

GLL Investors, LLC

Form ADV Part 2A (Firm Brochure)

March 5, 2015

This Brochure provides information about the qualifications and business practices of GLL Investors, LLC (“GLL”). This Brochure is also known as the SEC Form ADV Part 2A. If you have any questions about the contents of this Brochure, please contact us at: info@gllinvestors.com or (773) 525-3038. Additional information about GLL is available on our website <https://info.gllinvestors.com/> and on the SEC’s website: www.adviserinfo.sec.gov

The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

We have applied for our initial registration as an investment adviser with the SEC. When we become registered, we may refer to our firm as a “registered investment adviser” or as being “registered” in this Brochure, in our marketing materials, or in the private offering memos for our Funds. Our “registration” as an investment adviser does not imply a level of skill or training.

GLL Investors, LLC
3200 North Lake Shore Drive
Chicago, Illinois 60606
(773) 525-3038

info@gllinvestors.com

<https://info.gllinvestors.com/>



ITEM 2 – MATERIAL CHANGES - NONE

This is the initial Brochure (Form ADV Part 2A) for GLL investors, LLC, filed with our initial application for SEC Investment Adviser Registration. Therefore, there are no material changes to report in this section. We may update this Brochure at any time, and will either send, or offer to send, investors the update (electronically or in paper). Additional information about GLL Investors, LLC is available on the SEC’s website at www.adviserinfo.sec.gov, from which you may download this Brochure. Or you may contact our Chief Compliance Officer, Jason Gilboy, or any of our three Principals at info@gllinvestors.com (773) 525-3038. More information will be available on the GLL website at <https://info.gllinvestors.com/>.

ITEM 3 – TABLE OF CONTENTS

Contents

ITEM 2 – MATERIAL CHANGES - NONE	2
ITEM 3 – TABLE OF CONTENTS	2
ITEM 4 – ADVISORY BUSINESS of GLL – PRIVATE FUND MANAGER	8
A. Firm Description; Fund Management Services to Four Fund-of-Funds.....	8
1. Fund-of-Funds Approach	8
2. No Other Services or Products Offered	8
3. Assets Under Management - Over \$150 Million	9
4. Investment Decisions By Principals	9
5. Principals Personally Invested in GLL Funds	9
6. Investment Objective	9
7. Leverage	10
B. History of GLL.....	10
C. Principals	11
1. W. Stephen Gilboy - Director of Investments, President, Partner	11
2. Michael Newlander - Director of Investments, Partner	11
3. Jason Gilboy - Director of Operations, Chief Compliance Officer, Partner	12
D. IT Director – Miles Roothaan	12
E. Outside Director of the GLL Offshore Fund – Wayne Ross	13
F. Investment Advisory Committee	13
1. William Floersch.....	13

2.	Jon Hedrich	14
3.	John Kinsella	14
4.	John Flynn Jr., PhD	14
5.	Thomas Snitzer	14
6.	Terrance Boyle	14
7.	Donald Piser	14
G.	Financial Due Diligence – Third Party Service Providers	15
1.	Fund Administration – NAV Consulting, Inc.	15
2.	Audited Fund Financial Statements – Ryan & Juraska	15
3.	Custodian of Fund Assets – BMO Global Asset Management	16
	ITEM 5 – FEES AND COMPENSATION TO GLL AS FUND MANAGER	16
A.	Management Fee 1.0% of Net Asset Value Annually	16
B.	Incentive Allocation 10% of New Net Profits Quarterly	16
C.	Fees to the Portfolio Managers In Which GLL Funds Invest	17
D.	Fund Operating Expenses	17
E.	Reduced Fees Charged to Certain Investors	18
1.	Family Member and Long-Time Investors	18
2.	No Incentive Fees Charged to Non-Qualified Investors	18
3.	Management Fees Consistent Across All Investors	18
F.	Fee Payments to GLL as Fund Manager – Book Entry and Wire Transfer	19
G.	No Other Compensation to Principals of GLL	19
H.	No Fund Manager Movement of Money; Investor Transfers and Redemptions	19
	ITEM 6 – PERFORMANCE FEES AND SIDE-BY-SIDE FUND MANAGEMENT	20
A.	GLL’s Incentive Allocation	20
B.	Portfolio Managers’ Incentive Compensation	21
C.	Dual Layer of Fees and Expenses – GLL Manager and Portfolio Managers	21
D.	Brokerage Trading Fees Incurred by Portfolio Funds	22
E.	Incentive Allocations Based On Unrealized Gains	22
	ITEM 7 – TYPES OF CLIENTS	22
A.	Investor Qualification Requirements	22
B.	Minimum Investment; Redemptions	23
C.	Disclosure Document Delivery	23
	ITEM 8.A – ANALYSIS METHODS and INVESTMENT STRATEGIES	23
A.	Investment Objective of the GLL Funds	23

B.	Analysis Methods & Investment Criteria for Investing In Portfolio Managers	24
1.	Identifying Portfolio Manager Talent	24
2.	Selection of Portfolio Managers	25
3.	Due Diligence on Portfolio Managers and Portfolio Funds	25
4.	Confidential or Limited Information on Portfolio Managers	26
5.	Moderate Initial Investments into Portfolio Funds	26
6.	Monitoring Performance and Risk of Portfolio Managers and Portfolio Funds	26
C.	Portfolio Manager Risks	27
1.	Reliance on Information Received from the Portfolio Managers.....	28
2.	Style Drift	28
3.	No Formal Diversification Requirements of Portfolio Managers	28
4.	Structural and Operational Risks	28
5.	Possibility of Portfolio Manager Fraud or Misconduct.....	29
6.	“Soft Dollar” Payments by Portfolio Managers Possible	29
D.	Analysis Methods, Strategies & Risks of Underlying Portfolio Funds.....	29
1.	Health Sciences Strategies and Sector	30
2.	Mortgage-Backed Securities and Structured Credit Strategies	30
3.	Credit Strategies	30
4.	Distressed Securities and High Yield Debt Investment Strategies	30
5.	Activist Strategies	31
6.	Multi-Strategy and Hybrid Strategies	32
7.	Equity Long-Short or Hedged Equity Strategies	32
8.	Convertible Arbitrage	33
9.	Private Equity Investment	33
10.	PIPES (Private Investment in Public Equity); Structured Equities	34
11.	Other Trading Strategies.....	36
E.	Direct Trading By GLL	36
F.	Cash Reserves and Unallocated Assets.....	36
G.	Leverage and Risks of Leverage.....	36
1.	Leverage of GLL, the Fund Manager.....	37
2.	Leverage of the GLL Funds	37
3.	Leverage of the Underlying Portfolio Funds.....	37
4.	GLL’s View on Leverage in Underlying Portfolio Funds.....	38
ITEM 8.B.	– RISK OF LOSS - RISK FACTORS	38

A.	Risk of Investing In a Fund-of-Funds.....	39
1.	Dependence on GLL Principals To Implement Fund-of-Funds Strategy	39
2.	Disaster Recovery.....	40
3.	Delayed K-1 and Tax Return Information to Investors.....	40
4.	Limited Liquidity and Transferability of Portfolio Fund Interests	40
5.	In-Kind Distributions from Portfolio Funds	41
6.	No Formal Diversification Requirements of GLL Funds.....	41
7.	Operating Expenses and Managers' Fees on Fund-of-Funds	41
8.	Transparency and Undisclosed Proprietary Information from Underlying Funds.....	42
9.	Independent Strategies; Inadvertent Concentration and Lack of Diversification.....	42
10.	Increased Competition in Alternative Asset Industry - Demand Exceeds Supply	43
11.	Increases in Assets Under Management of Portfolio Fund Managers.....	43
12.	Effect of Portfolio Fund Redemptions	43
13.	Changes in Portfolio Managers and Portfolio Manager Allocations	44
14.	Valuations and Estimates of Net Asset Values.....	44
15.	Policies and Procedures Around Valuation – Consistent Approach	44
16.	Advisory Accounts With Portfolio Managers Rather than Portfolio Fund.....	44
17.	Investors Are Not Represented by GLL's Counsel	45
B.	Investment Types and Risks of GLL's Investments in Underlying Portfolio Funds.....	45
1.	Strategy Risks.....	45
2.	Style Drift	45
3.	Leverage	46
4.	Derivatives	46
5.	Options.....	46
6.	Portfolio Funds in Early Stage; Limited or No Operating History	46
7.	Liquidity Risk.....	47
8.	Concentration or Crowded Trades.....	49
9.	Short Sales and Short Selling	49
10.	Litigation and Enforcement Risk	50
11.	Side Pocketing or Gating	50
12.	Reputational and Headline Risk of Hedge Funds	50
13.	Relative Value Strategies.....	50
14.	Event Driven Strategies	51
15.	Directional Strategies.....	51

16.	Futures Trading.....	51
17.	Forward Contracts	52
18.	Non-U.S. Securities and Offshore Funds.....	52
19.	Closures and Liquidations of Portfolio Funds	52
20.	Past Performance of Portfolio Funds is Not Indicative of Future Results	53
C.	Regulatory Risks of Fund Industry	53
1.	Securities Regulatory Oversight of GLL Fund Manager is Limited	53
2.	Investment Adviser Registration of GLL In Process	53
3.	Commodities or Futures Exemptions; No Registrations	53
4.	Government Intervention & Market Disruptions; Dodd Frank Wall Street Reform and Consumer Protection Act	54
5.	Possibility of Additional Government or Market Regulation	55
6.	Tax-Exempt Investors; Tax and ERISA Matters	55
7.	Possibility of Qualified Auditors' Report	55
8.	Tax Regulation.....	56
9.	Tax Risks	56
D.	Market Risks.....	57
	ITEM 9 – DISCIPLINARY INFORMATION – No Disciplinary Actions.....	57
	ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	57
A.	Private Investment Fund Offerings – Four Hedge Funds	57
B.	Personal Trading Accounts – Limited Activity	58
	ITEM 11– CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING.....	59
A.	Policies and Procedures.....	59
B.	Code of Ethics	59
C.	Personal Securities Trading Policy	59
D.	Participation or Interest in Client Transactions	60
E.	Potential Conflicts of Interest.....	60
F.	No Board of Director Service	61
G.	No Managed Accounts, No Advisory Role to Outside Funds	61
H.	Political Contributions Policy	61
I.	Privacy Policy Notice.....	61
	ITEM 12 – BROKERAGE PRACTICES	62
A.	Investment Directly Into Portfolio Fund Issuers – No Brokerage Commissions	62

B. No Soft Dollar Benefits or Research Services	63
ITEM 13 – NO GLL REVIEW OF CLIENT ACCOUNTS	63
ITEM 14 – NO Compensation for CLIENT REFERRALS; NO OTHER COMPENSATION	64
ITEM 15 – CUSTODY – BMO GLOBAL ASSET MANAGEMENT	64
ITEM 16 – INVESTMENT DISCRETION	64
ITEM 17 – VOTING CLIENT SECURITIES; PROXY VOTING	65
ITEM 18 – FINANCIAL INFORMATION	65
ITEM 19 – EXECUTIVES & MANAGEMENT – BROCHURE SUPPLEMENT	66
W. Stephen Gilboy	66
Michael Scott Newlander	67
Jason Robert Gilboy	68
Appendix A – Supplement Describing Market Risks	69
Market Risks	69
1. Economic Conditions	69
2. Financing Arrangements; Availability of Credit	69
3. Volatility	69
4. Stagnant Markets	70
5. Lack of Liquidity	70
6. Market Disruptions	70
7. Market Turmoil	70
8. Positive Correlation with Stocks and Bonds	70
9. Counterparties, Brokers and Custodians	71
10. Counterparty Risks in Uncertain Markets	71

ITEM 4 – ADVISORY BUSINESS OF GLL – PRIVATE FUND MANAGER

A. Firm Description; Fund Management Services to Four Fund-of-Funds

GLL Investors, LLC (“GLL”) is a fund manager managing four of its own private hedge funds (“the GLL Funds”), which in turn invest in other private hedge funds (“Portfolio Funds”). Therefore the GLL Funds are each referred to as a “fund-of-funds”. The four Funds which GLL manages are:

- GLL Investors, L.P. for Accredited Investors. (A 3(c)(1) Fund)
- GLL Investors II, L.P. for Qualified Purchasers * (A 3(c)(7) Fund)
- GLL Single Strategy, LP, for Accredited Investors. (A 3(c)(1) Fund)
- GLL Investors Ltd, Class B for U.S. Tax-Exempt Investors and for non-U.S. Accredited Investors. (A 3(c)(1) Fund).

A hedge fund strategy of investing into multiple other funds, fund managers, strategies, or portfolios, rather than investing directly in stocks, bonds or other securities, is referred to as “fund-of-funds” strategy, or a “multi-manager” strategy, or “multi-manager hedge fund”, or a “multi-strategy” fund.

* “Qualified Purchaser” includes natural persons who own \$5 million or more in investments, and persons who manage \$25 million or more in investments for their account or other accounts of other qualified purchasers, as defined under section 2(a)(51)(A) the 1940 Act.

1. Fund-of-Funds Approach

GLL invests the assets of its GLL Funds into approximately 20 other private hedge funds (“Portfolio Funds”), with varying and diversified investment strategies which are managed by other managers (the “Portfolio Managers”).

Hedge funds are opportunistic, agile and flexible compared with some other asset classes, which can be beneficial to investors during periods of risk aversion. The fund-of-funds approach typically creates more diversification in strategy, agility and scalability, compared to an investment model investing directly into stocks, bonds, options, commodities and other securities. The fund-of-funds approach allows investors to achieve a broad diversification and an appropriate asset allocation of investments in a variety of fund categories are all bundled into one fund.

2. No Other Services or Products Offered

GLL is simply a Fund Manager of four private hedge fund-of-funds. Other than selling the interests in the four funds, and acting as the investment manager for those funds, GLL does not offer or sell any other services or products. No wrap fee programs are offered.

GLL does not tailor its investment management services to individual needs of any investor because the service GLL offers is only that of managing its own Funds and providing investment management services to the Funds. The investor may choose to invest in one of the GLL Funds, and by doing so it accepts GLL is the discretionary Investment Manager. Investors do not have the option of imposing restrictions on investing in certain securities or types of securities, because the investments into the Portfolio Funds are left completely in the discretion of GLL.

3. Assets Under Management - Over \$150 Million

GLL manages \$151,449,610 in assets as of 12/31/14, in its four Funds combined, including its Cayman Islands fund, GLL Investors, Ltd. GLL manages a total of four investors (the four GLL Funds). The GLL Funds are considered "Securities Portfolios" or "Accounts", since the Funds invest into other Portfolio Funds, and those investments are considered to be managed on a "discretionary" basis, since GLL as the Fund Manager has the authority to determine into which Portfolio Funds the GLL Funds will invest.

4. Investment Decisions By Principals

Investment decisions and business decisions are made by GLL with the 3 principals evaluating, discussing and agreeing. However, the LLC Operating Agreement of GLL allows 2 of the 3 principals to make investment decisions and business decisions. There are no employment agreements between GLL and its principals; however, an LLC Operating Agreement between GLL and the principals dictate the terms of their partnership.

5. Principals Personally Invested in GLL Funds

The three Principals of GLL have each invested the majority of their own personal liquid net worth into the GLL Funds, including their own retirement accounts. They invest by purchasing interests in the GLL Funds.

6. Investment Objective

The investment objective of GLL is to achieve capital appreciation by allocating the GLL Fund assets among a number of outside investment managers, Portfolio Managers who, as a group, employ a diverse range of alternative investment strategies and trading techniques across various sectors, including: Long-short equity and hedged equity strategies, mortgaged-backed securities, distressed and high-yield debt, private equity, structured equities and PIPEs, directional, relative value, event-driven, and other multi-strategy or hybrid strategies.

GLL employs 8 uncorrelated core investment strategies in its selection of approximately 20 Portfolio Managers, including selecting Portfolio Managers which use hedging to reduce the Portfolio Fund's volatility and risk profile.

GLL seeks to provide a favorable level of return with low levels of risk, by offering a low correlation with the stock market and accordingly less historical volatility. The goal of a multi-manager hedge fund strategy is to increase diversity beyond what a smaller single investor could accomplish on its own, and to decrease volatility for the smaller investor, while maintaining average returns. GLL also seeks to invest in various hedge fund strategies which

are not correlated with each other. GLL seeks to manage the strategy to defer or generate long-term capital gains in preference over ordinary income, and to invest in a tax-efficient manner, whenever possible. Three of the four GLL Funds are designed for taxable investors, while the fourth Fund, GLL Investors, Ltd is designed for non-taxable U.S. investors and non-U.S. investors, and was formed in the Cayman Islands.

7. Leverage

GLL is permitted to employ leverage (borrowing of money or securities) as an element of its strategy. The underlying Portfolio Funds are also permitted to employ leverage. See a detailed explanation and the risks of Leverage, described in Item 8.A, in [Leverage and Risks of Leverage](#).

B. History of GLL

GLL was formed in 1994, and launched in 1995, by W. Stephen Gilboy. Steve launched GLL with a single fund, GLL Investors, L.P. which is still in operation today. In 1995 and forward, he invested along with other traders (stock traders, options traders and commodity traders) with whom Steve had worked for many years, and who recognized and trusted his expertise and investing skills.

Mike Newlander separately launched a hedge fund in 2005, "The Players Fund, L.P.", in which he invested, along with other similar traders with whom Mike had worked for many years, and who recognized and trusted his expertise and skills.

Prior to their tenure at GLL, Steve and Mike met each other through their respective trading careers. They each enjoyed successful careers (each about 20 years) as traders of commodities and derivatives at the Chicago Board Options Exchange and Chicago Board of Trade (now known as the Chicago Mercantile Exchange). Their hands on experience enhanced their understanding and expertise needed to excel in the world of alternative investments in which they focus today. The expertise of Steve and Mike in researching and valuing stocks, commodities, futures, and the use of options and other derivatives, to mitigate risk, is a central component of GLL's success.

Steve and Mike combined their efforts, and their respective hedge funds, into a partnership in 2009, as GLL Investors, LLC, with Steve owning a majority interest, and Mike and Jason owning interests as well. GLL and its four Funds are now co-managed by the three partners: Steve Gilboy, Mike Newlander and Jason Gilboy ("the Principals").

Over the years, GLL added more funds, which now total four hedge Funds, with over \$150 million under management, and over 220 private investors. The GLL Funds have accepted a variety of investors, some with "non-financial" professional backgrounds.

For twenty years now, GLL's multi-strategy Funds have produced returns comparable to the stock market with considerably less risk. GLL's Funds have exhibited approximately one-third the volatility and little correlation to the S&P 500 (Beta of 0.25). GLL has successfully

protected its investors' wealth through the 2000 dot-com drop (S&P 500 down 51%, NASDAQ down (78%) and through the 2008 market drop (S&P 500 down 45%).

