

**Manatuck Hill Partners, LLC**  
**March 31, 2017**

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**This Brochure provides information about the qualifications and business practices of Manatuck Hill Partners, LLC (the “Adviser”). If you have any questions about the contents of this Brochure, please contact Thomas Scalia at (203) 418-4400. This information has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.**

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

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

Manatuck Hill Partners, LLC (the “Adviser”), a Delaware limited liability company, is an investment adviser with its principal place of business in Westport, Connecticut. The Adviser commenced operations in July 2009 and registered with the SEC as an investment adviser on March 8, 2012. Mark Broach is the principal owner of the Adviser.

The Adviser provides investment advisory services on a discretionary basis to its clients, which consist of private funds that are pooled investment vehicles intended for sophisticated and institutional investors that focus predominantly on investments in publicly traded securities (the “Funds”).

The Adviser provides advice to its clients based on the specific investment objectives and strategies described in the offering memorandum of each client. The Adviser does not tailor advisory services to the individual needs of its clients, and clients may not impose restrictions on investing in certain securities and other financial instruments or certain types of securities and other financial instruments.

As of December 31, 2016, the Adviser had approximately \$219,186,000 in net assets under management, all of which are managed on a discretionary basis.

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

The fees and compensation from the Funds are set forth in the applicable governing documents of each Fund.

##### **Asset Based Compensation**

The Adviser is paid either a monthly or quarterly asset based investment management fee in advance equal to 1.5% per annum (i.e., 0.125% per month or 0.375% per quarter) based on the value of the respective Fund as of the last day of each month or quarter (the “Management Fee”). The Management Fee shall be paid promptly after the beginning of each month or quarter and shall be based on the net assets of a Fund as of the first day of such month or quarter (adjusted for contributions made during the quarter). The Management Fee is prorated for any period less than a full month or quarter. The Adviser receives the Management Fee each month or quarter by instructing each Fund's custodian to deduct the Management Fee from the Fund's account.

Any investor that is affiliated with, or a family member of, a principal of the Adviser or an affiliate of the Adviser may invest in the Adviser's private investment funds without being subject to any Management Fee.

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

Affiliates of the Adviser are entitled to be paid annual performance-based compensation, which is compensation that is based on a share of capital appreciation of the assets of a client. This performance-based compensation for the Funds is equal to 20% of the respective Fund's net profits and is subject to a loss carryforward.

Any investor that is affiliated with, or a family member of, a principal of the Adviser or an affiliate of the Adviser may invest in the Adviser's private investment funds without being subject to any performance-based compensation.

In addition to paying investment management fees and performance-based fees or other compensation, client accounts will also be subject to other expenses such as legal, accounting and auditing expenses,

printing and mailing costs, research costs and expenses, directors' fees and expenses (if applicable), administrative expenses (including the fee payable to the administrator), government fees, taxes (if any), organizational and offering expenses and all investment expenses (including brokerage commissions, clearing and settlement charges, interest on debit balances or borrowings, mark-ups, mark-downs and spreads on securities and other transactions, insurance and custodial fees, borrowing charges for securities sold short and short sale dividends, and third party fees and expenses incurred in connection with the evaluation of prospective transactions), the costs of any liability insurance obtained on behalf of a client, the Adviser or a manager, member, officer, director, principal, employee or affiliate of the Adviser or an affiliate of any of the foregoing.

Client assets may be invested in money market mutual funds, ETFs or other registered investment companies. In these cases, the client will bear its pro rata share of the investment management fee and other fees of such fund, which are in addition to the Management Fee paid to the Adviser. The Adviser manages master-feeder structures and accordingly, the feeder funds in such structure each bear their pro rata share of the expenses of the applicable master fund. In addition, clients will incur brokerage and other transaction costs. Please refer to Item 12 of this Brochure for a discussion of the Adviser's brokerage practices.

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

The Adviser and its investment personnel provide investment management services to multiple clients. The Adviser is paid performance-based compensation by its private pooled investment vehicle clients. In addition, certain personnel of the Adviser are typically compensated on a basis that includes a performance-based component. When the Adviser and its investment personnel manage more than one client account a potential exists for one client account to be favored over another client account.

The Adviser has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts and the allocation of investment opportunities. The Adviser reviews investment decisions for the purpose of ensuring that all accounts with substantially similar investment objectives are treated equitably. The performance of similarly managed accounts is also regularly compared to determine whether there are any unexplained significant discrepancies.

The Adviser's allocation of investment opportunities among clients is based on a number of factors, as described in more detail in Item 16 of this Brochure.

