, however, the Firm’s Brokerage and Soft Dollar Committee monitors all such activity to insure that the Firm is operating consistently with its duty to seek best execution.

Order Aggregation.

As mentioned throughout this document, the Funds generally invest in a “master-feeder” structure. In managing the Funds’ portfolios, the Firm will generally aggregate trades, subject to best execution. Aggregation, or “bunching,” describes a procedure whereby an investment adviser combines the orders of two or more clients into a single order for the purpose of obtaining better prices and lower execution costs. Aggregation opportunities for the Firm generally arise when more than one portfolio is capable of purchasing or selling a particular security based on investment objectives, available cash and other factors.

Average Pricing.

Trades pursued by one or more portfolios on the same day in the same investment (so long as traded in the same direction), generally will be allocated on an average price basis (but may be allocated on any other basis deemed fair and equitable by the Firm), and may be allocated on an average price basis even

when such trades are executed at different times and/or pursuant to different orders. The effect of average pricing in such a manner may operate to the disadvantage of any one of the portfolios.

Trade Errors.

The Firm executes a large number of trades on behalf of the Funds each day. Despite the professionalism and care with which the Firm's personnel are expected to operate, occasional trading errors are unavoidable. Thus, the Firm has adopted policies and procedures regarding the monitoring and correction of trade errors. The general policy is to monitor trade executions for errors on a daily basis. Errors to be corrected will be corrected as quickly as reasonably practicable following discovery, and in such a manner as to minimize any loss to the Funds. Traders are required to notify the Chief Compliance Officer as soon as possible following a trade error.

Generally, JAT Capital or JAT Select will make the applicable Funds whole for errors that would not be covered by such Fund in accordance with its indemnification of JAT Capital or JAT Select under the applicable investment management agreement and/or governing documents. This means that the Funds, subject to applicable law (*e.g.*, ERISA), generally bear the loss resulting from trade errors, unless JAT Capital or JAT Select, as the case may be, has determined in good faith that the error results from JAT Capital's or JAT Select's, as the case may be, fraud, bad faith, gross negligence, or reckless or intentional misconduct. Gains resulting from trade errors will be credited to the Funds. In all cases, losses resulting from trade errors to be reimbursed, if any, are only the net losses associated with the errant trade.

The Firm will itself determine in good faith whether or not a given trading error is required to be reimbursed under the applicable Fund's standard of liability. This approach does not contemplate that the Firm would determine whether any individual trading error resulted from fraud, bad faith, gross negligence or reckless or intentional misconduct *per se*; rather, the Firm would likely consider an employee to have been grossly negligent if the Firm determines that its supervisory procedures were inadequate to prevent such trading errors from recurring with an unacceptable degree of frequency.

Item 13. Review of Accounts.

The Funds' portfolios are monitored daily by the Firm's investment team, trading desk, accounting/operations group, and Compliance Department. The investment team and trading desk monitor the portfolios for ongoing investment activity, valuations, and investment objectives, among other things. The accounting/operations group reviews the portfolios to monitor trading activity, cash activity, and margining, among other things. The Compliance Department monitors the portfolios for regulatory/compliance issues (such as the restricted list, and the investment objectives of the portfolios), among other things.

Citco Fund Services (Cayman Islands) Limited (and certain of its affiliates) (collectively, the "Administrator" or "Citco") is the independent administrator of the Funds. Citco keeps the books and records of the Funds. Citco also provides certain back office services to the Funds on a daily basis, such as, reconciling the Funds' cash and trade activity and securities positions with that of the Funds' prime brokers and custodians. The Firm's accounting/operations group reviews the work performed by Citco on a daily basis, and reviews the calculations done by Citco on a daily basis to confirm the accuracy of the net asset values determined by Citco.

On a monthly basis, Citco distributes investor statements to all investors in the Capital Domestic Fund, Capital Offshore Fund, Select Domestic Fund, Select Offshore Fund, Prime Domestic Fund, and Prime Offshore Fund. In addition, the Firm currently makes available to all investors in the Capital Domestic Fund, Capital Offshore Fund, Select Domestic Fund, Select Offshore Fund, Prime Domestic Fund, and Prime Offshore Fund a monthly attribution and exposure report. On an annual basis, investors will receive audited financial statements for the Fund in which they are invested, and if applicable, a Schedule K-1. In addition, the Firm currently distributes a quarterly update letter, as well as periodic estimated performance email updates.

The Firm has also entered into arrangements with industry-recognized third-party data aggregators that will contract with investors to disclose certain of the Funds' portfolio data. The Firm will disclose the identity of these third-party data aggregators upon request.

The Firm's investor relations group is also available to arrange conference calls and in-person meetings with existing investors and prospective investors to discuss the above-referenced reports, or specific matters relating to Fund performance, attribution, or other items.

Item 14. Client Referrals and Other Compensation.

Other than as disclosed in Item 12 with respect to soft dollar arrangements, neither JAT Capital, JAT Select, nor any other related person receives any economic benefits from non-clients for providing investment advice or other advisory services.

Neither JAT Capital, JAT Select, nor any other related person directly or indirectly compensates any person who is not a supervised person, including placement agents, for client referrals.

Item 15. Custody.

JAT Capital and JAT Select are deemed to have custody of the assets held by the Funds. JAT Capital and JAT Select rely on the exception from the “Custody Rule” under Rule 206(4)-2(b)(4) of the Advisers Act, pursuant to which they are exempted from, or deemed to be in compliance with, certain requirements of Rule 206(4)-2 relating to the custody of client funds or securities. JAT Capital and JAT Select rely on the so-called “Pooled Vehicle Annual Audit Exception,” which, among other things, requires that each Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

Item 16. Investment Discretion.

As noted in Item 4 above, JAT Capital and JAT Select have full investment discretionary authority with respect to investment decisions on behalf of the relevant Funds pursuant to investment management agreements with, or the governing documents of, each Fund. Investment decisions for the Funds are made in accordance with the investment objectives and guidelines set forth in each Fund's offering documents. As the portfolio manager, Mr. Thaler has overall responsibility for investment decisions on behalf of the Funds.

Item 17. Voting Client Securities.

In compliance with Rule 206(4)-6 under the Advisers Act, the Firm has adopted proxy voting policies and procedures, and retained a third-party proxy service provider (the “Proxy Service”) to monitor proxy votes pertaining to portfolio securities, provide research and recommendations on such votes, cast such votes in accordance with the Firm’s instructions, and maintain records with respect to such votes. The Firm’s general policy is to cast proxy votes in a manner that serves the best interests of the Funds.

The Firm principally relies on the proxy voting recommendations of the Proxy Service when voting proxies, however, it is not bound by these recommendations and may vote proxies contrary to the Proxy Service’s recommendations when the Firm deems such deviation to be in the best interests of the Funds.

Conflicts of interest may arise between the interests of the Funds on the one hand, and the interests of the Firm on the other hand, when it comes to voting proxies. If the Firm determines that there is, or the Firm perceives that there is, a conflict of interest when voting proxies, the Firm generally will vote in accordance with the Proxy Service’s recommendations.

The Firm will provide each investor in a Fund with a copy of the proxy voting policies and procedures, and the proxy voting record upon request from the Firm at the address or telephone number listed on the first page of this document.

Item 18. Financial Information.

Not applicable.

Item 19. Requirement for State-Registered Advisers.

Not applicable.