GLL provides an excellent diversification tool for investors who favor stocks or bonds. GLL's success comes in part from the extensive experience of its principals as traders in stocks, options and commodities, at the Chicago Board Options Exchange and Chicago Board of Trade. GLL success also stems from the ability of its principals to recognize outstanding investment talent and integrity in Portfolio Managers.

C. Principals

1. *W. Stephen Gilboy - Director of Investments, President, Partner*

Stephen Gilboy, born in 1940, is Director of Investments, Executive Chairman, President, Managing Member, Partner and Owner (majority-owner) of GLL Investors, LLC, an Investment Manager of four hedge funds: GLL Investors, L.P.; GLL Investors II L.P.; GLL Single Strategy, L.P.; and GLL Investors, Ltd. (the "GLL Funds"). Steve Gilboy is responsible for making the investment decisions on behalf of the Funds, along with his two partners. Prior to forming GLL, Gilboy spent almost 20 years as a successful trader in the complex world of options trading, on the floor of the Chicago Board Options Exchange. He also gained experience in investment projects requiring longer-term perspectives.

From 1974 to 1993 Steve has been a prominent trader on the floor of the Chicago Board Options Exchange ("CBOE"). He specialized as an independent market-maker, trading put and call options in equities and index options for his own account. He also traded corn and soybean futures and U.S. Treasury Bond futures as a member of the Chicago Board of Trade (now the Chicago Mercantile Exchange "CME"). From 1978 to 1997, he developed a series of successful real estate projects in western North Carolina. Prior to forming GLL, Gilboy collaborated closely with, and invested into, two convertible hedge funds, helping them raise capital and expand. Gilboy's early career includes seven years in New York in the 1960's as a leading salesman for a printing and publishing company, followed by six years in Chicago with Lehman Brothers as an institutional investor salesman handling major investment accounts.

Steve Gilboy received an MBA (Marketing and Psychology) from New York University School of Business (1968), and a Bachelor of Arts in Mathematics from Lawrence University (1962). Mr. Gilboy is a graduate of New Trier High School (1958).

2. *Michael Newlander - Director of Investments, Partner*

Michael Newlander, born in 1964, is Director of Investments, Vice President, Managing Member, Partner and Owner of GLL Investors, LLC, an Investment Manager of four hedge funds: GLL Investors, L.P.; GLL Investors II L.P.; GLL Single Strategy, L.P.; and GLL Investors, Ltd. (the "GLL Funds"). Mike is responsible for making investment decisions on behalf of the Funds, along with his two partners.

Prior to joining GLL, Newlander spent approximately 20 years as an independent market-maker, trading on the CBOE and on the Financial and Agricultural floors of the Chicago

Board of Trade Chicago. His trading expertise includes stock indices, bond options, financial and commodity futures and their respective options. He excelled as one of the largest soybean meal option market-makers of the late 1990's. Mike Newlander was a member of the Soybean Meal Options Pit Committee for over 10 years, and served several terms as its vice-chairman. In that capacity, Mr. Newlander was instrumental in protecting customer rights in the pit and in settling daily option prices. Since 1993 he has invested in hedge funds for his own account.

Michael Newlander was an early investor in Gilboy's GLL Funds in the late 90's. In 2005, Newlander founded Capital Preservation Investors, LLC, and launched The Players Fund, a hedge fund, successfully operating both until they were merged into GLL to form a synergy in 2009 and 2012.

In 2009, Mike became a member of GLL Investors, LLC, GLL and Investment Manager of the GLL Funds. For GLL, he is responsible for portfolio management, asset allocations, risk evaluations, and conducting due diligence.

Mike graduated from the University of Illinois at Chicago in 1987 with a degree in Finance.

3. Jason Gilboy - Director of Operations, Chief Compliance Officer, Partner

Jason Gilboy, born in 1979, is Director of Operations, Chief Compliance Officer, Treasurer, Secretary, Managing Member, Partner and Owner of GLL, which is the Investment Manager of four hedge funds: GLL Investors, L.P.; GLL Investors II L.P.; GLL Single Strategy, L.P.; and GLL Investors, Ltd. (the "GLL Funds"). He joined the firm in 2003. In 2009, Jason became a member of GLL Investors, LLC, and Investment Manager of the GLL Funds.

Jason is responsible for all aspects of regulatory compliance and office management for GLL as the Fund manager and the GLL Funds, including: Overseeing internal and external accounting, overseeing the 3rd party fund administration, treasury, corporate and legal compliance, securities compliance with the SEC and state Blue Sky laws, investor communications, marketing, documentation, office operations, due diligence responses, and service provider interactions. Jason Gilboy also conducts research and due diligence on prospective Portfolio Managers, and Portfolio Funds into which GLL may invest. He consults with Steve and Mike on prospective investment and allocation decisions, risk evaluations, and due diligence.

Jason also serves as one of the two Directors on the Cayman Islands fund, GLL Investors, Ltd.

Jason Gilboy is the son of Stephen Gilboy. He is a graduate of Loyola Academy (1997) and Boston College (Bachelor of Arts in Economics, 2001). In 2004, he passed the FINRA Series 7 and 63 exams in the securities brokerage and investment management industry.

D. IT Director – Miles Roothaan

Miles Roothaan, IT Director, joined GLL in 2004 as a consultant and independent contractor. Miles manages the technology systems, disaster recovery for technology, backups, website, and the databases for investors and prospective investors. He holds a BA from Colorado College, and has worked in the industries of computer programming and data processing for over 25 years.

E. Outside Director of the GLL Offshore Fund – Wayne Ross

Wayne Ross is one of the two directors of the Cayman Islands fund, GLL Investors, Ltd. Mr. Ross acts as an independent director to Cayman Islands investment funds and fund managers. Mr. Ross is a very experienced offshore financial services consultant and fund director. He has an extensive background with a wide range of offshore financial businesses, and provides consulting services to international funds and companies. He has been with fund administration and private banking service providers in the in the Cayman Islands since 1995.

Prior to 1995, Mr. Ross had an international exposure through various financial positions in Canada, the United States and the United Kingdom. He is a past Director of the Cayman Islands Fund Administrators Association, a member of the Cayman Islands Directors Association and a Notary Public in the Cayman Islands. Mr. Ross received his Canadian Chartered Accountant designation in 1982. He has been CFO of a bank.

F. Investment Advisory Committee

An advisory committee of seven members outside of GLL serves GLL by providing general business advice and advice that may assist GLL in evaluating investments in the Portfolio Funds, based on the committee member's specific background and expertise ("Investment Advisory Committee"). The Investment Advisory Committee members' backgrounds reflect their diverse business experience and their many years of experience in the derivatives trading business and in other disciplines. The Investment Advisory Committee has no authority over the management and operations of GLL or the GLL Funds. However, GLL generally takes into account the recommendations of the Investment Advisory Committee in GLL's decision-making process for the Funds. Each of the Investment Advisory Committee members is also an investor in one or more of the GLL Funds.

The Investment Advisory Committee is comprised of the following:

1. William Floersch

Mr. William Floersch retired in 2014 as Chairman of ABN AMRO Clearing LLC, formerly Fortis Clearing Americas, which provided clearing services to futures and options markets, and a member of all major exchanges). From 2006 to 2010 served as President and CEO of Fortis. Prior to 2006, he was President and CEO of O'Connor & Company from 1997 until O'Connor was acquired by Fortis in January 2006. Vice Chairman of Chicago Board Options Exchange, Executive Committee 1991 to 1997. Vice Chair of Options Clearing Corporation. Active market maker on the floor of CBOE from 1974 until later in his career. Bachelor of Arts in Banking and

Finance from University of Arkansas.

2. [*Jon Hedrich*](#)

Mr. Jon Hedrich served as the Director of Lehman Brothers Midwest trading in the 1980s. Prior to that he worked on as a bond and derivative trader at Cruttenden, Podesta and Miller, and prior to that at Walston & Co. Bachelor of Arts in Psychology and a classmate of Steve Gilboy, Lawrence University, 1962.

3. [*John Kinsella*](#)

Mr. John Kinsella was a Derivatives trader at The White Phillips Company, Stern Brothers and then Salomon Brothers through 1976. Launched Jernigan Kinsella & Co in 1976 and was a partner at the Chicago Board of Trade, specializing in financial products. Sold Futures Commission Merchant firm, Jernigan Kinsella to Cantor Fitzgerald in 1991, where he served as a Managing Director of the Futures Division 1995. Trader in the bond pit and now focuses his persona investments and time in the hedge fund industry. Active in, and a Committee member for, the National Futures Association. Bachelor of Arts, St. Ambrose University, 1960.

4. [*John Flynn Jr., PhD*](#)

Mr. John Flynn Jr., was at DuPont Company from 1968, initially in research, then in manufacturing, the marketing and sales. 1973 - 1977 serviced as Chief Operating Officer of the City of Wilmington Delaware. Managing Director of Touche Consulting 1977 and in 1987 become Managing Director of Philadelphia, PA Office. Touche merged with Deloitte Consulting specializing in the Pharmaceutical industry. CEO of Rollins Environmental Services from 1995 to 1997. 1997 Deloitte Consulting as Managing Director and Global Practice Director. Chairman of the State of Delaware Cash Management Board. PhD, Bachelor of Science, Chemical Engineering, Princeton University.

5. [*Thomas Snitzer*](#)

Mr. Thomas Snitzer was President Snitzer Development. During the past 20 years, has built over 2 million square feet of office and residential space in Chicago. Bachelor of Arts, Middlebury College, MBA University of Chicago.

6. [*Terrance Boyle*](#)

Mr. Boyle is a retired trader, after 30 years at the Chicago Board of Trade, Chicago Board Options Exchange and the Pacific Option Exchange. Employed by First Options, and Pacific Options and then R.G. Dickinson, before forming TGB Associates, his own firm, in 1979.

7. [*Donald Piser*](#)

Mr. Piser's career focused in the construction business with Bethlehem Steel, Morse Diesel, and Amec Construction USA as Chairman and CEO. Currently CEO of Staff IT Operation IT, a computer staffing and engineering firm. Bachelor of Science Civil Engineering, Villanova University 1962.

G. Financial Due Diligence – Third Party Service Providers

1. Fund Administration – NAV Consulting, Inc.

NAV Consulting, Inc., Oak Brook, Illinois, is GLL's third party fund administrator, which acts as an independent 3rd party authorization agent and the calculator of the Net Asset Value and the fees to GLL as the Fund Manager ("Fund Administrator"). NAV Consulting has over \$38 billion in fund assets under administration.

NAV Consulting provides a sophisticated fund accounting and fund administration infrastructure, which facilitates NAV Consulting's reporting to GLL investors, and its tracking of its investments into the Portfolio Funds. NAV Consulting prepares the following financial information for the investors in GLL, and to GLL as the GLL Fund manager: Reports of strategic allocation of invested funds, investment returns by strategy and by Portfolio Manager, Portfolio Manager balances, net asset value calculation, investor capital account calculation, monthly investor account balances and statements, monthly fund financial reporting, performance reporting by GLL Funds, detailed records on all Fund transactions, monthly of GLL's Fund manager fees, and other fund details.

NAV Consulting also provides a system of checks and balances for disbursements and receipts, as it is empowered and authorized to disburse and receive money on behalf of the Funds and Fund investors. A second authorization is required from GLL to issue disbursements to GLL itself (for its Management Fees, Incentive Fees, or for Fund Expenses), or to the Portfolio Funds (in order to make an investment into a Portfolio Fund), to investors (in a redemption), or to service providers to the Funds. Therefore, two authorizations are required for each disbursement.

2. Audited Fund Financial Statements – Ryan & Juraska

Ryan & Juraska, CPAs, Chicago, Illinois is GLL's financial auditor, providing annual audited financial statements of the Funds. Ryan & Juraska also prepares annual Schedule K-1 tax forms for our investors' benefit.

Ryan & Juraska is registered with the Public Company Accounting Oversight Board (PCAOB), and therefore is qualified to provide audited financial statements to issuers of securities and their investors.

Ryan & Juraska ("R&J") provides audit, tax and consulting services to the financial services industry, specializing in domestic and international securities and derivatives. R&J's clientele includes exchanges, securities broker-dealers, futures commission merchants, introducing brokers, hedge funds, commodity pools, proprietary trading firms and individual traders and brokers. Some of their clients include: the BATS Global Markets, the Chicago Board Options Exchange, CBOE Stock Exchange, CBOE Futures Exchange, Chicago Board of Trade, Chicago Mercantile Exchange, Chicago Stock Exchange, Commodity Exchange Inc., COMEX, ELX Futures Exchange, EUREX, ICE Clear Europe, ICE Clear U.S. ICE Futures U.S.,

International Securities Exchange, NASDAQ OMX, NYSE Euronet, New York Mercantile Exchange (NYMEX) Ryan & Juraska's professionals are members of: AICPA, Illinois CPA Society, Futures, Securities & Derivatives Member Forum.

3. Custodian of Fund Assets – BMO Global Asset Management

BMO Global Asset Management holds custody of the assets of the GLL Funds. BMO provides records of the investor account balances to NAV Consulting and to GLL, for monthly reconciliation to internal records.

BMO Global Asset Management is a division of BMO Harris Bank N.A., and is affiliated with BMO Financial Group (established in 1817 as Bank of Montreal). BMO Global Asset Management is a diversified financial services company, and oversees more than \$162 billion in assets under administration, for more than 1,500 institutional clients. It boasts two multi-disciplined asset management offices in Toronto and Chicago, with a global network of specialists.

ITEM 5 – FEES AND COMPENSATION TO GLL AS FUND MANAGER

A. Management Fee 1.0% of Net Asset Value Annually

GLL receives an annual Management Fee of 1.0% of the Net Asset Value ("NAV") of each of the Funds, paid quarterly at .25% of the NAV, in exchange for its fund management and investment management services to the four GLL Funds. The Management Fee is calculated before reduction of NAV for accrued Incentive Allocations. The Management Fee is calculated and accrued monthly (at the end of each month), and is paid at the end of each quarter, by a direct deduction from the NAV of the Fund, and therefore, indirectly and by book entry, is deducted from each investors' capital account. The Management Fee is paid to GLL in arrears, rather than in advance of being earned. The Management Fee is not negotiable to new investors.

B. Incentive Allocation 10% of New Net Profits Quarterly

GLL receives a quarterly Incentive Allocation of 10% of the New Net Profits of the Funds, based on the amount by which the Net Asset Value of each partners' capital account exceeds the High Water Mark in the capital account over previous Net Asset Values. The Incentive Allocation is paid to GLL as a share of the profits on the Funds, in exchange for its investment management services to the Funds.

The Incentive Allocation is calculated and accrued monthly, and paid quarterly, before the reduction for the accrued Incentive Allocation, and after the reduction for the other fees and expenses. The Incentive Allocation is paid at the end of each quarter, by a direct deduction from the NAV of the Fund, and therefore, indirectly and by book entry, is deducted from each

investor's capital account. The Incentive Allocation is paid to GLL in arrears, rather than in advance of being earned. The Incentive Allocation is not negotiable to new investors.

C. Fees to the Portfolio Managers In Which GLL Funds Invest

The GLL Funds also pay management fees and incentive fees to each of the Portfolio Fund Managers into which the GLL Funds invest their assets: A management fee and incentive fee is charged to each GLL Fund by the underlying Portfolio Funds into which the GLL Funds invest. The management fees and incentive fees that GLL pays to other Portfolio Managers who manage the Portfolio Funds into which GLL invests, range from 1.5% to 2% annual management fee; and from 15% to 25% quarterly incentive fee. The most common fee structure in the Portfolio Funds is a 2% annual management fee and a 20% quarterly incentive fee paid by each Portfolio Fund into which GLL invests, and therefore indirectly by the GLL Funds. All of the underlying Portfolio Funds into which GLL invests, have issued private placement memorandums, and have entered into limited partnership agreements or LLC agreements with their own Portfolio Managers, which documents dictate the fees that the Portfolio Managers can charge to the Portfolio Funds, and therefore indirectly can charge to the GLL Funds. The management fees and incentive fees charged by the Portfolio Funds to the GLL Funds are not negotiable.

D. Fund Operating Expenses

The GLL Funds incur operating Expenses in the operation and compliance for the Funds. The GLL Funds pay those Expenses directly to the service providers for: Accounting Fees, Auditing Fees, Legal Fees, Fund Administration Fees, Custody Fees, Compliance Costs, Compliance Services, Registration and license fees, outside Directors' fees and other Expenses. On occasion, GLL will front the cost of those expenses on behalf of the GLL Funds, and then GLL will seek reimbursement from each of the Funds, pro rata. Other Expenses of the Funds, such as technology expense, due diligence expense and travel expense are fronted by GLL, and then GLL submits expense summaries to the GLL Funds for reimbursement by the Funds. NAV Consulting is required to approve all Expense reimbursements. All expenses described in this section are subject to the annual cap of 0.4% of the Assets Under Management of the GLL Funds.

The Fund Administration fees are deducted directly from the Net Asset Value of the Fund, and therefore, are indirectly and by book entry, deducted from each investor's capital account in the Fund, before the final calculation of Net Asset Value is made.

The private placement memorandums ("PPMs") for each of the GLL Funds describe and authorize the Expense reimbursement from the Funds to GLL, imposing an annual cap on Expenses of 0.4% of assets under management of the GLL Funds. Expense amounts over the 0.4% cap are absorbed by GLL as the Fund Manager, and are not charged to or absorbed by the GLL Funds. See the Risk Factor regarding Fund Operating Expenses in a fund-of-funds strategy like GLL's. [Fund-of Funds Operating Expenses and Manager's Fees.](#)

E. Reduced Fees Charged to Certain Investors

GLL charges a reduced Management Fee and Incentive Fee, to certain investors compared to the majority of the investors in the GLL Funds.

1. Family Member and Long-Time Investors

GLL charges reduced Management Fees and Incentive Fees to certain of its investors, typically to the GLL Principals' own accounts, and to those of their family members and close friends, or to accounts of certain long-time fund investors ("Preferred Accounts"), and in some cases waives the fees altogether on Preferred Accounts. The Fund Administrator, NAV Consulting, Inc., currently allocates the Management Fees and Incentive Fees to investor accounts following a multi-tier fee structure (differing fees for differing investors), with review and approval by GLL, and based on whether the investor accounts are charged the standard Management Fees and Incentive Fees, or are charged reduced fees to the Preferred Accounts.

The preferential fee treatment to GLL's Preferred Accounts could create a conflict of interest between GLL and the Funds, and among the various Funds, as well as among GLL and the Funds' investors. The returns in the Preferred Accounts would be higher than the returns in the regular accounts because the Preferred Accounts are charged lower fees than the regular accounts.