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

The Adviser's clients consist of private pooled investment vehicles. With respect to any client that is a pooled investment vehicle, any initial and additional subscription minimums are disclosed in the offering memorandum for the pooled investment vehicle.

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

The Adviser utilizes a variety of methods and strategies to make investment decisions and recommendations. The methods of analysis include fundamental research, industry mosaic development, charting analysis, cyclical analysis, and financial statement analysis.

The Adviser employs the following investment strategy:

*Equity Strategies.* The Adviser's equity strategies focus on a broad range of equity investment styles, including fundamental research and bottom-up analysis. Client accounts focus on different specified ranges on the capitalization scale, from micro-cap, through small-cap, and mid-cap for long positions.

Short positions may range from small-cap through mega-cap. In addition, the Adviser manages client accounts that are focused predominantly on U.S. and other developed markets.

*Short Selling.* The Adviser engages in short selling strategies. In a short sale transaction, the Adviser sells a security it does not own in anticipation that the market price of that security will decline. The Adviser makes short sales (i) for profit, (ii) as a form of hedging to offset potential declines in long positions in similar securities, and (iii) as a form of hedging the declines in specific segments of the market or the market in general.

*Relative Value.* The Adviser pursues relative value strategies by taking long positions in securities believed to be undervalued and short positions in securities believed to be overvalued.

*Buy and Hold.* The Adviser engages in a buy and hold investment strategy wherein the Adviser buys securities and holds them for a relatively longer period of time, using a high tolerance for short-term factors such as fluctuations in the market or volatility of the stock price.

*Hedging.* The Adviser utilizes a variety of financial instruments such as derivatives, options, and forward contracts for risk management purposes.

*Leverage.* The Adviser's investment program utilizes leverage which involves the borrowing of funds from brokerage firms, banks and other institutions in order to be able to increase the amount of capital available for marketable securities investments.

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

*Small Capitalization Stocks.* At any given time, the Adviser's investment program may include significant investments in smaller sized companies of a less seasoned nature whose securities are 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 Adviser's investment program may include investments in securities of companies that are not well known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate 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.

*Early Stage Companies.* The Adviser's investment program may include investing in securities of unseasoned early stage companies with little or no operating history. Early stage companies represent highly speculative investments. A client's ability to realize value from an investment in an early stage company is largely dependent upon successful completion of the early stage company's initial public offering or the sale of the early stage company to another company, which may not occur for a period of several years after the date of the investment, or may not occur at all. There can be no assurance that any of the early stage companies in which a client invests will complete public offerings or be sold, or, if such events occur, as to the timing and value of such offerings or sales. A client may also lose all or part of its entire investment if these companies fail or their product lines fail to achieve an adequate level of market recognition or acceptance. Some companies may depend upon managerial assistance or financing provided by their investors. The value of the investments may depend upon the quality of managerial assistance provided by the investors in the companies and their ability and willingness to provide financial support. Depending on the specific facts and circumstances of an early stage company, there may not be a reasonable basis to revalue it for a substantial period of time after the investment. There may never be a public market benchmark for valuing the investment.

*Issuer-Specific Changes.* Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can increase the risk of default by an issuer or counterparty, which can affect the value of a security or other financial instrument. The value of securities of smaller,

less well-known issuers can be more volatile than that of larger issuers. Smaller issuers can have more limited product lines, markets, or financial resources.

*Lack of Diversification.* Client accounts will not be diversified among a wide range of types of securities, countries or industry sectors. Accordingly, client portfolios are subject to more rapid change in value than would be the case if the Adviser were required to maintain a wider diversification among types of securities and other financial instruments.

*Short Selling Risk.* The Adviser's investment program includes a significant amount of short selling. Short selling transactions expose the Adviser to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by the Adviser in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein the Adviser might be compelled, at the most disadvantageous time, to replace the borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

*Relative Value Risk.* In the event that the perceived mispricings underlying the Adviser's relative value trading positions were to fail to converge toward, or were to diverge further from, relationships expected by the Adviser, client accounts may incur a loss.

*Hedging.* There can be no assurances that a particular hedge is appropriate, or that certain risk is measured properly. Further, while the Adviser may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for the Adviser's investment portfolios than if the Adviser did not engage in any such hedging transactions.

*Leverage.* Performance may be more volatile if a client's account employs leverage.

*Equity Securities.* The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geopolitical risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

*Illiquid Instruments.* Certain instruments may have no readily available market or third-party pricing. Reduced liquidity may have an adverse impact on market price and the Adviser's ability to sell particular securities when necessary to meet liquidity needs or in response to a specific economic event, such as the deterioration of creditworthiness of an issuer. Reduced liquidity in the secondary market for certain securities may also make it more difficult for the Adviser to obtain market quotations based on actual trades for the purpose of valuing a fund's portfolio.