2. No Incentive Fees Charged to Non-Qualified Investors

SEC rules prohibit a registered investment adviser from charging Incentive Fees on the account of a non-Qualified Client. When the SEC accepts this Form ADV Part 2 application and GLL becomes registered as an investment adviser, then GLL will be required to establish differing Incentive Fee tiers for Qualified Client investors and non-Qualified Client investors. Accordingly, for investors entering the GLL Funds on or after the SEC Registration Date, Incentive Fees will not be charged on the accounts of non-Qualified Client investors, while Incentive Fees will continue to be charged on the accounts of all other investors.

A "grandfather" provision applies to the GLL Incentive Fees charged to existing non-Qualified investors in the three GLL 3(c)(1) Funds. Any pre-existing non-Qualified Client investor in any of the Funds, who invested before the date that GLL became a registered investment adviser, will still be charged the Incentive Fee imposed before GLL's SEC Registration Date. The Incentive Fees are permitted to be charged to any existing investments, or on any new investments made by that same investor into the same Fund, after the SEC Registration Date.

GLL's Funds and the Fund Administrator NAV Consulting, Inc. will allocate the Incentive Fees to investors following a multi-tier structure, based on whether they are Qualified or non-Qualified investors, or whether family members or friends with special fee treatment.

3. Management Fees Consistent Across All Investors

SEC rules permit GLL to charge the same 1.0% Management Fee across all investor accounts, without restrictions on the type of investor to which the Management Fee is charged.

F. Fee Payments to GLL as Fund Manager – Book Entry and Wire Transfer

The Management Fee and Incentive Fee are paid to GLL as Fund Manager through a two-party approval process, and then paid by direct wire transfer from the Funds to GLL. NAV Consulting (the objective third party Fund Administrator) calculates the Management Fee and the Incentive Fee for each investor's capital account, consistent with the Funds' PPM and LP Agreement. Then GLL (the Fund Manager) reviews and approves the fees, and the payment of them. On some transactions, an additional objective third party, the custodian BMO Global Asset Management, also reviews and approves the fees. After the fees are approved by the required parties, then NAV Consulting deducts the fees by book entry from the Funds' Net Asset Value, and wires the money for the fees to GLL the Fund Manager. Then NAV Consulting deducts the fees by book entry only from the value of each investor's capital account.

GLL does not itself deduct any fees, or move any money, from any investor accounts into the GLL account, not by wire, check, withdrawal, book entry, or otherwise. GLL does not move any money to pay GLL fees or expenses of the Funds, between the GLL Fund Manager account and investor accounts. Payment of fees and expenses is only made by the third party Fund Administrator, NAV Consulting, and only after NAV Consulting's prior approval of the charges.

G. No Other Compensation to Principals of GLL

There are no other fees paid directly or indirectly to GLL or to its Principals, other than the Principals' pro-rata share of the Management Fee and the Incentive Fee paid to GLL as Fund Manager. The principals are not paid salaries, hourly fees, commissions, wrap fees, referral fees, or any other fees.

H. No Fund Manager Movement of Money; Investor Transfers and Redemptions

GLL does not move any investor money of its own accord, or without third party approval. Investors may request in writing that their investment be transferred from one GLL Fund to another GLL Fund, or that the investor's investment account be redeemed. In those cases, GLL must first approve the transfer or redemption, and may hold the request for the redemption waiting period specified in the PPM. Then NAV Consulting must approve the transfer, at which point GLL initiates the wire transfer to move the investment amount between the investor's Fund accounts, or initiates a wire transfer redeeming the investor's investment.

ITEM 6 – PERFORMANCE FEES AND SIDE-BY-SIDE FUND MANAGEMENT

This Item addresses performance-based fees charged by GLL as Fund Manager; while it operates four GLL Funds side-by-side, as well as lower fees charged by GLL to Preferred Accounts for services provided side-by-side with the advisory services to other GLL Funds. This Item addresses potential conflicts that might arise in the arrangement. GLL receives a performance-based fee (the “Incentive Fee”) from each Fund, which constitutes GLL receiving a share of the capital appreciation or capital gains on the Net Asset Value of the GLL Funds. See above, [ITEM 5 – FEES AND COMPENSATION TO GLL AS FUND MANAGER](#).

GLL does not currently provide advice or services to managed accounts, nor do any of its employees or Principals. Therefore, no other types of fees are charged to the investors, side-by-side with the performance-based Incentive Fee. No hourly fees, flat fees, asset-based fees, commissions, salaries or wrap fees are charged to the GLL Funds by the Fund Manager.

GLL maintains certain investor accounts in the GLL Funds that are not charged a Management Fee or an Incentive Fee, and in some cases both fees are not charged. In the case of certain other investor accounts, a reduced Management Fee or Incentive Fee is charged. The reductions and fee waivers are explained above in Item 5; see [Reduced Fees Charged to Certain Investors](#).

GLL could have a conflict of interest arise between its simultaneous advising of investor accounts with differing fee structures, where one investor pays full fees while another one pays reduced or no fees. Theoretically, GLL could tend toward favoring the account that pays the higher fees to GLL. However, GLL is not a manager of managed accounts, for example under which an adviser’s inclination might be to focus more attention to the investor who pays higher fees, or conversely might be to experience clouded judgment and make more frequent trades in the account of the investor who pays higher fees. However, GLL is not a managed accounts manager, and is instead a manager of four GLL Funds, in which all of the investors’ money is invested equally into the same Portfolio Funds, and is treated equally from one GLL Fund to another. Therefore, GLL would not have the opportunity to make differing investments on behalf of differing investor accounts, and does not do so.

GLL’s reduced Management Fees and Incentive Fees are mainly on its own accounts and its own family accounts. Therefore, GLL has given preferential fee treatment to its own accounts and family accounts. The reduction in fees could also affect its performance returns, in that the returns on the GLL Funds as a whole are higher than they would be if the Management and Incentive Fees were charged equally across the board to all investors.

A. GLL’s Incentive Allocation

Because GLL receives an Incentive Allocation based on the performance of the Funds, GLL may have an incentive to make riskier or more speculative Portfolio Fund investments than would be the case in the absence of the Incentive Allocation. However, the Incentive Allocation also aligns the investors’ interests with the Fund Manager’s interests on financial returns.

For income tax purposes, the Incentive Allocations paid to GLL are based on unrealized as well as realized gains and losses. Consequently, Incentive Allocations could be made on unrealized gains of the Funds that are never realized as actual gains by the Funds.

B. Portfolio Managers' Incentive Compensation

The Portfolio Managers typically receive incentive compensation based on new net profits, which may lead them to make more speculative investments and incur greater risk.

The Portfolio Managers receive incentive compensation based on each Portfolio Manager's individual performance, not the overall performance of the Funds. Consequently, the Funds may pay incentive compensation to Portfolio Managers even though the Funds, as a whole, incur a net loss.

C. Dual Layer of Fees and Expenses – GLL Manager and Portfolio Managers

The GLL Funds may incur a dual layer of fees. The GLL Funds incur GLL's Management Fee and Incentive Allocation, while the GLL Funds also indirectly incur their pro rata share of the management fees and incentive fees the Portfolio Managers charge to the Portfolio Funds into which the GLL Funds invest. In addition, the GLL Funds' incur their own Operating Expenses, while the GLL Funds also indirectly incur their pro rata share of the operating expenses of the Portfolio Funds in which the GLL Funds invest. As a result of incurring dual layer of fees, the GLL Funds' expenses may constitute a higher percentage of its net assets than expenses associated with other investment types that do not use a multi-manager approach. The combined effect of this dual level of fees could have a material effect on investor performance over time. See, [Operating Expenses and Managers' Fees on Fund-of-Funds](#).

However, GLL's view is that the dual layer of operating expenses and fees that GLL pays to its Portfolio Managers to manage the Portfolio Funds well, is an acceptable cost of entry into the multi-manager strategy, including the cost of entry into certain Portfolio Funds that can only be accessed with large investment amounts. GLL has invested the GLL Funds into the multi-manager strategy with positive results over the years; and GLL's returns have been positive, in spite of the dual layer of operating expenses and fees.

GLL has established an annual operating Expense cap of 0.4% of the assets under management ("AUM") of the GLL Funds. GLL absorbs the Funds' operating Expenses over that annual 0.4% cap. While the Portfolio Funds may or may not have caps on their expenses, and while GLL has no control over the Expense amounts charged to the GLL Funds by the Portfolio Funds, GLL carefully selects Portfolio Managers whose track records indicate that they have historically managed expenses well.

D. Brokerage Trading Fees Incurred by Portfolio Funds

Many of the strategies employed by the Portfolio Funds require frequent trading, which could increase turnover in their securities holdings, and could increase brokerage commissions and other transaction fees and expenses. GLL does not make any direct trades; therefore, the trading commissions and fees, and frequency of trading disclosures do not apply to GLL itself.

E. Incentive Allocations Based On Unrealized Gains

GLL's Incentive Allocation, and the Portfolio Managers' Incentive Allocations, will be based on unrealized as well as realized gains, even though the gains may never be converted to recognized gains. The valuation of unrealized gains and losses may be subject to material revisions after the period in which they were originally incurred.

ITEM 7 – TYPES OF CLIENTS

A. Investor Qualification Requirements

GLL's only business is providing fund management services and investment management services to four fund-of-funds (hedge funds), which invest into other Portfolio Funds. GLL provides investment advice only to the extent that GLL brings an investor into one of the GLL Funds, and to the extent that GLL selects and monitors the underlying Portfolio Funds for investment by GLL. After SEC Registration is granted, GLL would also permit to advise individual managed accounts, but it currently has no plans to do so.

GLL typically accepts the following types of investors into the GLL Funds: High net worth individuals, their retirement plans, trusts, estates, businesses and business owners, and institutional investors.

The qualification requirements for opening or maintaining an investment into one of the GLL Funds are as follows:

- GLL Investors, L.P. for Accredited Investors. (A 3(c)(1) Fund)
- GLL Investors II, L.P. for Qualified Purchasers. (A 3(c)(7) Fund)
- GLL Single Strategy, LP, for Accredited Investors. (A 3(c)(1) Fund)
- GLL Investors Ltd, Class B for U.S. Tax-Exempt Investors and for non-U.S. Accredited Investors. (A 3(c)(1) Fund).

B. Minimum Investment; Redemptions

The PPMs and limited partnership agreements of the GLL Funds state the minimum investments that GLL accepts from an investor as \$500,000, with a waiver of that minimum investment permitted by GLL. GLL has recently been allowing minimum investments of \$250,000. GLL may further waive the minimum investment requirement for investors who have investments in other GLL Funds, or for those who have a family relationship, or for any other circumstance deemed appropriate by GLL.

Fund redemptions and withdrawals are permitted quarterly, upon 90-day written notice to GLL. Therefore, the investor should carefully consider whether this Fund investment is suitable, and if the investor might have need for more immediate liquidity. However, GLL has the right to waive the 90-day notice, and has done so on occasion when an earlier redemption can be accomplished financial without risking the net asset value of the remaining investors.

C. Disclosure Document Delivery

Each investor selects the GLL Fund most appropriate for his or her own investment criteria, risk tolerance and liquidity needs, based on the advice and assistance of the investor's financial advisor. GLL delivers electronically to the investor the Private Placement Memorandum ("PPM") for the specific GLL Fund or Funds selected by the investor. If the investor requests a paper copy of the PPM, GLL delivers a paper copy to them.

Regarding the PPMs for the underlying Portfolio Funds, GLL will make them available to any GLL Fund investor who requests the Portfolio Fund PPMs.

ITEM 8.A – ANALYSIS METHODS AND INVESTMENT STRATEGIES

A. Investment Objective of the GLL Funds

GLL is a fund manager of four "fund-of-funds", and uses a "multi-manager", "multi-strategy" diversified investment philosophy. GLL seeks to generate consistent capital appreciation, with relatively low volatility, and little correlation to the equity and bond markets. GLL aims to mitigate risk of loss to the investors through diversifying the four GLL Funds' investment portfolios, by allocating assets among multiple Portfolio Managers, who collectively implement a broad range of investment strategies. Historically, the stock market has seen frequent, even violent, market drops, including in 2000-2002 and in 2008. GLL seeks to provide predictable, less variable, returns that are comparable to the stock market, without the market's commensurate risk or volatility, even under a wide range of market conditions. While a single investment manager or strategy may achieve superior performance during a specific period or market cycle, a single manager or strategy lacks diversification, and exposes the investment to higher risk.

GLL applies the following analysis methods and investment criteria to its investment strategies of its four Funds, and takes the following steps to mitigate risks in investments into Portfolio Funds it selects for investment by the GLL Funds.

B. Analysis Methods & Investment Criteria for Investing In Portfolio Managers

GLL manages four funds-of-funds, which typically invest the GLL Funds' assets with approximately 20 different Portfolio Managers, implementing a broad range of investment strategies. GLL uses 8 different uncorrelated strategies to select those Portfolio Managers. GLL pools resources to allow investor participation in Portfolio Funds which have high minimum investment requirements beyond the reach of most individuals, and even beyond the reach of many family offices. GLL's pooled investments into Portfolio Funds allow GLL Fund investors to collectively make investments into Portfolio Funds that are often closed to new investors.

GLL considers a number of factors in identifying and evaluating investment strategies which may include, but are not limited to: A strategy's historical returns during various market cycles and economic environments; performance volatility and the variability of returns; the liquidity of the financial instruments traded; the costs associated with implementing a strategy (including transaction costs and Portfolio Manager fees and expenses); the extent to which a strategy's performance may be expected to correlate with other strategies; and the effect of including a strategy on the overall diversification of the Portfolio Funds' holdings.

1. Identifying Portfolio Manager Talent

GLL identifies and researches potential Portfolio Managers, based on qualitative and quantitative factors, determined in personal meetings, reviews of performance records of the prospective Portfolio Manager and other analyses due diligence and investigations.

GLL's greatest asset has been its ability to find and recognize great manager talent. GLL looks for attractive characteristics beyond favorable returns. GLL seeks managers that exhibit personal integrity, astuteness, attention to detail, and street smarts. These qualities, while often intangible, are still a critical component of finding winning performers.

The identities of the Portfolio Managers with which the GLL Funds invest are typically considered proprietary and confidential information by those Portfolio Managers. However, GLL is proud of two its investment success stories, in which GLL invested early into the Portfolio Funds, riding the escalator up with the Portfolio Managers who are now so well-regarded that their Portfolio Funds are currently closed to new investors.

(a) In 1997, GLL discovered Dan Loeb a promising Portfolio Manager of a distressed debt fund, who sought investors to launch his first fund, Third Point Capital. The GLL principals were impressed with his intelligence, drive and most importantly integrity. Therefore, GLL invested into Third Point. Now 17 years later, Dan Loeb is an industry icon. Third Point Capital

is so popular that the fund is at investment capacity and is closed to new investors. Yet GLL has been an investor since 1997.

(b) In 1999, GLL met a health science analyst, Joe Edelman, who sought investment capital to launch his first fund, Perceptive Life Science. During the 15 years since GLL first invested, Joe Edelman has become one of the nation's most successful health science investors, and Perceptive Life Science is also closed to new investors.

2. Selection of Portfolio Managers

Investments with Portfolio Managers into Portfolio Funds are made through the GLL Funds. GLL is responsible for identifying and researching potential Portfolio Managers and satisfying itself as to the suitability of the investment for the GLL Funds, and evaluating the terms and conditions of the Portfolio Funds they manage. Portfolio Managers generally have complete discretion to purchase and sell securities and other financial instruments for their respective Portfolio Funds consistent with the terms of relevant investment advisory agreements, partnership agreements or other governing documents.

GLL selects Portfolio Managers on the basis of various qualitative and quantitative factors which include a prospective manager's reputation, experience, investment philosophy and method of operation, organizational depth and key personnel, as well as the Portfolio Manager's clearing, execution and custodial relationships. GLL also may consider the Portfolio Manager's assets under management, performance history over various periods, rate of return relative to apparent risk, performance correlation with various market indices, comparison with other prospective managers implementing the same or similar investment strategy, fees charged, and liquidity constraints.

Although quantitative analysis is an important element in evaluating Portfolio Managers, GLL's subjective assessment of the ability and character of prospective Portfolio Managers plays a significant role in the selection process. GLL may conduct evaluations based upon personal meetings, reviews of performance records of the prospective manager and other analyses, due diligence and investigations GLL deems appropriate.

While many Portfolio Managers are established members of their industry, GLL may select emerging Portfolio Managers based on an assessment of their potential and anticipated stability.

3. Due Diligence on Portfolio Managers and Portfolio Funds

GLL Principals personally meet Portfolio Managers, and GLL conducts thorough due diligence and background checks on Portfolio Managers, before investing in a fund. GLL also meets with, and observes, the Portfolio Fund's key personnel while in operation at their place of business. GLL confirms that the Portfolio Manager has invested a large portion of its own personal net worth into the Portfolio Fund which seeks GLL's investment. Our personal investment criteria align the Portfolio Manager's interests with those of the GLL Funds.

GLL seeks to diversify across multiple Portfolio Managers invested in multiple uncorrelated investment strategies. GLL favors Portfolio Managers, and Portfolio Funds, which

employ hedging strategies to facilitate reduction of negative outcomes. GLL invests in Portfolio Funds in which the strategies essentially hedge against other Portfolio Funds' strategies in the GLL Funds' investment portfolio, as an overall hedging and risk mitigation tool. GLL matches risks, including complimentary and contradictory risks.

4. Confidential or Limited Information on Portfolio Managers

The Portfolio Managers with which GLL invests contractually require that GLL keep a large portion of their information confidential, including in some cases their identity. GLL honors their requests or requirements for confidentiality. Therefore, GLL investors and prospective investors are also required in the GLL Subscription Agreements to agree not to disclose the identity of the Portfolio Managers to any other person (other than to the investors' advisors). However, with permission from the Portfolio Manager, GLL may disclose identities and information about any Portfolio Manager selected by GLL to be available for inspection by investors during business hours.

Many of the strategies implemented by the Portfolio Managers, including Structured Equity and PIPEs strategies, rely on corporate management, financial reporting, and other financial information made available by the issuers in which the Portfolio Funds or the Portfolio Managers invest. The Portfolio Managers generally have limited or no ability to independently verify the financial information disseminated by the issuers in which the Portfolio Managers invest and are dependent upon the integrity of both the management of these issuers and the financial reporting process system wide. The 2008-2009 financial crisis and subsequent events have demonstrated the material losses which investors can incur as a result of corporate mismanagement, fraud and accounting irregularities.

5. Moderate Initial Investments into Portfolio Funds

We initially invest in moderately-sized Portfolio Managers, typically between \$100 – \$400 million Assets Under Management ("AUM"). GLL has been successful in the past in identifying outstanding Portfolio Managers often overlooked by larger funds-of-funds, or managers who are glossed over as too small for investment by those larger funds. Many of the previously overlooked Portfolio Managers have grown significantly larger over the years during which GLL has invested, having posted superior results. The larger Portfolio Funds in which GLL is currently invested have grown organically in size of assets under management, since the time that GLL first invested.

GLL also initially invests a moderate amount of capital with each Portfolio Fund. GLL follows that first investment with continued due diligence on the Portfolio Manager and Portfolio Funds. GLL continues with steps to develop intimate familiarity with the Portfolio Manager's operations and to attain deeper operational experience with the Portfolio Manager. GLL increases its investment with the Portfolio Fund, only after confirming that the Portfolio Fund's operational expertise matches its stated prior performance history.

6. Monitoring Performance and Risk of Portfolio Managers and Portfolio Funds

GLL monitors the Portfolio Managers and Portfolio Funds on a continuing basis, to screen for leverage, liquidity, rising or falling assets under management, return levels, size of

the top investors in their funds, number and size of redemption requests, style drift, strategy drift, market reputation of the Portfolio Fund, financial soundness or distress of the Portfolio Fund or the Portfolio Manager, comparison to other Portfolio Managers, and other factors. GLL receives periodic reports from Portfolio Managers containing results and metrics on their investments, and GLL analyzes them to the extent GLL has data that facilitates analysis.

GLL monitors on a regular basis, the performance of the Portfolio Funds as well as the relative allocations among investment strategies. GLL also makes periodic comparative evaluations of other managers implementing similar investment strategies. In monitoring the performance of its investments, GLL maintains records for each Portfolio Manager and receives regular reports, typically at least quarterly, as well as annual financial statements from the Portfolio Funds. GLL may also contact Portfolio Managers for their analysis of significant market, economic or other events as they relate to their investment strategies and influence their investment decisions.

In addition to monitoring performance, GLL also periodically attempts to determine whether a change in the Portfolio Manager's strategy or discipline has occurred, or whether a Portfolio Manager has experienced a significant change of circumstances, such as changes in assets under management, key personnel or personal circumstances.

GLL will periodically adjust allocations to Portfolio Managers and investment strategies for any number of reasons which may include: A rebalancing of assets among Portfolio Managers and strategies; a change in a Portfolio Manager's strategy; a significant change in circumstance with respect to a Portfolio Manager's operations; conflicts or potential conflicts of interest; performance that is low relative to the performance of other prospective Portfolio Managers using the same or similar investment strategy; or GLL's assessment of significant market or economic conditions and other factors.

Although GLL monitors the performance of the Portfolio Managers and their Portfolio Funds, GLL must ultimately rely on its own judgment as sponsor or investment manager of each Portfolio Fund to operate according to the investment strategy or the guidelines disclosed to GL in the PPM for the Portfolio Fund. GLL also relies on the accuracy of the PPM and other information provided to GLL by the Portfolio Manager and Portfolio Funds. GLL has no means of independently verifying the information supplied to it by any Portfolio Manager, other the normal due diligence it conducts.

GLL avoids or divests from Portfolio Funds that drift from their stated strategy, style, or area of expertise, and those that present other cause for concern.

C. Portfolio Manager Risks

Portfolio Manager risks encompass the possibility of loss due to issues with a specific Portfolio Manager, including: Lack of information or inaccurate information, intentional or inadvertent deviations from a defined investment strategy (including excessive concentration, directional investing outside of predefined ranges), excessive leverage, new untested capital

markets, poor judgment, the Portfolio Manager going out of business, or Portfolio Manager fraud (at the trader or principal level).

1. *Reliance on Information Received from the Portfolio Managers*

GLL depends on the Portfolio Manager of each Portfolio Fund for information on the ongoing operation of the Portfolio Fund, and will receive information concerning the Portfolio Fund that the Portfolio Manager is willing to provide. The Portfolio Managers are not affiliated with, or controlled by, GLL. GLL has no means of independently verifying much of the information supplied to it by Portfolio Managers, including estimates of the value of the Funds' investment in the Portfolio Funds. It will be difficult, if not impossible, for GLL to protect the Funds from the risk of Portfolio Manager fraud, misrepresentation or material strategy alteration. All information prepared by GLL and provided to GLL's Fund investors will generally be based on information received from the Portfolio Managers; GLL offers no assurance to investors that the Portfolio Managers' information will be accurate. The GLL Funds' investors themselves will have no direct dealings or contractual relationships with any Portfolio Manager or Portfolio Fund.

2. *Style Drift*

Portfolio Managers retain much flexibility in their investment strategies, and therefore, may start to drift into investing in strategies or securities in which they are not sufficiently experienced, or outside their core area of expertise. GLL monitors for style-drift, to the extent of its capability to monitor. GLL reviews exposure reports and ongoing research, and has created a database for effectively tracking potential style drift within a Portfolio Manager's holdings.

3. *No Formal Diversification Requirements of Portfolio Managers*

Portfolio Managers are generally not bound by percentage or dollar limits on the amount of their Portfolio Fund assets they can invest in any particular investment strategy. The Portfolio Funds are permitted to hold a few relatively large investments in a given strategy (large measured as a percentage of their assets under management). An investment loss incurred in a large position could have a material adverse impact on the Funds.

4. *Structural and Operational Risks*

Hedge funds are typically entrepreneurial organizations founded by investment professionals who may not have adequate (or, in some cases e.g. coming from prop desks, any) experience in running businesses or managing operations. Operational risk includes the risk of loss resulting from inadequate or failed internal processes including pricing risk, people and systems, or from external events. Hedge funds also periodically add new fund products, implement new systems, incur personnel turnover which could have a significant impact on their infrastructure.

Hedge fund investors must conduct comprehensive on-site due diligence reviews of a hedge fund manager's organizational structure, decision-making process, financial operations, as well as its manager's administrators and other major service providers as needed (e.g., independent valuation consultants). The process should focus on several metrics including pricing and valuation processes, fund accounting and reconciliation process, systems,

counterparty relationships, cash management, staffing, regulatory compliance, disaster recovery and business continuity planning.

5. *Possibility of Portfolio Manager Fraud or Misconduct*

When GLL allocates assets to a Portfolio Manager, the GLL Funds do not have custody of the assets or control over their investment by the Portfolio Manager. A Portfolio Manager could divert or abscond with the assets, fail to follow agreed upon investment strategies, provide false reports of operations or engage in other misconduct. Portfolio Managers to whom GLL allocates assets are private and have not registered their securities or investment advisory operations under federal or state securities laws. Additionally, the Portfolio Funds may themselves make investments that are subject to risk of loss due to fraud. However, GLL conducts due diligence on its Portfolio Managers before GLL invests in a manager.

6. *“Soft Dollar” Payments by Portfolio Managers Possible*

The Portfolio Managers select their own brokers, banks, and dealers to effect portfolio transactions, over which GLL has no control. Portfolio Managers may be in arrangements considered to be “soft dollar” arrangements, in which they consider various brokers and various factors in their decision to execute trades with a broker. They consider not only price, and best execution, but also the ability of brokers, banks, and dealers to effect transactions, their facilities, reliability, and financial responsibility, as well as any products or services provided to the Portfolio Manager, or expenses paid, by brokers, banks, and dealers.

Products and services may include research items used by a Portfolio Manager in making investment decisions, and expenses may include overhead expenses of a Portfolio Manager. These “soft dollar” benefits may cause a Portfolio Manager to execute a transaction with a specific broker, bank, or even dealer even though it may not offer the lowest transaction fees. Further, the Funds may allocate to underlying Portfolio Managers who utilize soft dollar benefits that fall outside the safe harbor under Section 28(e) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”).

D. *Analysis Methods, Strategies & Risks of Underlying Portfolio Funds*

Investment strategies selected for the GLL Funds involve a wide range of investment techniques and trading, in a wide range of securities and other financial instruments, in multiple sectors.

The following summarizes descriptions of some of the investment strategies, techniques and sectors that may be selected by GLL for the GLL Funds. This is not a complete description of any given strategy or its risks, nor is it a complete list of all possible investment methods or strategies that may be implemented by GLL. There is no material limitation on the strategies, markets, instruments or sectors in which GLL may invest. Risk Factors of several of these strategies are included in this section after the strategy explanation, while other risks others are detailed in [ITEM 8.B. – RISK OF LOSS - RISK FACTORS](#), and specifically in [Risk of GLL’s Investments in Underlying Portfolio Funds](#).

1. *Health Sciences Strategies and Sector*

Portfolio Managers in the health sciences strategies or sectors invest in companies engaged in research, development, production, and distribution of products or services related to health care, medicine, or the life sciences. With the population aging, investing in health care can have upsides, as health care services, research, devices, and facilities are predicted to become more and more in demand. Where a Portfolio Manager focuses on a single sector of the market, there is an industry concentration risk. The healthcare industry can be affected by political, economic, regulatory, and supply-and-demand factors.

2. *Mortgage-Backed Securities and Structured Credit Strategies*

Portfolio Managers using mortgage-backed and structured credit strategies seek residential or commercial mortgages or business loans that are underpriced relative to the collateral value of the assets. Portfolio Managers also typically employ interest rate hedging strategies to further reduce portfolio risk.

Debt securities are interest-rate sensitive and may be subject to price volatility due to various factors including changes in interest rates, market perception of the creditworthiness of the issuer and market liquidity. Investment in debt securities also involves a fundamental credit risk based on the issuer's ability to make principal and interest payments on the debt it issues. Investments in debt securities may experience substantial losses due to adverse changes in interest rates and the market's perception of issuers' creditworthiness.

3. *Credit Strategies*

Portfolio Funds may invest in the credit markets, attempting to take advantage of undervalued securities and relative mispricing. The credit markets are highly susceptible to interest-rate movements, government interference, economic news, and investor sentiment. The identification of attractive investment opportunities in disrupted credit markets can be profitable, but can be difficult and involves a significant degree of uncertainty.

During periods of "credit squeezes" or "flights to quality," the market for credit instruments other than U.S. Treasury bills can become substantially reduced. This poses a particular risk that leveraged credit instrument positions held by hedge funds that pursue credit related investment strategies may need to be sold at discounts to fair value in order to meet margin calls. At the same time, the dealers may correspondingly reduce the value of outstanding positions, resulting in additional margin calls as loan to value triggers are hit under prime brokerage and swap agreements. During the financial market crisis of 2008-2009, the market for credit instruments was so illiquid that a number of private investment funds had to sell otherwise highly desirable investments in other asset classes in order to meet margin calls on their credit positions.

4. *Distressed Securities and High Yield Debt Investment Strategies*

Distressed and high-yield debt strategies invest in the securities of companies in weak or deteriorating 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.

Portfolio Managers investing in these strategies seek to purchase securities opportunistically at a deep discount compared to value, often investing in distressed securities during times of financial duress or after a company's successful exit from bankruptcy. The strategies involve a high degree of risk, but also offer unusual profit opportunities.

Accurate and reliable financial information concerning financially troubled issuers' financial condition is often unavailable (or unreliable). The bankruptcy process is uncertain and the value likely to be preserved for the debt holders is unclear. However, unusual profits can be recognized acquiring the steeply discounted debt of issuers involved in bankruptcy or other forms of financial distress.

The bankruptcy process bears significant risks. While creditors are generally given an opportunity to object to significant bankruptcy actions, a bankruptcy court on the other hand, may exercise its broad powers and may approve actions that would be contrary to the interests of the distressed debt holders. For example, the bankruptcy proceeding may prohibit or limit the transfer of creditor claims, and could have a material adverse effect on the value of investments made by a Portfolio Fund. A Portfolio Fund might be prohibited from liquidating investments which are declining in value. In addition, bankruptcy proceedings time-frame and outcome is uncertain.

In addition to the risk of issuer bankruptcy, the securities tend to be illiquid and highly volatile in price. 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. High yield debt is extremely price-sensitive to general interest-rate movements as well as to issuer-specific credit events.

Debt securities are interest-rate sensitive and may be subject to price volatility due to various factors including changes in interest rates, market perception of the creditworthiness of the issuer and market liquidity. In addition to high investment grade debt securities, Portfolio Managers 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. Debt securities also involve a fundamental credit risk based on the issuer's ability to make principal and interest payments on the debt it issues. Investments in debt securities may experience substantial losses due to adverse changes in interest rates and the market's perception of issuers' creditworthiness.

5. *Activist Strategies*

Activist Portfolio Managers purchase significant stock positions in a single company, with the goal of influencing the company's operations through voting control and shareholder voting toward activism. The objective of activist investing is to modify a company's strategy or tactics by exerting pressure on management through controlling ownership. If necessary, the investor may install new board members or managers to improve shareholder value. With a muted economic growth outlook, high corporate cash balances, a large supply of un-invested private equity capital and an increasingly hospitable climate for shareholder-friendly corporate governance practices, activist investors are finding numerous targets for their value-enhancing

investing strategies. Activist strategies are considered a component of the broad event driven hedge fund category, activist investors seek to unlock “hidden” value in their target companies. The strategy is primarily equity-focused with a one to three year investment horizon. As a result, activist strategies can play multiple roles in a long-term investment portfolio, as part of an existing hedge fund program, as a complement to a private equity portfolio, or as a substitute for a long-only equity manager allocation.

This “event driven” type of strategy, which relies on M & A transaction, financial restructuring, operational turn-around, strategic turn-around, or other events, is exposed to the risk that the event never occurs. Activist Portfolio Funds have a longer investment horizon, with longer lock-ups, which require that the activist investor provide enough capital for a long enough time to see the investment to fruition. Activist investments are typically concentrated and aggressive, with less than 20 core positions. They generally have a long bias, although some funds may hedge the market or an industry or sector. Activist investors often end up in news headlines, due to their participation in hostile situations. The activist strategy is newer, without benchmark history for its effectiveness.

6. Multi-Strategy and Hybrid Strategies

Portfolio Managers combine elements of more than one strategy type. In the course of implementing a particular strategy, an opportunistic trade representing a different trading approach will often be made. For example, in seeking to identify a relatively mispriced pair of assets, a Portfolio Manager may conclude that an asset is sufficiently overpriced or underpriced, and may merit taking an outright directional position. Portfolio Managers will develop new strategies, and will adapt and refine existing strategies. GLL, and the Portfolio Managers, are not subject to any material limitation on the strategies into which the Funds, or the Portfolio Funds, may invest.

The alternative investment field has seen a proliferation of new strategies and techniques, in recent years, as well as new instruments available for trading. Portfolio Managers will implement strategies incorporating elements of relative value, event-driven and directional approaches, as well as other opportunistic investment tactics they may consider advantageous.

7. Equity Long-Short or Hedged Equity Strategies

Equity strategies are based on attempting to predict the future price level of different equity or equity-related securities. In the Equity Long-Short, or Hedged Equity Strategies, Portfolio Managers identify companies they believe will either outperform the market (take long positions) or underperform the market (take short positions). By strategically placing a percentage of their portfolio in short positions, the Equity Long-Short managers intend to provide downside protection against stock market drops. Hedged equity investment strategies generally involve taking both long and short positions in equity securities deemed to be under- or over-valued, in a “hedged” approach. Although the combination of long and short investing can provide an element of protection against directional market exposure, but not eliminate it, Portfolio Managers using hedged equity strategies generally do not attempt to neutralize the amount of their long and short positions (*i.e.*, they will be net long or net short). Portfolio Managers implementing hedged equity strategies often have a net long bias, which would likely

result in potentially significant losses in a period of general equity market decline. Hedged equities strategies could cause the Funds' performance to lag behind market indices in the event of a sharply rising equity market.

Portfolio Managers implementing hedged equity strategies may focus on specific industry sectors, market segment or geographic area, or may diversify holdings across some or all. Hedged equity strategies typically focus on the domestic and international equities markets. They generally employ a low to moderate degree of leverage. The Portfolio Fund may be subject to more rapid changes in value than would be the case if the Portfolio Fund maintained a wide diversification across industries, companies, geographic areas and types of securities.

Numerous inter-related and difficult-to-quantify economic factors, as well as market sentiment, subjective and extraneous political, climate-related and terrorist factors, influence the cost of equities; a Portfolio Manager implementing long-short strategies may not be able to predict future price levels correctly. Directional equity strategies are typically leveraged, and even comparatively minor adverse market movements can result in substantial losses. See Risk Factors related to Short Selling, at [Short Sales and Short Selling](#).

8. Convertible Arbitrage

Portfolio Managers seek to simultaneously purchase convertible securities (bonds offering the option of being converted into stock) and then sell short the same issuer's common stock to generate a market neutral profit.

The pricing of convertible debt involves an option component not present in convertible debt securities. In addition, convertible debt often has complex conversion, call and other material business terms. Unlike investment-grade debt, convertible debt requires in-depth analysis both of the financial condition of the issuer and of the terms of convertible debt instruments.

Many issuers of convertible securities are in uncertain financial condition. Well-established companies tend to issue conventional, not convertible, debt. Many of the issues purchased by the Funds will not be investment-grade and will involve correspondingly increased risk of default. Moreover, whether or not an actual default occurs, the prices of non-investment grade debt are often highly volatile.

9. Private Equity Investment

GLL has cut back in its investments in Private Equity, because the lengthy investment holding period required in private equity funds is out of range with the GLL Fund quarterly redemption period permitted for GLL's investors.

Portfolio Funds invest in privately owned growing businesses that appear to offer the potential for superior equity returns. Profits in these investments can be derived in various methods, including through improved and profitable operations with distributions to owners, a private sale of the business, a special dividend, or an IPO.

Portfolio Managers may invest in longer-term opportunistic investments where “real assets” (including, real estate, energy, construction, transportation, mining, infrastructure, agriculture and commodities), together with related ventures, are the prevailing theme. Those investments will generally have a substantially longer investment horizon and holding period than the GLL or Portfolio Funds, and may not operate on the basis of “net asset values”, as the investments are typically not exchange-traded and difficult to value. They may not have “realization events” occur for a number of years after the GLL or Portfolio Funds make an investment, and the GLL Funds may not be able to redeem from those Portfolio Funds.

The GLL Funds do not intend to “side-pocket” or segregate those holdings in connection with new subscriptions and redemptions, which may result in new or redeeming investors experiencing some economic dilution, or windfall on their investment. For example, the carrying or “fair value” of the investments may materially understate or overstate the amount at which they can or will be liquidated as of a specific subscription or redemption date.

GLL does not intend to allocate a material portion of the Funds’ assets to Portfolio Managers implementing private-equity style investments. Private equity investments will be limited, in GLL’s discretion, at the time of investment, to reduce the risk of economic dilution as well as the increased risk of illiquidity. However, Private Equity investments could result in significant economic dilution to some investors or a significant decrease in the liquidity profile of the Portfolio Fund’s overall portfolio.