*Fixed-Income and Debt Securities.* Investments in fixed-income and debt securities such as bonds, notes and asset-backed securities, subject a client's portfolio to the risk that the value of these securities overall will decline because of rising interest rates. Similarly, portfolios that hold such securities are subject to the risk that the portfolio's income will decline because of falling interest rates. Investments in these types of securities will also be subject to the credit risk created when a debt issuer fails to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that debt to decline. Lastly, investments in debt securities will also subject the investments to the risk that the securities may fluctuate more in price, and are less liquid than higher-rated securities because issuers of such lower-rated debt securities are not as strong financially,

and are more likely to encounter financial difficulties and be more vulnerable to adverse changes in the economy.

*Derivatives.* Swaps, and certain options and other custom derivative or synthetic instruments are subject to the risk of nonperformance by the counterparty to such instrument, including risks relating to the financial soundness and creditworthiness of the counterparty. In addition, investments in derivative instruments require a high degree of leverage, meaning the overall contract value (and, accordingly, the potential for profits or losses in that value) is much greater than the modest deposit used to buy the position in the derivative contract. Derivative securities can also be highly volatile. The prices of derivative instruments and the investments underlying the derivative instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the client or the Adviser. Further, transactions in derivative instruments are not undertaken on recognized exchanges, and will expose a client's account to greater risks than regulated exchange transactions that provide greater liquidity and more accurate valuation of securities.

*Non-U.S. Securities.* Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently than the U.S. financial markets.

*Exchange Traded Funds.* The Adviser's investment program may include investing in the securities of ETFs. ETF securities represent interests in (i) fixed portfolios of common stocks designed to track the price and dividend yield performance of broad-based securities indices (such as the S&P 500 or NASDAQ 100) or (ii) "baskets" of industry-specific securities. ETF securities are traded on an exchange like shares of common stock, and the value of ETF securities fluctuates in relation to changes in the value of the underlying portfolio of securities. However, the market price of ETF securities may not be equivalent to the pro rata value of the underlying portfolio of securities. ETF securities may be subject to the risks of an investment in a broad-based portfolio of common stocks or to the risks of a concentrated, industry-specific investment in common stocks. ETF securities are considered investments in registered investment companies.

*Security Futures and Options.* In connection with the use of futures contracts and options, there may be an imperfect correlation between the change in the market value of a security and the prices of the futures contracts and options in the client's account. In addition, investments in security futures and options may encounter a lack of a liquid secondary market for a futures contract and the resulting inability to close a futures position prior to its maturity date.

*Restricted Securities.* The Adviser's investment program may, at any time, include investing in securities and other financial instruments or obligations of private and publicly-held companies which are thinly-traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws. These investments may involve a high degree of business and financial risk that can result in substantial losses. In addition, there is no existing market for the purchase and sale of such investments and clients may not be able to readily sell such investments.

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

This Item is not applicable.

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

This Item is not applicable.

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

The Adviser has adopted a Code of Ethics (the “Code”) that obligates the Adviser and its covered persons to put the interests of the Adviser’s clients before their own interests and to act honestly and fairly in all respects in their dealings with clients. All of the Adviser’s covered persons are also required to comply with applicable federal securities laws. Investors or prospective investors may obtain a copy of the Code by contacting Thomas Scalia, the Adviser’s Chief Compliance Officer, by e-mail at [info@manatuckhill.com](mailto:info@manatuckhill.com) or by telephone at (203) 418-4404.

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

The Adviser’s covered persons are permitted to engage in limited personal securities transactions (other than to invest in open-end investment companies, publicly traded partnerships and exchange traded funds). Except with respect to transactions in open-end investment companies, covered persons must pre-clear all transactions in their personal accounts with the Chief Compliance Officer, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on one of the Adviser’s clients. All of the Adviser’s covered persons are required to disclose their securities transactions on a quarterly basis. Additionally, covered persons are required to disclose their holdings upon commencement of employment with the Adviser and on an annual basis thereafter. Trading in employee accounts (if any) is reviewed by the Chief Compliance Officer and compared with transactions executed for clients of the Adviser.

The Adviser or its covered persons may hold the same securities or other financial instruments in which the Adviser invests on behalf of its clients. Such practices present a conflict when, because of the information the Adviser has, the Adviser or its covered persons are in a position to trade in a manner that could adversely affect its clients (e.g., place their own trades before or after trades for clients are executed in order to benefit from any price movements due to such trades). The Adviser has adopted the Code, described above, which contains policies and procedures designed to minimize any actual or potential conflicts, including pre-clearance of any transactions (except for transactions in open-end investment companies).