Private equity investments are private placement investments. There may be no trading market for these securities, and positions in them may only be able to be liquidated at disadvantageous prices, if at all. As a result, the Portfolio Managers may be required to hold the securities for an indefinite time period, despite adverse price movements.

Portfolio Managers (as well as GLL with respect to the Funds’ direct investments) typically value the illiquid securities in their good faith discretion. The valuations may not accurately predict the price at which an arm’s-length buyer would be willing to purchase the securities, these valuations are part of the calculation of the Funds’ Net Asset Value, which is the basis on which investors invest or redeem from the Funds, as well as the basis for calculating the Management Fee and Incentive Allocation.

10. *PIPES (Private Investment in Public Equity): Structured Equities*

Portfolio Managers in the PIPEs industry purchase stock under favorable conditions from companies that need capital quickly. In return for providing capital expeditiously, the Portfolio Manager hopes to be rewarded by receiving a discount on the shares or options to purchase stock in the future at an agreed-upon price.

Portfolio Managers may invest in privately-placed equity and equity-linked securities, including convertible bonds, convertible preferred stock, and other instruments (collectively, “Structured Equities”) issued by companies whose equity is publicly-traded. The Portfolio Managers effect their investments by identifying and negotiating transactions in “private investment in public equities” (“PIPEs”) transactions. Small cap issuers, particularly those in the developmental stage yet to generate consistent cash flows, often have limited access to the

traditional capital markets. Private sources of capital such as the Portfolio Funds can have the opportunity to invest equity capital in these companies, on terms highly favorable to the Portfolio Funds. The existence of public markets for these issuers' equity provides a means for the Portfolio Funds to exit positions on a much shorter-term basis than venture capital or private equity investments in companies without an existing public market.

Structured Equities may include transactions in: (1) Convertible securities (senior notes, subordinated notes and preferred stock) with embedded put (conversion price reset(s) and/or cash put) and call (discount and premium) features; (2) high-yield debt instruments with equity kickers; (3) common stock issued at a discount or implied discount; (4) common stock with make-whole provisions; and (5) warrants issued in connection with all of the above. Structured Equities are generally acquired directly from the issuers in unregistered transactions pursuant to private placements in reliance on exemptions under federal securities laws, and are not freely tradable. Structured Equities may also be acquired from third parties in secondary market transactions.

PIPE positions are designed to be profitable, because of the conversion discount incorporated into the Structured Equity acquired, whether or not the market price of the issuer's stock increases. However, PIPE strategies have historically been significantly more likely to be successful during periods of rising equity prices. In those conditions, not only is it easier to liquidate the equity acquired upon conversion of the Portfolio Funds' Structured Equity, but also the equity price may increase from the date of liquidation, increasing the intrinsic profit in the discounted conversion price.

PIPE investing is a resource-intensive strategy that involves making capital commitments to issuers which do not have access to traditional capital markets in situations in which the bankruptcy of the issuer could result in a total loss of the investment. Analysis of the financial condition of each issuer is an important component of determining whether to make any investment. Analysis can be resource-intensive, and the Portfolio Funds and many Portfolio Managers will be competing in this sector with substantial resources.

The PIPEs field has attracted material regulatory scrutiny in recent years. A number of enforcement actions have been brought and some regulations changed in a manner which may adversely affect GLL's ability to implement its strategies. Both regulatory investigations and proposed changes are ongoing, which may materially adversely change results for the Funds. In addition to the specific inquiries regarding PIPEs, there have recently been well-publicized incidents of regulators unexpectedly taking positions which prohibited strategies which had been implemented in a variety of formats for many years. In the current unsettled regulatory environment, it is impossible to predict if future regulatory developments might adversely affect the Funds.

PIPEs transactions may be either private placements or illiquid, restricted, publicly traded securities or thinly-traded public securities. There may be no trading market for these securities, and positions in them may only be able to be liquidated at disadvantageous prices, if at all. As a result, the Portfolio Managers may be required to hold the securities for an indefinite time period, despite adverse price movements. If a Portfolio Manager makes a short sale of an

illiquid security, it may have difficulty in covering the short sale, resulting in a potentially unlimited loss on that position.

Portfolio Managers (as well as GLL with respect to the Funds' direct investments) typically value the illiquid securities in their good faith discretion. The valuations may not accurately predict the price at which an arm's-length buyer would be willing to purchase the securities, these valuations are part of the calculation of the Funds' Net Asset Value, which is the basis on which investors invest or redeem from the Funds, as well as the basis for calculating the Management Fee and Incentive Allocation.

11. Other Trading Strategies

There are no limitations on the investment strategies implemented by the Portfolio Funds. Portfolio Funds employ strategies for which no specific "risk factors" are provided. The strategies should be considered to be speculative, volatile, and, in general, no less risky than other strategies.

E. Direct Trading By GLL

For purposes of hedging, portfolio reallocation or investments, GLL is permitted to conduct direct trading activities on behalf of the Funds, versus trading through a Portfolio Fund. However, GLL expects to conduct very little, if any, direct trading. Any direct trading will constitute an insignificant portion of the GLL Funds' investment activity or assets under management.

F. Cash Reserves and Unallocated Assets

The GLL Funds are permitted to retain cash reserves in amounts that GLL deems appropriate, and therefore the GLL Funds may not be fully invested in Portfolio Funds at all times. Unallocated assets may occur where GLL wishes to maintain sufficient liquid assets to satisfy anticipated redemption requests or establish reserves for contingencies, for example. GLL will generally deposit the Funds' cash reserves in non-interest-bearing bank accounts, but may also invest unallocated assets in U.S. Treasury bills, money market accounts or other short-term instruments.

G. Leverage and Risks of Leverage

Leverage, or borrowing, including borrowing to invest, magnifies profits and losses. Leverage tends to exacerbate a fund's performance volatility. The use of leverage magnifies both profits and losses, and therefore increases risk. For example, because of the relatively small intrinsic profits in "hedge" or "arbitrage" positions, some Portfolio Managers may acquire extremely large positions in an effort to meet their rate of return objectives. Consequently, they will be subject to major losses if market disruptions destroy the hedged nature of the positions.

Three areas of leverage could affect performance and risk of the Funds: Leverage of GLL as the Fund Manager, Leverage of the GLL Funds, and Leverage of the underlying Portfolio Funds.

1. Leverage of GLL, the Fund Manager

The Private Placement Memos (“PPM”s) and LP Agreements of the GLL Funds, and GLL’s LLC Operating Agreement, permit GLL to borrow money in order to facilitate its fund management business. However, GLL has never borrowed in the past, since the inception of GLL, to operate its fund management business, and does not intend to borrow in the future. GLL does not have an open line of credit, and could not currently borrow without first implementing one.

2. Leverage of the GLL Funds

The PPMs and LP Agreements of the GLL Funds permit the Funds to borrow money from financial institutions, at market rates, in an amount up to 25% of the Funds’ Net Asset Value, in order to operate or facilitate the business of the GLL Funds. The Funds are permitted to borrow for cash management purposes, for investing into Portfolio Funds, for funding redemptions, and for managing timing issues of subscriptions, or for any other purpose. The Funds may leverage investments with Portfolio Managers through the use of borrowing or other means. The use of borrowed capital and other forms of leverage by the Funds for any purpose will have the effect of leveraging the Funds’ investments in Portfolio Funds, and will increase both profit potential and the risk of loss, and can result in substantial interest expense.

However, the GLL Funds do not currently intend to borrow money, and have infrequently borrowed. If the Funds ever use leverage, the Funds intend to limit the borrowed amounts to 25% or less of the Funds’ Net Asset Value (excluding the leverage used directly by the Portfolio Managers).

3. Leverage of the Underlying Portfolio Funds

Portfolio Managers may leverage their investments through the use of borrowed funds, selling securities short, trading options or futures contracts, swaps or repurchase agreements and implementing other means of borrowing to invest. The Portfolio Managers may employ leveraged investment strategies, and in some cases do employ highly leveraged strategies, and in some cases employ no leverage at all. Some of the underlying Portfolio Funds have no stated leverage limits in their PPMs, and may exhibit leverage higher than GLL’s internal stated limit of 25% of the Funds’ Net Asset Value.

The Portfolio Managers with which the Funds invests may also leverage their trading activities, and in some cases, at significant levels, through the use of borrowed funds, margin, futures, options, swaps and repurchase agreements or other means. The number of lenders and other leverage providers who support a leveraged strategy has been significantly reduced recently. The remaining providers charge high costs for making leverage available. Financing arrangements contain mark-to-market provisions, which may result in margin calls to the Portfolio Funds, which could be materially adverse to them and to the GLL Funds. Leverage also exposes the Portfolio Fund to counterparty credit risk, in addition to potential margin calls.

4. GLL's View on Leverage in Underlying Portfolio Funds

GLL endeavors to maintain an overall total leverage limit on all the investments in all of the GLL Funds combined, to approximately 25% of Net Asset Value of all of the GLL Funds combined. Further, GLL prefers not to participate in leveraged investments, given the potentially higher risk of leveraged investments. Therefore, as a whole GLL does not participate in highly leveraged deals.

However, GLL does not specifically monitor the daily or monthly leverage criteria for each of its Portfolio Funds, has no method of doing so, and cannot assure that the Portfolio Fund is meeting any specific total leverage limit under its PPM. GLL invests in multiple Portfolio Managers, and therefore loosely monitors the total amount of leverage for all the Portfolio Managers combined. Each Portfolio Fund's hedge fund strategy employs leverage differently (type, amount, source, etc.). Therefore, GLL loosely monitor leverage of Portfolio Managers compared to the Portfolio Managers' contemporaries, to identify and examine the outliers. In addition, GLL anticipates analyzing, on an ongoing basis, counterparty credit risk and cash management practices before GLL invests in a Portfolio Fund.

GLL does not maintain by specific numeric detail the leveraged portion of each Portfolio Fund; however, GLL maintains a general idea of the leverage in all of the GLL Funds combined, and endeavors to invest in Portfolio Funds that are not leveraged or that are leveraged in percentages under the 25% limit.

ITEM 8.B. – RISK OF LOSS - RISK FACTORS

An investment in a GLL Fund-of-Funds is speculative, illiquid, and highly risky and involves substantial risks. GLL invests in the alternative investment arena, in which GLL allocates its own Funds' assets into investments of other underlying Portfolio Funds. The investor bears the entire risk of loss on his or her investment in the GLL Funds.

Although GLL believes that diversifying the Funds' investments among multiple Portfolio Managers and multiple investment strategies will moderate risk, each of the Portfolio Managers implements alternative and potentially highly leveraged investment strategies. The underlying Portfolio Funds may not be able to achieve their investment objective or avoid substantial losses.

The underlying Portfolio Managers' strategies are proprietary and confidential; therefore, GLL has received only limited information and general descriptions of the risks involved in those underlying Portfolio Funds and their operations. Descriptions may not fully convey the risks of the strategies implemented by the Portfolio Managers. Some strategies are highly leveraged.

Investors must be willing and financially able to assume the high degree of risk involved in investment in the Funds. Investors risk losing all or substantially all of their investment in the Funds, and are required to hold their investment in the Funds indefinitely. Consult your own

independent legal, tax, financial and other advisors, while considering an investment in the Funds. Investors who are unable to evaluate the risks of investing in the Funds should not consider investing in the Funds.

Risks outlined below apply directly to the Funds, and others apply to the Portfolio Funds in which GLL invests. The following Risk Factors do not purport to be a complete description of the risks involved in investing in the Funds or the Portfolio Funds. These only to suggest risks that prospective investors should discuss with their financial advisors.

A. Risk of Investing In a Fund-of-Funds

Investing in a fund-of-funds entails a combination of risks and complexities that may not be applicable in traditional hedge funds or “long only” funds. Investments in fund-of-funds, a pooled investment vehicle, which invests in other pooled investment vehicles, as its investment strategy (“fund-of-funds” investments), are speculative and involve substantial risks.

Investment risk factors, structuring risks, operational risks, legal and compliance risks, and service provider’s risks apply, as well as the roles and risks of the multi-manager hedge fund manager being an intermediary. Issues may arise specific to accessing hedge funds by investing in any structure that requires daily net asset value calculations and daily liquidity.

GLL believes that diversifying the GLL Funds’ investments among multiple Portfolio Managers and multiple investment strategies will moderate this risk. However, each of the Portfolio Managers implements alternative and potentially highly leveraged investment strategies. The Funds as a whole, and the Portfolio Funds and Portfolio Managers individually, may not be able to achieve their investment objective or avoid substantial losses.

GLL receives disclosure information on each Portfolio Fund in which it invests, including a Private Placement Memo (“PPM”) on each Portfolio Fund. A brief explanation of the material risks for the Portfolio Funds’ types of strategies is provided below; however, GLL refers you to the PPM and other documents that are available upon request for each Portfolio Fund. The PPMs set out a more detailed discussion of risks of the specific Portfolio Fund.

1. Dependence on GLL Principals To Implement Fund-of-Funds Strategy

GLL and its Principals have complete discretion in investing the Funds’ assets. The GLL Funds’ success depends on the ability of GLL to select and allocate assets among successful Portfolio Managers. The Principals of GLL play a significant role in managing the Funds’ operations, with the decisions into which Portfolio Funds to invest, being made by all of Steve, Mike and Jason together (or two out of the three of them.)

Therefore, GLL is dependent on a limited number of key principals. The loss of one or more Principals due to death, disability or departure could have a material adverse effect on the Funds, and could potentially result in GLL’s dissolution, which would require the search for another fund manager for the GLL Funds. In particular, the loss of Stephen Gilboy, the

managing member who serves the primary role in making or approving final investment decisions on behalf of the Funds, could have a significant adverse effect on the Funds.

Under the GLL LLC agreement, two partners may make a decision. If one of them should die, become disabled, or leave GLL, then there is no longer a third person to assist with the investment decisions, or the management of the business or meeting with investors. In addition, with only two remaining Principals, there would no longer be tie-breaker person available. However, GLL has established relationships with several advisors who specialize in trading and alternative investing, who would step in and assist GLL in the event that a GLL Principal should become unavailable.

Similarly, Portfolio Managers to whom the GLL Funds will allocate capital may consist of only one or a limited number of principals. If any one of these persons became unavailable to the Portfolio Manager through death, disability or departure, the effect on the Portfolio Fund could be materially adverse and the Funds may sustain losses.

2. Disaster Recovery

GLL has a Disaster Recovery plan in place, which includes daily office back-ups to tape on the physical on-site server. Backup tapes are stored offsite weekly. The GLL QuickBooks accounting system is on-site, and backed up offsite. The bank holds checking accounts and deposit accounts; and QuickBooks is reconciled to the bank balances promptly. Emails and investor communications are stored offsite and accessed from onsite to the cloud by GLL Principals. NAV Consulting maintains all records of investor capital accounts, as well as records of the Portfolio Funds into which the GLL Funds invest, and their allocations by Portfolio Fund (of which GLL obtains periodic NAVs from the Portfolio Funds.) NAV can run daily calculations of Net Asset Value, the Investor Capital Accounts, and of the Portfolio Fund Investments. The investments into the actual 20 or so Portfolio Funds, are held by, and documented by, those Portfolio Funds, with copies to GLL. GLL does not hold any actual securities or cash of any investor.

3. Delayed K-1 and Tax Return Information to Investors

The GLL Funds' annual financial statement audits are a prerequisite to GLL being able to provide income tax information, including K-1s, to the GLL Funds' investors. The GLL Funds' annual financial statement audits can only be completed when the audits of the underlying Portfolio Funds have been completed. If the audit of even one Portfolio Fund is delayed, then GLL may not have available definitive tax information available for the GLL Funds' limited partner investors before April 15th, or in time for them to prepare their tax returns for April 15th. GLL Funds' investors therefore may need to file tax return extensions. GLL provides estimated K-1s to investors by April 15th.

4. Limited Liquidity and Transferability of Portfolio Fund Interests

An investment in the GLL Funds, as well as in the Portfolio Funds, involves limited liquidity. Redemptions are typically permitted only on quarter-end, and only after 90 calendar days' notice. The value an investor receives in redemption may differ materially from the value at the time the investor requested redemption 90 or 180 days prior. The Portfolio Funds', and

therefore GLL Funds', ability to satisfy redemption requests is largely contingent on their abilities to redeem assets from Portfolio Funds, which may restrict redemptions.

GLL has broad authority to defer, limit or suspend redemption requests of GLL Funds, if GLL believes that accepting redemption requests would have adverse consequences to the remaining limited partner investors in the GLL Funds. The GLL Funds may not be able or willing to liquidate investments sufficient to satisfy a redemption request as of any quarter-end, and limited partner investors must be prepared to bear the financial risks of an investment in the GLL Funds for an indefinite period of time. The interests are also not freely transferable.

5. In-Kind Distributions from Portfolio Funds

The Portfolio Managers have discretion to distribute securities rather than cash as redemption proceeds, and GLL has on occasion received securities rather than cash upon redemption from a Portfolio Fund. If the GLL Funds were to receive securities upon redeeming from a Portfolio Fund, the GLL Funds might retain securities pending liquidation, or might distribute them to GLL Funds' investors.

6. No Formal Diversification Requirements of GLL Funds

GLL Funds are not subject to any formal diversification requirements or guidelines on investment strategies of Portfolio Managers. There are no material limitations on the instruments, markets or geographic locations in which the Funds may invest or on the investment strategies it may employ. Portfolio Managers will be similarly unrestricted in the scope of their trading and investment activities.

However, GLL generally intends to diversify the Funds' assets among a number of different Portfolio Managers implementing a broad range of investment strategies. The GLL Funds' overall portfolios could be more heavily weighted toward similar investment strategies or to a limited number of Portfolio Managers, which may cause performance volatility as to gains and losses, than a more diversified investment portfolio. Or the GLL Funds could hold a few relatively large investments, in relation to their own AUMs, with a limited number of Portfolio Managers or with respect to certain investment strategies. A loss in a heavily weighted position could have a material adverse impact on the Funds.

An investment perceived as an opportunity by GLL, may or may not result in gains or losses, due to one or more of a wide variety of factors. The economic viability of an entire strategy could deteriorate, due to an excessive concentration of investors implementing the same approach or general economic events that disrupt the source of profits which the strategy seeks to exploit (for example, by disrupting historical pricing relationships). The GLL Funds can only be successful if GLL and the Portfolio Managers are able to invest successfully.

7. Operating Expenses and Managers' Fees on Fund-of-Funds

The allure of the fund-of-funds approach is that it allows investors to achieve a broad diversification and asset allocation in a variety of fund categories, all bundled into one fund.

The fund-of-funds model can mean that the operating expense and management fees can possibly impose a higher total expense to investors, when compared with a straight hedge fund. The fund-of-funds bears operating expenses at two levels: One at its own fund level, and another at the Portfolio Fund level into which the GLL Funds invest. Each fund level will have incurred its own operating expenses, which expenses flow through to the investor. The fund-of-funds is an investor in the Portfolio Fund, bearing its share of those expenses. Therefore, a higher total aggregate operating expense is likely for fund-of-funds investors, compared with a straight hedge fund. However, experienced fund-of-funds investors enjoy the simplicity of the multi-manager strategy's ability to diversify without much investor effort, because investing in the multi-manager strategy accomplishes diversification by placing all of the investor's investments in the hands of one fund-of-funds.

GLL's view is that the dual layer of operating expenses and fees that GLL pays to its Portfolio Managers to manage the Portfolio Funds well, is an acceptable cost of entry into the multi-manager strategy, including the cost of entry into certain Portfolio Funds that can only be accessed with large investment amounts. GLL has invested the GLL Funds into the multi-manager strategy with positive results over the years; and GLL's returns have been positive, in spite of the dual layer of operating expenses and fees.

GLL has established an annual operating Expense cap of 0.4% of the assets under management ("AUM") of the GLL Funds. GLL absorbs the Funds' operating Expenses over that annual 0.4% cap. While the Portfolio Funds may or may not have caps on their expenses, and while GLL has no control over the Expense amounts charged to the GLL Funds by the Portfolio Funds, GLL carefully selects Portfolio Managers whose track records indicate that they have historically managed expenses well.

8. Transparency and Undisclosed Proprietary Information from Underlying Funds

Investors must rely on GLL's selection of Portfolio Managers and Portfolio Funds. GLL may provide to investors summary information regarding the investments by the GLL Funds and the Portfolio Fund investments. However, some Portfolio Funds may restrict the type and amount of information GLL may disclose to investors.

Portfolio Managers generally treat information on their trading positions as proprietary. Hedge funds typically keep their information confidential on positioning and themes. GLL may have no access to information on positions and allocations, or changes to them. Confidentiality agreements may restrict GLL from disclosing much, or any, information to investors.

GLL will not generally disclose changes to the number and identity of the Portfolio Managers and Portfolio Funds, or of the allocations of capital among them, until after the investments are active or even complete. However, GLL intends to issue a report of Portfolio Manager allocations in GLL's periodic investor report. GLL must rely on the Portfolio Managers' valuations, choice of brokers, custodians, counterparties, and tax and accounting procedures.

9. Independent Strategies; Inadvertent Concentration and Lack of Diversification

The GLL Funds employ a multi-manager strategy and each of its Portfolio Manager will trade independently of the others. Diversification of the GLL Funds' assets among multiple

Portfolio Funds has the potential to control losses; the diversification also reduces the GLL Funds' profit potential, as profits recognized by one Portfolio Fund may be offset by losses incurred by others. Offsets may result in a significant reduction in GLL Funds' assets, as incentive fees may be allocable to those Portfolio Managers that recognized profits regardless of offsetting losses. Conversely, a number of Portfolio Managers may accumulate substantial positions in the same or related instruments at the same time, generating a lack of diversification, which could lead to material losses to the Portfolio Funds and therefore to the GLL Funds.

10. Increased Competition in Alternative Asset Industry - Demand Exceeds Supply

The alternative investment industry is extremely competitive. In recent years an increase has occurred in the number of investment funds established to implement alternative asset investment strategies, and capital committed to them, including the strategies being implemented by the GLL Funds and the Portfolio Funds into which the GLL Funds invest. Greater competition could result over limited investment opportunities, or increased price volatility or decreased liquidity could occur, or lower returns could result on various positions. The profit potential of the GLL Funds may be materially reduced as a result the "saturation" of the alternative investment field.

Many of the major participants in the business are large investment banking firms with substantially greater financial resources, larger research staffs and more traders than will be available to GLL Funds and the Portfolio Managers GLL selects. The Portfolio Managers have ultimate responsibility for making trading decisions on the assets allocated to them, based on their various levels of experience. The Portfolio Managers may also manage other accounts (including other accounts in which the Portfolio Managers may have an interest) that could increase the level of competition for the same investments that the GLL Funds might otherwise make, including the priorities of order entry. This could make it difficult or impossible to take or liquidate a position in a particular security at a price indicated by a Portfolio Manager's strategy. The Portfolio Managers and their principals, in managing accounts other than those of the Funds, may employ trading methods, policies and strategies that differ from those under which the Funds operates. Therefore, the results of the Funds' trading may differ from those of the other accounts traded by the Portfolio Managers.

11. Increases in Assets Under Management of Portfolio Fund Managers

There is no maximum amount that can be raised by the Portfolio Funds in their private offerings. As the Portfolio Funds' assets increase, more capital will be allocated to their Portfolio Managers. The Portfolio Managers may or may not have restrictions on the maximum level of assets under management. An increase in the amount of assets under management may have an effect on the trading strategies of the Portfolio Managers or their investment results compared to results achieved by Portfolio Managers in the past.

12. Effect of Portfolio Fund Redemptions

Substantial redemptions within a limited time frame could require the Funds to liquidate a significant portion of the Funds' investments on materially undesirable terms. Substantial redemptions in underlying Portfolio Funds within a limited time frame could require any of the

underlying Portfolio Funds to liquidate a significant portion of the Portfolio Funds' investments on undesirable terms.

13. *Changes in Portfolio Managers and Portfolio Manager Allocations*

GLL may select new or replacement Portfolio Managers at any time, and may change the percentage of GLL Fund assets allocated to existing Portfolio Managers. Changes will be made at the discretion of GLL without prior notice to investors. Investors will not be informed of the allocations or reallocations of the GLL Funds' assets among the different Portfolio Funds.

14. *Valuations and Estimates of Net Asset Values*

The GLL Funds and the Portfolio Funds would issue and redeem Interests on the basis of Net Asset Values calculated using each Portfolio Manager's estimated valuations of the Funds' investments in the Portfolio Funds. GLL must rely on the Portfolio Managers' valuation of the Funds' investments in their Portfolio Funds. The Portfolio Managers provide statements of valuation to GLL, generally at the intervals needed by GLL. The Portfolio Managers may revise their valuations, sometimes materially, which affects the GLL Funds' valuations, as well as GLL's fees. The Portfolio Managers have broad authority to suspend the valuation of their Portfolio Fund's assets. If a Portfolio Fund suspends valuation, then GLL Funds will have no ability to determine their own Net Asset Value. In that case, GLL is permitted to obtain an interim valuation from NAV Consulting. If GLL is unable to obtain any valuation, it may suspend subscriptions and redemptions until the Portfolio Fund resumes valuations.

The Management Fees and Incentive Allocations, and the amounts due to investors upon redemption or in a GLL distribution, will be determined on the basis of estimates. GLL is under no obligation to revise the estimates. A Portfolio Manager may also be required to make a valuation adjustment under Statement of Financial Accounting Standards Number 157 ("FAS 157"), including where its fund holds distressed assets or has gone bankrupt.

In extraordinary circumstances, actual or estimated net asset values of Portfolio Funds may need to be adjusted by GLL if GLL determines that an unusual circumstance at a Portfolio Fund warrants a downward net asset value adjustment under FAS 157.

15. *Policies and Procedures Around Valuation – Consistent Approach*

Overvaluation can cause higher fees to the GLL Fund Manager or to the Portfolio Managers. GLL has no control over valuation methods in the Portfolio Funds.

16. *Advisory Accounts With Portfolio Managers Rather than Portfolio Fund*

GLL is permitted under the PPMs to invest GLL Fund assets with Portfolio Managers through advisory accounts, rather than by investing into the Portfolio Funds. However, GLL has never invested through an advisory account, and has no current plans to do so.

If GLL ever were to invest through this method, GLL could attempt to insulate the GLL Funds from risk by allocating assets through a special purpose or limited liability entity, but GLL will not always be permitted by the Portfolio Manager to do so, or GLL may elect not to do so. Advisory Accounts expose the Funds to theoretically unlimited liability, so that if a Portfolio

Manager uses leverage, the Funds could lose more in an advisory account directed by the Portfolio Manager than the GLL Funds had invested with the Portfolio Manager.

17. *Investors Are Not Represented by GLL's Counsel*

Legal counsel to GLL and the Funds has rendered legal advice in connection with the GLL Fund offerings and the filing of the investment adviser registration with the SEC. GLL's legal counsel does not represent investors in connection with the Fund offerings. Investors are urged to consult their own legal counsel with respect to the legal and tax implications of an investment in the Funds.

B. *Investment Types and Risks of GLL's Investments in Underlying Portfolio Funds*

The multi-manager investment approach of the GLL Funds dictates that GLL Funds invest in underlying Portfolio Funds. The investments in underlying Portfolio Funds will necessarily subject the GLL Funds to the risks of the underlying Portfolio Funds and ***their*** strategies. Several types of investments, and the related risks, come into play, including: Strategy risks, leverage, structural and operational risks, portfolio manager risks, regulatory risks and market risks.

The following summarizes the risks and types of trading strategies, investment strategies, techniques and sectors that may be selected by Portfolio Managers for the Portfolio Funds. This is not a complete description of any strategy or its risks, nor is it a complete list of all possible investment methods or strategies that may be implemented by the Portfolio Managers. There is no material limitation on the strategies, markets, instruments or sectors in which the Portfolio Managers may invest.

1. *Strategy Risks*

Strategy risk is associated with the failure or deterioration of an entire strategy; most or all investment managers employing that strategy would suffer significant losses. Strategy specific losses may result from excessive concentration by multiple investment managers in the same investment or general economic events that adversely affect particular strategies (e.g., the disruption of historical pricing relationships). The strategies employed by the Portfolio Managers are speculative and involve substantial risk of loss if failure or deterioration occurs.

2. *Style Drift*

Portfolio Managers retain much flexibility in their investment strategies, and therefore, may start to drift into investing in strategies or securities in which they are not sufficiently experienced, or outside their core area of expertise. GLL monitors for style-drift, to the extent it is possible to monitor. GLL reviews exposure reports and ongoing research, and has created databases to effectively track potential style drift within a Portfolio Manager's holdings.

3. Leverage

Leverage, or borrowing, including borrowing to invest, magnifies profits and losses. Three areas of leverage could affect performance and risk of the Funds: Leverage of GLL the Fund Manager, leverage of the GLL Funds, and leverage of the underlying Portfolio Funds. See full explanation of Leverage, including Risk Factors and Disclosures, in [Leverage in the Underlying Portfolio Funds](#).

4. Derivatives

Hedge funds use derivatives or financial instruments that partially derive their performance from the performance of an underlying asset, index or interest rate. Derivatives can be volatile and involve various types and degrees of risk, depending upon the characteristics of the derivative, and the portfolio, potentially increasing leverage, liquidity and regulatory risks. The GLL Fund Manager anticipates monitoring the Portfolio Fund's use of derivatives including the financing of and liquidity of them. Derivative positions should be captured on a notional basis, and are analyzed based on the volatility of the underlying asset.

Portfolio Managers may use over-the-counter ("OTC") derivative financial instruments, including, without limitation, warrants, options, swaps, notional principal contracts, and contracts for differences, forward contracts, futures contracts, credit default swaps and options, both for hedging and speculative purposes. The use of derivative instruments involves a variety of material risks, including the extremely high degree of leverage often embedded in the instruments and the possibility of counterparty non-performance as well as of material and prolonged deviations between the actual and the theoretical value of a derivative (i.e., due to nonconformance to anticipated or historical correlation patterns). In addition, the markets for derivatives are frequently characterized by limited liquidity, which can make it difficult as well as costly for the Funds to close out positions in order either to realize gains or to limit losses. The Reform Act (as defined below) requires that OTC derivatives be executed in regulated markets and submitted for clearing to clearing houses that are regulated.

5. Options

Portfolio Managers may buy and sell options on securities and stock indices. The writer of a covered call option assumes the risk of a decline in the market price of the underlying security to a level below the purchase price of the underlying security, less the premium received on the call option. The writer of a covered call option also gives up the opportunity for gain on the underlying security above the exercise price of the call. The writer of a call option that is not covered assumes the additional risk that it will be required to satisfy its obligation to the buyer of the call option by making an open-market purchase of the underlying securities on unfavorable terms. The buyer of a put or call option assumes the risk of losing the premium invested in the option.

6. Portfolio Funds in Early Stage: Limited or No Operating History

The Funds may invest in Portfolio Funds that are in the early stages of formation or operation. Portfolio Funds and Portfolio Managers may have no operating history upon which GLL can evaluate their anticipated performance. Furthermore, Portfolio Managers may have limited or no experience running an investment fund and, consequently, may need to focus a

greater portion of their time on operations, which could reduce the time the Portfolio Managers spend implementing the investment strategies of Portfolio Funds. Portfolio Funds may also face competition from other investment funds which may be more established, have larger capital bases and have Portfolio Managers with larger numbers of qualified management, investment and technical personnel.

7. Liquidity Risk

Illiquid assets in the GLL Funds and in the underlying Portfolio Funds can cause risk of loss where various factors come into play, including market factors, or Portfolio Fund or Portfolio Managers dictate prompt liquidation, which may not be accomplished due to lack of liquidity. It can be challenging to GLL to monitor not only its own GLL Fund's liquidity risk, but also monitor top of the underlying Portfolio Funds' liquidity risks.

The ability to sell or cover a long or short position in a timely manner is typically lower in hedge funds, as many hedge funds often trade in more esoteric instruments that may have relatively less liquidity than more traditional instruments. Mismanaging a fund's overall liquidity profile may expose the fund to a potential asset versus liability mismatch.

GLL's and the Portfolio Managers' ability to adjust portfolio allocations and satisfy redemption requests may be limited by restrictions imposed by the Portfolio Funds, including "lock-up" periods, early redemption fees, restrictions on redemptions, and general limits on liquidity based on market factors. GLL may not always be able to reallocate its investment in a timely matter in response to changes in market conditions or if the Portfolio Fund becomes a less desirable investment.

GLL invests in multiple managers and therefore risks the added responsibility to monitor the total liquidity and leverage for all the Portfolio Managers combined. GLL, and the Portfolio Managers, are subject to the risk of their own preparedness, or lack of it, to sell in a distressed market.

Among the principal disadvantages and risks inherent in the GLL' fund-of-funds structure, are the restrictions imposed on GLL's asset allocation flexibility and risk control as a result of the limited liquidity of the Portfolio Funds in which it invests, as well Portfolio Managers' limited availability to accept investments from the GLL Funds. For example, some Portfolio Funds impose "lock-up" periods during which investors cannot redeem capital that may run for a minimum of two years from the date of investment and sometimes longer and redemption "gates" that limit the aggregate amount of capital that can be redeemed from the Portfolio Fund as of any redemption date. Portfolio Funds may also have the ability to designate a portion of their portfolio (which could constitute a material portion of the Funds' investment with the Portfolio Fund) as "side-pocket" investments from which investors cannot redeem until a liquidation or "mark-to-market" event occurs.

Portfolio Funds may charge "early redemption fees" for redemptions made during the lock-up period after date of investment, and may impose other liquidity restraints. GLL generally attempts to maintain a sufficient overall mix of liquidity in the GLL Funds' underlying investments in Portfolio Funds, which GLL believes supports the quarterly liquidity that the GLL Funds

provide to their investors. GLL determines the quarterly liquidity requirements based on historical levels of quarterly subscriptions and redemptions and other factors. However, GLL may not always be able to maintain the overall liquidity profile it seeks to achieve for the GLL Funds, without unduly limiting the universe of available Portfolio Funds, particularly considering an apparent trend in the alternative investment industry toward longer minimum holding periods. Many Portfolio Funds retain discretion to suspend or defer redemptions, or the calculation of net asset values.

The GLL Funds could be unable to redeem investment capital from a Portfolio Fund for some months despite major losses being incurred or after GLL has determined that the Portfolio Manager operating the Portfolio Fund has deviated from its announced trading policies and strategy or to effect a desired reallocation of capital among Portfolio Funds. Furthermore, the GLL Funds may not be able to liquidate investments sufficient to satisfy the redemption requests received in respect of any quarter-end and, accordingly, a GLL Fund investor may not be able to redeem its interests on its requested redemption date, or at all. The Portfolio Funds may be required to suspend an investor's redemption request if the Portfolio Funds do not permit the Funds to liquidate sufficient shares in the Portfolio Funds to fund the redemption.

GLL believes that a number of private investment funds have become increasingly comprised of longer-term, illiquid investments either in an attempt to achieve returns which they do not find available in the liquid markets or because Portfolio Managers have exited liquid positions to fund redemptions or for defensive purposes. In conjunction with this portfolio composition change and during the recent financial market crisis of 2008-2009, a number of private investment funds adopted or otherwise implemented liquidity constraints, such as "gates," "side pockets," suspension of redemptions/net asset value calculations, redemptions in kind, special liquidity vehicles, lock-ups, redemptions fees and less frequent redemptions rights. GLL has no control over the liquidity of the Funds' Portfolio Funds and depends on the Portfolio Managers to provide valuations as well as liquidity in order to process redemptions. Investors must recognize that their redemption rights may be materially restricted or delayed due to Portfolio Fund illiquidity. In some cases, GLL may invest GLL Funds' assets with hedge funds from which GLL later intends to liquidate, but GLL may not be able to liquidate promptly due to liquidity constraints imposed by hedge funds.

The complicated and often protracted process of redeeming from Portfolio Funds could hinder the GLL Funds' ability to meet redemption requests from its own limited partner investors in a timely manner, as well as the GLL Funds' ability to adjust its Portfolio Fund allocations. GLL Funds could become unbalanced if the GLL Funds redeem from their more liquid Portfolio Funds to fund the Funds' redemptions or expenses. GLL may be unable to calculate the GLL Funds' Net Asset Value to the extent that a Portfolio Fund suspends the calculation of its own net asset value.

Other investors in the Portfolio Funds may have preferential redemptions rights as compared to the GLL Funds, the exercise of which could materially adversely affect the GLL Funds' investments in the Portfolio Funds.

8. Concentration or Crowded Trades

Hedge funds typically do not have meaningful limits on position, industry or geographic exposures. Trades that are common among hedge funds are referred to as “crowded trades.” A higher incident of crowded trades in a portfolio may limit a Portfolio Manager’s ability to quickly get in or out of a position without impacting the market price. GLL attempts to gather resources, experience, and exposure information from underlying Portfolio Managers.