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**Item 12. Brokerage Practices**

The Adviser considers a number of factors in selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer’s compensation. Such factors include net price, research capabilities and the success of prior research recommendations, ability to execute trades, nature and frequency of sales coverage, depth of services provided, including economic or political coverage, arbitrage and option operations, back office and processing capabilities, financial stability and responsibility, reputation, commission rate, responsiveness to the Adviser and the value of research and brokerage and research products and services provided by such brokers, efficiency of execution and error resolution. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer’s compensation, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Adviser’s practice to negotiate “execution only” commission rates, thus a client may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate. Certain personnel of the Adviser



periodically evaluate the broker-dealers used by the Adviser to execute client trades using the foregoing factors.

The Adviser may receive research or other products or services other than execution from a broker-dealer and/or a third party in connection with client securities transactions. This is known as a “soft dollar” relationship. The Adviser will limit its use of “soft dollars” to obtain research and brokerage services to services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934 (“Section 28(e)”). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self regulatory organization such as comparison services, electronic confirms or trade affirmations.

When the Adviser uses client commissions to obtain Section 28(e) eligible research and brokerage products and services, certain personnel of the Adviser periodically review and evaluate its soft dollar practices and determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer. This determination will be viewed in terms of either the specific transaction or the Adviser’s overall responsibilities to the accounts or portfolios over which the Adviser exercises investment discretion.

The use of client commissions (or markups or markdowns) to obtain research and brokerage products and services raises conflicts of interest. For example, the Adviser will not have to pay for the products and services itself. This creates an incentive for the Adviser to select or recommend a broker-dealer based on its interest in receiving those products and services.

The Adviser may cause clients 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), resulting in higher transaction costs for clients.

Research and brokerage services obtained by the use of commissions arising from a client’s portfolio transactions may be used by the Adviser in its other investment activities, including, for the benefit of other client accounts. The Adviser does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

During the Adviser’s last fiscal year, as a result of client brokerage commissions (or markups or markdowns), the Adviser and/or its related persons acquired data services (including services providing real time exchange data, market data, company financial data and economic data); software providing analysis of securities portfolios; software that provides trade analytics and trading strategies; software used to transmit orders; discussions with research analysts; meetings with corporate executives; consultants’ advice on portfolio strategy; expert networks; research reports (including market research); certain financial newsletters and trade journals; and services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between the Adviser and a broker-dealer and other relevant parties such as custodians).

In determining whether to direct client brokerage transactions to particular broker-dealers, certain personnel of the Adviser meet periodically to review and evaluate the soft dollar practices of the Adviser and to determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer.

The Adviser has entered into "client commission arrangements" pursuant to which the Adviser may execute transactions through a broker-dealer and request that the broker-dealer allocate a portion of the commissions or commission credits to another firm that provides research and other products to the Adviser. The Adviser excludes from use under these arrangements those products and services that are not eligible under Section 28(e) and applicable regulatory interpretations.

In some instances, the Adviser obtains a product or service that is used, in part, by the Adviser for Section 28(e) eligible purposes and, in part, for other purposes. In such instances, the Adviser will make a good faith effort to determine the relative proportion of the product or service used to assist the Adviser in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). Such determination will be made based on the actual use of the product or service by the Adviser's personnel. The proportion of the product or service attributable to assisting the Adviser in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by the Adviser from its own resources. The determination of the appropriate allocation of "mixed use" products and services creates a potential conflict of interest between the Adviser and clients.

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

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

The Adviser often purchases or sells the same security for many clients contemporaneously and using the same executing broker. It is the Adviser's practice, when possible, to aggregate client orders for the purchase or sale of the same security submitted at or near the same time for execution using the same executing broker. The Adviser will also aggregate in the same transaction, the same securities for accounts where the Adviser has brokerage discretion. Such aggregation may enable the Adviser to obtain for clients a more favorable price or a better commission rate based upon the volume of a particular transaction. Prior to the order being filled, the allocation of the order across various client accounts is determined based on each client's strategy. When an aggregated order is completely filled, the Adviser allocates the securities purchased or proceeds of sale based upon the predetermined allocation methodology among the participating accounts, based on the purchase or sale order. Adjustments or changes may be made under certain circumstances, such as to avoid odd lots or excessively small allocations. If the order at a particular broker is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. If an aggregated order is only partially filled, the Adviser's procedures provide that the securities or proceeds are to be allocated in a manner deemed fair and equitable to clients and in accordance with each client's strategy.