9. Short Sales and Short Selling

Portfolio Managers may engage in selling securities short or “Short Sales”. Short sales involve the selling of a security that the Portfolio Fund does not own, in anticipation of a price decline, and then buying it back when the price is lower, theoretically generating a profit from the later price drop. The payoff to selling short is the opposite of a long position. A short seller will make money if the stock goes down in price, while a long position makes money when the stock price rises.

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 rise before the short position is closed out. The Portfolio Fund may prematurely be forced to close out a short position if a counterparty from which it borrowed the securities chooses to demands return of the securities, resulting in a loss on what might otherwise have been a profitable position.

If the short seller must buy back the security at a higher price than what it sold it for, then the Portfolio Fund will incur a loss which could potentially be more than the face value of the trade. Securities necessary to cover a short position may not be available to buy when needed to cover the short. Buying securities to close out a short position can itself cause the price of the security to rise further, thereby increasing the loss incurred by the Portfolio Fund.

Because short sales tend to depress the value of the issuer’s stock, issuers entering into PIPE transactions may seek to restrict PIPE investors from making short sales of the issuer’s stock. Short sale restrictions may prevent the Portfolio Fund from protecting against declines in stock prices while the Portfolio Funds are holding Structured Equities indexed to the shorted stock. Issuers entering into PIPE transactions may also seek to restrict PIPE investors from holding a net short position.

Various regulatory authorities have imposed “short-selling bans” in selected securities, sometimes a wide population of securities, making it difficult, if not impossible to continue to implement some long-short equity strategies, as well as other strategies. Securities exchanges, and the SEC, have reinstated the “uptick rule” in 2010, which generally prohibits a short sale unless the last recorded sale price of a stock was higher than the previous transaction. Over time, the “uptick rule” could materially increase Portfolio Funds’ transaction costs by requiring the Portfolio Managers to delay executing short sales, or require executing them at higher prices than desirable. All of these factors could prevent the Portfolio Funds from efficiently and profitably engaging in short transactions.

The Portfolio Manager investing in Portfolio Funds with short selling strategies, must be able to actively monitor the Portfolio Fund’s top positions and brokerage relationships; however,

given the proprietary nature of the underlying Portfolio Fund's strategies, the information required to monitor may be difficult to obtain.

10. Litigation and Enforcement Risk

The Portfolio Funds may accumulate substantial positions in the securities of a specific company and engage in a proxy fight, become involved in litigation, or attempt to gain control of a company. Under these circumstances, the Funds could be named as a defendant in a lawsuit or regulatory action. There have been a number of widely reported instances of violations of securities laws through the misuse of confidential information. Violations may result in substantial liabilities for damages caused to others, for the disgorgement of profits realized, and for penalties. Investigations and enforcement proceedings are ongoing, and it is possible that hedge funds in which the Funds invests may be charged with involvement in violations. If that were the case, the performance records of hedge funds would be misleading. If a hedge fund in which the Funds invested engaged in violations, the Funds could be exposed to losses.

11. Side Pocketing or Gating

Hedge funds risk the illiquidity of the underlying Portfolio Funds in which they invest. Portfolio Managers attempt to restrict liquidity in their funds in various forms including the creation of side pockets or the use of gates. In the 2008 financial crisis, many hedge funds were forced to limit or restrict entirely their clients' access to their money, resulting in a significant backlash against the industry. GLL attempts to monitor Portfolio Managers who will measure potential asset to liability mismatches and take steps to remedy them. This risk is effectively eliminated by investing only in Portfolio Managers who provide daily liquidity, and who therefore are investing solely in highly liquid instruments.

12. Reputational and Headline Risk of Hedge Funds

Hedge funds can be the target of negative coverage in the press, a significant concern for many investors, who then request redemption of their investments from the fund. Hedge fund investment activities are now widely followed by individual investors and by the press, due to the availability of reporting of positions on SEC filings in EDGAR. Insider-trading investigations by the SEC and the U.S. Attorney can cause some market concern by investors. "Activist" Portfolio Managers seek to influence management and bring about corporate events.

13. Relative Value Strategies

Relative value strategies involve a wide range of techniques including: Equity arbitrage, fixed income arbitrage, convertible bond arbitrage, convergence strategies, closed-end fund arbitrage and inter-capitalization arbitrage. Relative value or "market-neutral" hedging or arbitrage strategies usually entail the buying and selling of related financial instruments in an attempt to exploit relative mispricing. Relative value strategies seek to profit from the relative mispricing of related assets, for example: Convertible bonds and the common stock underlying the conversion option, other options and futures and their underlying reference assets, debt instruments of the same issuer or of different issuers (including credit default swaps on the issuer(s)) with different maturities or yields, and the common stock of holding companies and their subsidiaries or of different issuers in the same industry sector. Relative value strategies may be highly quantitative and based on theoretical or historical pricing relationships. Few

relative value strategies involve pure arbitrage, in which a profit will inevitably be recognized if the position can be held until maturity.

14. Event Driven Strategies

“Event-Driven” strategies such as risk arbitrage, distressed securities investing and special situation investing (e.g., spinoffs and liquidations) concentrate on the profit potential created by major corporate or sovereign events, for example: Mergers, acquisitions, tender offers, restructurings, exchange offers, bankruptcies, liquidations, etc. Unlike relative value strategies, which emphasize the (theoretically compelled) quantitative relationship among different but related assets, event-driven strategies are highly issuer-specific and transaction-specific, and rely more on fundamental research and judgment than on mathematical precision. Positions are taken which will be profitable if a particular event comes to pass, while a variety of techniques are used to mitigate the risk that the event does not happen. The uncertainty associated with the event is not quantifiable in the same sense as a deviation between a theoretical and an actual price level, which creates an added dimension of risk.

Corporate events are affected by numerous factors, including market movements, but also regulatory intervention, shareholders’ consent and changes in interest rates and economic outlook. They can have a particularly adverse effect on even the most apparently safe risk arbitrage investments. The risk of non-consummation of transactions is high, and unexpected outcomes can lead to substantial losses. Event-driven strategies generally incur significant losses when proposed transactions are not consummated.

15. Directional Strategies

Directional strategies attempt to capture absolute movements in spreads, the shape of the yield curve or prices of debt instruments, currencies, commodities, equities or other assets. Price forecasting may be based on fundamental analysis, quantitative analysis, value indicators, econometric models and other methods as the Portfolio Manager may consider appropriate to a particular situation. Although diverse in their methods, these strategies have in common that they attempt to predict future prices based not on relative mispricing or on the happening of a particular event that will itself define value, but rather on the belief that the market will come to realize the “fair” value of an asset. These strategies are subject to the risk that the traders will have incorrectly identified fair value or that fair value will not be reflected in market value within the time horizon of the strategy.

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.

16. Futures Trading

Portfolio Managers may trade commodity futures and options, generally for hedging purposes. Futures prices can be highly volatile. Because of the low margin deposits normally required in futures trading, a high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses.

Commodity exchanges limit fluctuations in commodity futures contract prices during a single day. During a single trading day no trades may be executed at prices beyond the “daily limit.” Once the price of a futures contract for a particular commodity has increased or decreased by an amount equal to the daily limit, positions in the commodity can be neither taken nor liquidated unless the Portfolio Managers are willing to effect trades at or within the limit.

17. Forward Contracts

Portfolio Managers may trade forward contracts. Forward contracts are not traded on exchanges; rather, banks and dealers act as principals in these markets. Forward and “cash” trading is currently substantially unregulated. In addition, there is no limitation on the daily price movements of forward contracts traded. With respect to any forward trading, the Funds will be subject to the risk of the failure of, or the inability or refusal to perform by, the counterparties with which the Portfolio Managers trade.

18. Non-U.S. Securities and Offshore Funds

The Funds may invest, directly or indirectly, in foreign securities and investment entities located in, or managed from, countries outside of the United States. Those investments may be subject to greater risk than domestic investments, due to various political issues, foreign and domestic tax issues, currency controls, the fluctuation of currency exchange rates and other factors.

Portfolio Managers may invest in securities of non-U.S. issuers. Non-U.S. investments involve special risks, including (1) political or economic instability, (2) the unpredictability of international trade patterns, (3) the possibility of foreign governmental actions such as expropriation, nationalization or confiscatory taxation, (4) the imposition or modification of currency controls, (5) price volatility, (6) the imposition of withholding taxes on dividends, interest and gains and (7) different bankruptcy laws and practice. As compared to U.S. entities, non-U.S. entities generally disclose less financial and other information publicly, and are subject to less stringent and less uniform accounting, auditing and financial reporting standards. Also, it may be more difficult to obtain and enforce legal judgments against non-U.S. entities than against U.S. entities.

One of the four GLL Funds itself is an offshore fund, formed in the Cayman Islands. However, it is formed in the Caymans Islands for tax purposes. It follows strategies similar to the other three GLL Funds and may invest in Portfolio Funds that invest in off-shore securities or off-shore funds.

19. Closures and Liquidations of Portfolio Funds

Hedge funds are particularly vulnerable to the risk of going out of business, as are other types of funds. The Portfolio Manager’s compensation structure of hedge funds contains an incentive fee component, which is paid at the end of a quarter, and which can significantly strain the finances of an organization if it is forced to operate below its “high water mark”, during which time it will receive no incentive fees. Hedge funds are inherently fragile businesses whose success or failure is often determined swiftly by a demanding and unforgiving marketplace.

20. Past Performance of Portfolio Funds is Not Indicative of Future Results

The number and identity of the investment strategies and Portfolio Managers included in the GLL Funds' portfolios are subject to change, and are evaluated on an ongoing basis. Portfolio Managers and investment strategies included in the Funds' portfolio at one time may be allocated in a higher or lower percentage of the Funds' assets, or may be removed or replaced with new strategies and Portfolio Managers. A Portfolio Managers' trading methods are dynamic and change over time. A Portfolio Manager will not always use the same trading method in the future that was used to compile its past performance record. Consequently, past performance of a Portfolio Manager or Portfolio Fund will not be indicative of future performance, and may represent a materially different underlying portfolio or strategy.

C. Regulatory Risks of Fund Industry

Hedge funds, and other types of funds, including private equity funds, have been increasingly under regulatory scrutiny in the past decade, which is a positive development for the protection of investors. However, on some occasion regulatory efforts have been misguided and could pose a threat to the hedge fund industry, such as the SEC's short selling ban adopted in 2010, and proposed rule changes associated with high-frequency trading in the wake of the "flash crash" on May 10, 2010.

1. Securities Regulatory Oversight of GLL Fund Manager is Limited

The Funds and the Portfolio Funds are not registered as public companies, public mutual funds, investment companies, broker-dealers or investment advisers, under the securities acts. They are not subject to any comparable regulatory requirements, and do not intend to so register, other than this registration as an Investment Adviser.

Public securities registration regulations require registered funds (as investment companies) to have a majority of disinterested directors, require securities held in custody in segregated accounts and regulate the relationship between the investment company and its asset manager. Public securities regulations are not applicable to an investment in the GLL Funds, or the Portfolio Funds, as they are private funds. Therefore, investors in the GLL Funds and the Portfolio Funds do not have the same benefits as registered funds.

2. Investment Adviser Registration of GLL In Process

GLL is currently in process of registering as an investment adviser under the Advisers Act. When the registration is granted, it will not indicate any level of qualification or expertise of GLL, nor will it indicate that the SEC or any state regulator has approved GLL or the Funds. Regulation of GLL as an investment adviser will result in little regulation of the Funds.

3. Commodities or Futures Exemptions: No Registrations

GLL is an exempt "Commodity Pool Operator", which is notice-filed with the National Futures Association ("NFA"). GLL has claimed the CFTC Rule 4.13(a)(3) exemption with respect to each of its four GLL Funds, and with respect to GLL's Fund management operations of the GLL Funds. The Rule 4.13(a)(3) exemption filings are probably not required based on

GLL's current business strategy which does not include investing in Portfolio Funds that constitute futures funds or commodities funds. However, GLL has made the exemption notice filings with the NFA to claim the exemptions out of an abundance of caution, because some of the Portfolio Funds may use futures to hedge their investments, and because GLL is not in a position to monitor what level of commodities, futures, derivatives, or interest rates, etc. the underlying Portfolio Funds may buy, sell or trade. GLL is not registered with the Commodity Futures Trading Commission.

4. *Government Intervention & Market Disruptions; Dodd Frank Wall Street Reform and Consumer Protection Act*

Market disruptions and the dramatic increase in the capital allocated to alternative investment strategies during recent years have led to increased governmental self-regulatory scrutiny of the "hedge fund" industry in general.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Reform Act"), enacted in July 2010, includes provisions that comprehensively regulate markets, market participants and financial instruments that previously have been unregulated, and substantially alters the regulation of many other markets, market participants and financial instruments. Because many provisions of the Reform Act require rulemaking by the applicable regulators before becoming fully effective and the Reform Act mandates multiple agency reports and studies (which could result in additional legislative or regulatory action), it is difficult to predict the impact of the Reform Act on GLL and the markets in which it trades and invests. The Reform Act could result in investment strategies in which the Funds engages or may have otherwise engaged becoming non-viable or non-economic to implement. The Reform Act and regulations adopted pursuant to the Reform Act could have a material adverse impact on the profit potential of the Funds.

The Reform Act will require that OTC derivatives be executed in regulated markets, and that they submit for clearing to clearinghouses that are regulated. OTC trades submitted for clearing will be subject to minimum initial and variation margin requirements set by the relevant clearinghouse, as well as possible margin requirements mandated by the SEC or the CFTC. The regulators also have been afforded broad discretion to impose margin requirements on non-cleared OTC derivatives. OTC derivative dealers will themselves be required to post margin to the clearinghouses through which they clear their customers' trades instead of using margin in their operations, as is currently permitted.

The SEC and the CFTC may also require a substantial portion of derivative transactions that are currently executed on a bilateral basis in the OTC markets to be executed through regulated securities, futures or swap exchange or execution facility.

OTC derivative dealers and major OTC derivatives market participants will be required to register as dealers or market makers with the SEC or the CFTC. Dealers, market makers, and major market participants may be subject to minimum capital and margin requirements, and the dealers to a number of other regulatory requirements.

The “Volcker Rule” of the Reform Act materially restricts proprietary speculative trading by banks, “bank holding companies” and other regulated entities. As a result, the alternative investment sector is seeing a significant influx of new portfolio managers who had previously traded only institutional proprietary accounts. An influx will increase competition for the Portfolio Funds supply, from other portfolio managers trading in the Portfolio Funds’ investment sector.

Although the Reform Act may ultimately achieve its intended effect of increasing the transparency of the OTC derivatives markets while also reducing the risks of default by counterparties in the markets, which developments could benefit the GLL Funds and the Portfolio Funds, it seems likely that there will be a period of uncertainty and delay in implementing the Reform Act. Any change in market structure of the OTC derivatives markets potentially could be adverse to the Funds.

5. Possibility of Additional Government or Market Regulation

Market disruptions and the dramatic increase in the capital allocated to alternative investment strategies during recent years have led to increased government as well as self-regulatory scrutiny of the hedge fund industry. The SEC, Congress, state legislatures, state securities administrators and governing or regulatory bodies of non-U.S. jurisdictions are seeking to impose greater regulation on the market or hedge fund industry.

There has recently been increased regulatory scrutiny of private investment funds as well as of commercial and investment banks. In addition, a number of the investment strategies employed by the Portfolio Managers are highly regulated, both in the United States and abroad. Some investments and strategies pursued by the Portfolio Managers may come under increased regulatory scrutiny, which may reduce their availability or attractiveness to the Funds. Legislation proposing greater regulation of the “alternative investment” industry periodically is considered by the U.S. Congress, states, and the governing bodies of non-U.S. jurisdictions. Changes in the regulation of the markets in which the Portfolio Funds invest could materially adversely affect some investment strategies used by GLL.

It is impossible to predict what changes in law or regulation may be instituted in the future, that could be applicable to the GLL Funds, to GLL itself, to the Portfolio Funds, or to the markets in which they trade and invest, or to the counterparties with which they do business. Law changes could have a material adverse impact on the profit potential of the GLL Funds, or could require increased transparency as to the identity of the GLL Funds’ investors.

6. Tax-Exempt Investors: Tax and ERISA Matters

Pension and profit sharing plans, individual retirement accounts and other tax-advantaged retirement funds are subject to tax provisions of the Internal Revenue Code of 1986, and the Employee Retirement Income Security Act of 1974, (“ERISA”), or both, which may be relevant to a decision as to whether an investor should invest in the Funds. The Funds may be subject to tax audits by federal or state taxing authorities.

7. Possibility of Qualified Auditors’ Report

A portion of the Funds’ capital may be invested in PIPEs or other investments that have no readily determinable Net Asset Value. However, the Funds are accounted for on a generally

accepted accounting principles (GAAP) basis, and, accordingly, the Funds must carry all investments at “fair value” for financial reporting purposes. GLL may not be able to produce sufficient external evidence to support its determination of “fair value” in the view of the Funds’ auditors, in which case the auditors’ report on the Funds’ financial statements would be qualified to that effect. Prospective investors must confirm, prior to determining whether to invest in the Funds, whether they are authorized to invest in a fund that receives a qualified audit report. Some institutional investors may be prohibited from doing so.

8. Tax Regulation

Investors Subject to Income Tax on Profits, Though Not Receiving Distributions.

GLL Funds’ investors are subject to tax each year on their distributive share of the Funds’ income or gains, whether or not cash or property is distributed by the Funds to them.

Accounting for Uncertainty in Income Taxes. Accounting Standards Codification Topic No. 740, “Income Taxes” (in part formerly known as “FIN 48”) (“ASC 740”), provides guidance on the recognition of uncertain tax positions. ASC 740 prescribes the minimum recognition threshold that a tax position is required to meet before being recognized in an entity’s financial statements. It also provides guidance on recognition, measurement, classification and interest and penalties with respect to tax positions. Investors should be aware that ASC 740 could have a material adverse effect on the periodic calculations of the Net Asset Value of the Funds, including reducing the Net Asset Value of the Funds to reflect reserves for income taxes, such as foreign withholding taxes, that the GLL Funds may owe. This could cause benefits or detriments to certain investors, depending upon the timing of their entry and exit from the Funds.

Withholding Tax 30% on Non-U.S. Portfolio Funds - HIRE Act. All of the GLL Funds’ limited partner investors may be materially affected by a proposed new tax withholding rate imposed. The Hiring Incentives to Restore Employment Act (the “**HIRE Act**”) provides that a 30% withholding tax will be imposed on payments to non-U.S investors. Portfolio Funds which have U.S. source income and proceeds from the sale of property that could give rise to U.S. source interest or dividends. Investors in GLL Funds should consult with their own tax advisors regarding the possible implications of the HIRE Act on their investments in the GLL Funds.