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**Item 13. Review of Accounts**

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

A client's investors receive reports from the client pursuant to the terms of each client's offering memoranda or as otherwise described in the governing documents of the client.

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

The Adviser receives certain research or other products or services from broker-dealers through "soft-dollar" arrangements. These "soft-dollar" arrangements create an incentive for the Adviser to select or recommend broker-dealers based on the Adviser's interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates and may result in higher transaction costs than would otherwise be obtainable by the Adviser on behalf of its clients.

Please see Item 12 for further information on the Adviser's "soft-dollar" practices, including the Adviser's procedures for addressing conflicts of interest that arise from such practices.

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**Item 15. Custody**

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

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**Item 16. Investment Discretion**

The Adviser provides investment advisory services on a discretionary basis to clients.

Prior to assuming discretion in managing a client's assets, the Adviser enters into an investment management agreement or other agreement that sets forth the scope of the Adviser's discretion. The Adviser has the authority to determine (i) the securities or other financial instruments to be purchased or sold for the Funds and (ii) the amount of securities or other financial instruments to be purchased or sold for the Funds.

Each of the Funds has and may in the future enter into additional agreements, or "side letters", with certain prospective or existing investors whereby such investors may be subject to terms and conditions that are more advantageous than those set forth in the applicable offering memorandum of a Fund. For example, such terms and conditions may provide for special withdrawal rights relating to frequency or notice, or rights to receive reports from the Fund on a more frequent basis or that include information not provided to other investors (including, without limitation, more detailed information regarding portfolio positions). The modifications are solely at the discretion of the Fund and may, among other things, be based on the size of the investor's investment in the Fund or affiliated investment entity, an agreement by an investor to maintain such investment in the Fund for a significant period of time, or other similar commitment by an investor to the Fund.

Because of the differences in client investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among clients in invested positions and securities held. The Adviser may consider the following factors, among others, in allocating securities among clients: (i) client investment objectives and strategies; (ii) client risk profiles; (iii) tax status and restrictions placed on a client's portfolio by the client or by applicable law; (iv) size of the client account; (v) total portfolio invested position; (vi) nature of the security to be allocated; (vii) size of available position; (viii) supply or demand for a security at a given price level; (ix) current market conditions; (x) timing of cash flows and account liquidity; (xi) any other information determined to be relevant to the fair allocation of securities. These factors may lead the Adviser to allocate securities to client accounts in varying amounts. Even client accounts that are typically managed on a pari passu basis may from time to time receive differing allocations of securities based on total assets of each account eligible to invest in the particular investment type (e.g., equities) divided by the total assets of all accounts eligible to invest in the particular investment.

Allocations will be made among client accounts eligible to participate in initial public offerings (IPOs) on a pro rata basis, except when the Adviser determines in its discretion that a pro rata allocation is not appropriate, which may include a client's investment guidelines explicitly prohibiting participation in IPOs. Secondary offerings are allocated based on the factors described in the preceding paragraph.

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

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#### **Item 17. Voting Client Securities**

Because the Adviser has been delegated proxy voting authority on behalf of its clients, the Adviser has adopted proxy voting policies and procedures that are designed to ensure that in cases where the Adviser votes proxies with respect to client securities, such proxies are voted in the best interests of its clients. In fulfilling its obligations to advisory clients, the Adviser seeks to act in a manner that will enhance the economic value of the underlying securities held by each advisory client.

In voting proxies, the Adviser utilizes the services of a third-party proxy agent that votes 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 and votes 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. The Adviser generally votes in accordance with the guidelines of the third-party proxy agent but has, and may in the future, determine not to vote in accordance with such guidelines.

The Adviser's clients are not permitted to direct their votes in a particular solicitation.

If a material conflict of interest between the Adviser and a Fund exists with respect to voting proxies, the Adviser will determine whether voting in accordance with the guidelines set forth in its proxy voting policies and procedures is in the best interests of the Fund.

Clients may obtain a copy of the Adviser's proxy voting policies and procedures and information about how the Adviser voted a client's proxies by contacting Thomas Scalia by e-mail at [info@manatuckhill.com](mailto:info@manatuckhill.com) or by telephone at (203) 418-4404.

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**Item 18. Financial Information**

This Item is not applicable.

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**Appendix: Item 2. Material Changes**

The Adviser is updating its Brochure as of March 31, 2017 as part of its annual amendment filing. The Adviser has not made any material changes since its last annual amendment, which was filed on March 28, 2016.