9. Tax Risks

GLL and the GLL Funds may establish offices in, invest in, or engage in activities in, other jurisdictions, including jurisdictions outside the United States. Other offices, investments and activities of the GLL Funds could result in the GLL Funds, and potentially investors in the GLL Funds, being subject to taxation in one or more jurisdictions.

GLL’s investment decisions are based primarily upon economic, not tax, considerations, and could result in adverse tax consequences to some or all investors.

D. Market Risks

Market conditions in general affect strategy, selections, risks and profitability of any given strategy. Market conditions can be materially more favorable to some investment strategies over others, and market conditions affect strategies and profitability. For example, some Portfolio Managers may focus primarily on the equity markets (and, to a large extent, in the U.S.) and thus will be largely non-diversified by market sector. Portfolio Managers and their Portfolio Funds, and the GLL Funds, could incur significant losses in the event of a substantial move in the U.S. stock market.

Neither GLL nor the Portfolio Managers has any ability to control or predict market conditions and the related Market Risks. See attached Supplemental (Appendix) describing Market Risks, [Supplemental Appendix Describing Market Risks](#) and [Market Risks](#).

ITEM 9 – DISCIPLINARY INFORMATION – NO DISCIPLINARY ACTIONS

None of the three Principals of GLL, or the Director of the offshore fund GLL Investors, Ltd., has ever had disciplinary actions or any regulatory issues in their background. They all have clean records with no criminal convictions, no arrests, no securities regulatory actions, no lawsuits and no other background problems.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Private Investment Fund Offerings – Four Hedge Funds

GLL Investors, LLC (“GLL”) is the fund manager to four affiliated private hedge funds (“the GLL Funds”) which are multi-strategy investment funds:

- GLL Investors, L.P. for Accredited Investors. (A 3(c)(1) Fund)
- GLL Investors II, L.P. for Qualified Purchasers. (A 3(c)(7) Fund)
- GLL Single Strategy, LP, for Accredited Investors. (A 3(c)(1) Fund)
- GLL Investors Ltd, Class B for U.S. Tax-Exempt Investors and for Non-U.S. Accredited Investors. (A 3(c)(1) Fund).

GLL’s fund management activities are deemed to be a “sponsorship of pooled investment vehicles” under Form ADV 1, Item 7(A)(16). GLL receives Management Fees and Incentive Fees on a quarterly basis paid from the four hedge funds it manages, in exchange for its fund management activities for the four GLL Funds.

The three principals of GLL have a significant portion of their personal investment capital invested in the GLL Funds; as well as portions of some of their family members' investment capital. The fact that the GLL's Principals are invested in the GLL Funds that it manages can technically be deemed a conflict of interest; however, the fact that the Principals of GLL have their personal capital in the GLL Funds aligns the investors' interest with the Principals interests, as it "puts the money where the mouth is" of the GLL Principals.

GLL participates in no other businesses. Two of its principals have participated in private real estate investments and in hobby-related businesses, but they do not have interests in any businesses in the financial services industry.

GLL is registered as a commodity pool operator with the National Futures Association, to cover the scenario under which any of its Portfolio Funds might be deemed a Commodity Pool. GLL claimed an exemption from registration for each of its own four GLL Funds. GLL's Funds invest into other Portfolio Funds that may employ the use of hedging with a limited amount of futures to hedge. GLL's Principals are affiliated with the CPO registered with the NFA. GLL does not invest directly into any commodities or futures.

GLL is not registered as a broker-dealer, commodity trading adviser, nor is it required to apply for any of these registrations, under its current business model. It does not have any other affiliated broker-dealers or investment advisers. GLL is not a sub-adviser to any other entities. No other entities are Sub-advisers for GLL. GLL does not recommend or select brokers or advisers for its investor clients.

None of the Principals of GLL are affiliated with any other financial industry entities, including broker-dealers, investment advisers, CTAs, FCMs or any other. The principals of GLL do not recommend or select brokers or advisers for its investor clients. GLL is not registered with any Foreign Financial Regulatory Authorities.

One of the four GLL Funds, GLL Investors, Ltd. is registered with the Cayman Islands Monetary Authority ("CIMA") in the Cayman Islands.

B. Personal Trading Accounts – Limited Activity

The three principals of GLL have small personal trading accounts. They are prohibited from buying or selling securities in the Portfolio Funds which the GLL Funds invest. They are also prohibited from buying or selling, to their knowledge, any securities in which the Portfolio Funds invest. However, it is very difficult to monitor the content and allocation of the underlying portfolios of the Portfolio Funds, since those Portfolio Funds keep their investments confidential. See "Personal Securities Trading Policy", next Item 11.

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

A. Policies and Procedures

GLL is a first time filer of investment adviser registration, and therefore, has not yet documented its unwritten Policies and Procedures, or its Code of Ethics. GLL maintains unwritten policies and procedures, which are often discussed and followed among the 3 Principals, who work with client investors, and who establish the Procedures that the adviser and its Principals will follow.

No Principal or employee of GLL makes any trades in securities in which any of the GLL Funds invest. No one at GLL trades ahead of, concurrently with, or behind, the GLL Funds. All of the GLL Fund's investments are into other private funds, into which no GLL Principal invests directly for their own account.

GLL does not recommend securities trades to its investor clients. GLL promotes only the investments into its own four private hedge funds which GLL manages. Only the three Principals of GLL, Steve, Mike and Jason, are permitted to talk with investors about their investments, accept investors into the GLL Funds, or make decisions on which Portfolio Fund into which to invest, or establish policies of GLL. Steve, Mike and Jason jointly make the GLL investment decisions as to which Portfolio Funds into which the GLL Funds will invest; however, two out of the three of the Principals can jointly make a decision without the third Principal.

B. Code of Ethics

GLL intends to adopt a Code of Ethics under SEC Rule 204A-1, under the Investment Advisers Act of 1940 and 17j-1 under the Investment Company Act of 1940 that governs any potential conflicts of interest that may arise while GLL provides its fund management services to its four affiliated private pooled investment funds ("GLL Funds").

We plans to design its Code of Ethics to help ensure that GLL will meet its fiduciary obligation to its clients and to the GLL Funds it manages, as well as to emphasize a culture of compliance within the GLL firm. GLL will provide a copy of its Code of Ethics ("Code") to any client or prospective client upon request, after completion of the Code.

C. Personal Securities Trading Policy

The typical trading policies, and monitoring of trading, do not apply to GLL's business, since GLL only invests in privately held Portfolio Funds. Therefore, GLL does not intend to implement the typical personal trading policies that involve trading in public securities.

When complete, GLL will distribute its Code to each employee at the time of hire, and then periodically, every few years. GLL will provide initial training to employees who invest their own accounts, and GLL will monitor employee activity on an on-going basis of those who trade their own accounts, if any training or monitoring becomes necessary given GLL's limited types of private placement investments. GLL may require reporting to the firm of trading over a certain amount. GLL will likely require its employees to:

- Refrain from making any investments in any of the Portfolio Funds in which GLL invests;
- Refrain from purchasing securities in an IPO;
- Refrain from purchasing any "hot issues";
- Obtain prior approval for participation in limited offerings or private offerings, other than those Funds that are managed by GLL;
- Obtain prior approval for personal securities transactions over \$100,000;
- Disclose all securities accounts in which they have a beneficial interest to the Chief Compliance Officer (i.e., they are the account owner or have or have a present economic interest in the account);
- Report their transactions in reportable securities on an annual basis, and disclose reportable securities holdings on an annual basis;
- Adhere to prescribed holding period requirements for most all personal securities;
- Obtain approval prior to serving on any Board of Directors of a public company; and
- Certify on a periodic basis as to compliance with our Code.

To receive a copy of the Code of Ethics, please contact our Compliance Officer at (773) 525-3038 or info@gllinvestors.com.

D. Participation or Interest in Client Transactions

GLL Investors, LLC ("GLL"), and its three Principals, have financial interests in the four fund-of-funds for which GLL acts as the Fund Manager. The GLL Funds are private investment offerings in limited partnerships, and GLL and its Principals each invest in the Funds. Its three Principals have invested most of their personal capital into one or more of the four GLL Funds that are managed by GLL. Therefore, the Principals have direct, and indirect, ownership in the four funds in which their investors invest. Other than that, GLL does not have any Participation or Interest in Client Transactions or financial interest in Client Transactions.

E. Potential Conflicts of Interest

GLL's business is to promote its fund management business in the four GLL Funds. GLL is incented to promote the investments into the GLL Funds that GLL manages, as GLL would receive a Management Fee and an Incentive Fee if the investor client should invest in the Fund. Technically, a conflict of interest is present because GLL is incented to promote investments into the GLL Funds in which the GLL Principals have their own investments. However, the personal investments by the Principals are done with intention to align the interests of the GLL Fund investors with the interests of the Principals.

A conflict of interest could arise between the four Funds that GLL manages, as GLL decides on allocations and weight of investments available in the various Portfolio Funds to be available for investment by each of the four GLL Funds.

F. No Board of Director Service

Other than Jason Gilboy and Wayne Ross serving as Directors of GLL Investors, Ltd., the offshore fund, as is required by CIMA, none of the principals of GLL serve on any Board of Directors of any organization or company that is also an investor in one of the GLL Funds.

G. No Managed Accounts, No Advisory Role to Outside Funds

GLL does not advise any separately managed accounts as a traditional investment advisor would. Although, it is permitted to do so under the partnership agreements for the GLL Funds, and will be permitted to do so once it is registered with the SEC as an investment adviser. GLL does not act as an adviser to any public mutual funds, or to any privately held funds other than the GLL Funds. These fact patterns tend to limit the potential conflicts of interest in GLL's advisory business, as GLL focuses solely on the management of GLL's own four Funds.

In GLL's position as Fund Manager to the four GLL Funds, it recommends to investors that they purchase investments in one of the four GLL Funds, in which either GLL or its principals have an ownership interest, and have a financial interest in receiving fees based on the investor's investment. Other than assisting investors in determining at their first investment whether a GLL Fund is the right investment fit for them, GLL does not otherwise advise the investor client. GLL does not purchase or sell securities on behalf of its investor clients.

H. Political Contributions Policy

We don't allow our employees to make or solicit political contributions to support political candidates or elected officials, for the purpose of obtaining or retaining business with governmental entities. Employees are permitted to make personal contributions to support candidates for whom they are eligible to vote subject to contribution limits and reporting requirements.

I. Privacy Policy Notice

We provide this Client Privacy Notice to each of our investors: We consider customer privacy to be fundamental to our relationship with our clients. GLL Investors, LLC takes precautions to maintain the privacy of personal information of our current and prospective clients and investors. "Personal Information" is nonpublic, personally identifiable, information about you, which we obtain in connection with your investment in our GLL Funds.

We collect Personal Information about you from the following sources:

- Information we may receive from you in your Subscription Agreement to one of our funds, or in other documents related to your investment in our funds, or in documents related to our management of your investment. For example, we obtain your name, address, social security number, birth date, marital status, assets, income, and investment experience; and
- Information about your transactions with us, or our funds, or others (for example your capital account balances and changes posted to your capital account).

We do not disclose any Personal Information about our investors, former investors, or potential investors, to anyone other than in connection with the administration, processing and servicing of our investor accounts, except to our accountants, attorneys and auditors, or unless required by law.

We restrict access to Personal Information about you to our personnel who need to know that information in order to provide our services to you. We maintain physical, electronic and procedural controls in keeping with federal standards, in order to safeguard your Personal Information. Please ask us any questions concerning our privacy policies; contact our office.

ITEM 12 – BROKERAGE PRACTICES

A. Investment Directly Into Portfolio Fund Issuers – No Brokerage Commissions

GLL makes its private fund investments directly into privately-held Portfolio Fund issuers, without the use of any broker-dealer firms. Because GLL investments are private placement transactions, it does not need to, and does not use, any broker-dealer firms either to sell the interests in its own GLL Funds, or to buy interests in the Portfolio Funds into which the GLL Funds invest. Accordingly, GLL does not pay any brokerage commissions on any transactions. GLL does not conduct any transactions in foreign currencies.

GLL does not invest directly into any public companies, publicly traded securities or listed securities. Therefore, it does not invest through broker-dealer firms, and does not use broker-dealers to effect any investment transactions. GLL conducts its own due diligence on the Portfolio Funds in which the GLL Funds invest, and therefore, GLL does not use brokers for due diligence and does not pay any due diligence expenses to broker-dealer firms.

GLL does not pay any finder's fees or commissions in exchange for our investing in any of the Portfolio Funds it selects for investment. GLL does not select or recommend broker-

dealers to execute trading orders, as there are no trading orders to execute. Accordingly, broker selection and best execution policies do not apply to the fund-of-funds business model.

For the privately held Portfolio Funds in which GLL invests, GLL strives to obtain the best price possible. However, the Portfolio Fund investments are made in private investment transactions, not subject to the same market pricing factors or open market forces that govern a liquid public market security, and therefore generally are not negotiable to GLL.

The Portfolio Funds may be paying brokerage commissions to broker-dealers on the securities and investments that they buy and sell as part of their own portfolios. However, GLL does not receive statements or other information to that effect; therefore GLL does not know if the Portfolio Funds are paying commissions or how much those commissions are if they do pay commissions.

If GLL should receive securities in redemption from an underlying Portfolio Fund, which it has on rare occasion received, then GLL will use Options House, LLC in Chicago, to sell any securities that GLL receives, and GLL will seek the best price and execution available.

B. No Soft Dollar Benefits or Research Services

GLL does not receive market research or other products or services from a broker-dealer or any third party ("soft dollar benefits"). GLL does not make any trades through broker-dealer firms. Therefore, no "soft dollar" arrangements are in place between GLL and any other firm, including no arrangements in which a broker-dealer firm would provide research to GLL in exchange for GLL placing its trading services with the broker-dealer firm in exchange for fees.

ITEM 13 – NO GLL REVIEW OF CLIENT ACCOUNTS

GLL operates its business only as a Fund manager business, and not as a money manager business. It does not operate as an investment adviser to individual clients, nor as a financial adviser or financial planner to the GLL Fund investors.

Therefore, once the investor has invested in one of the four GLL Funds (after deciding with the investor's own financial adviser that a GLL Fund is a good fit for their investment strategy), GLL does not conduct any periodic reviews of the investors investment. It is not within the GLL fund manager business model to do so. If an investor inquires about one of the other GLL Funds, or about redeeming out their investment or adding more to their investment, then a GLL Principal will have a conversation with the investor or their financial advisor.

GLL provides an annual letter to investors, summarizing the year in review and the performance in review. GLL provides annual audited financial statements to the investors.

ITEM 14 – NO COMPENSATION FOR CLIENT REFERRALS: NO OTHER COMPENSATION

GLL contacts and meets its own investors through its own relationships and its own efforts, and does not pay anyone else to find investors. GLL does not receive compensation for, nor does it pay any compensation to, any person for investor referrals. No broker-dealers or finders are used for any transactions, and no brokers or finders are ever paid any commission. GLL does not refer clients to brokers.

ITEM 15 – CUSTODY – BMO GLOBAL ASSET MANAGEMENT

The investment assets of the GLL Funds are held at BMO Global Asset Management. Records of investment assets and the capital accounts are held at NAV Consulting the GLL Fund Administrator, of which GLL receives a copy monthly. GLL does not hold any securities or cash of the GLL Funds.

GLL, and its Principals, do not hold custody of any client securities or assets, neither in cash, securities, nor as a custodian, or trustee, power of attorney, including no custodianship for family members. The family members of the Principals invested in the GLL Funds each make their own investment decisions and have custody of their own assets and accounts.

ITEM 16 – INVESTMENT DISCRETION

GLL does not have any discretionary authority over investor cash, funds or securities in investor accounts, because there are no actual cash or funds in investor accounts. The investor capital accounts are held by custodian BMO Global Asset Management; and records of those capital accounts are held by NAV Consulting the Fund Administrator for the GLL Funds. GLL does not have the authority to redeem out an Investor's capital account, or make other investments with an investor's capital account, nor even to move investor money between the four GLL Fund accounts. GLL may assist advising an investor on which of the four GLL Funds the investor would invest.

GLL does not make any recommendations to investors to buy specific securities, other than assisting in which of the four GLL Funds the investor might invest.

Arguably, GLL does have investment discretion for its own Funds investors in the following limited circumstances:

1. When the investor signs the limited partnership agreement of one of the GLL Funds, it gives GLL the authority to reinvest in the same fund, the increase in the investors' capital accounts from the preceding period. The income is automatically reinvested. GLL does not take any action to reinvest it, nor make any investment decision regarding the reinvestment.
2. The principals of GLL have the discretionary authority to decide into which private hedge funds Portfolio Funds the GLL Funds will invest. However, the Portfolio Funds are also private funds, illiquid and long-term hold investment strategies. Their assets are held by the custodians and Portfolio Managers of the Portfolio Funds. GLL never has custody or possession of the underlying Portfolio Funds' securities.

GLL does not have any on-going responsibility to select or make recommendations for its Funds' investors, as GLL does not handle any managed accounts for any investors. Therefore, GLL does not analyze or monitor the needs of the investor, and does not recommend the purchase or sale of any specific securities, other than encouraging the purchase of the Funds sought to be purchased by the investors.

Investor account analysis is not part of the business model of GLL, as it is only a fund manager, with no managed accounts under management. The Principals do not have discretionary authority over direct purchases of securities for any investor, including family members. None of the Principals serve as trustee or custodian for any family assets which are invested into the GLL Funds.

ITEM 17 – VOTING CLIENT SECURITIES: PROXY VOTING

GLL only invests in private funds. Therefore, no proxy voting is required or solicited for the GLL Funds or for the GLL Fund investors. The underlying Portfolio Funds are also privately-held funds, and therefore have not requested that GLL vote proxies on behalf of the GLL Funds. Those Portfolio Funds would vote proxies for any investments underlying those Portfolio Funds, if applicable. GLL signs a subscription agreement with each Portfolio Fund under which GLL waives its right to vote proxies, assigning GLL's voting rights to the Portfolio Manager.

ITEM 18 – FINANCIAL INFORMATION

GLL's Management Fees and Incentive Fees are charged in arrears, and not in advance, to investor accounts. Therefore, GLL is not required to include financial information in the Form ADV Part 2. However, GLL's financial statements are audited each year by Ryan & Juraska, Chicago, IL. GLL emails or mails the annual audited financial statements to each of the GLL Funds' investors. GLL periodically emails quarterly unaudited financial information to Fund investors.

ITEM 19 – EXECUTIVES & MANAGEMENT – BROCHURE SUPPLEMENT

Form ADV Part 2B

W. Stephen Gilboy

Born 1940

Education

- New Trier High School Winnetka, IL 1954 - 1958
- Bachelor of Arts in Math, Lawrence University, Appleton, Wisconsin 1958 - 1962
- MBA, New York University, School of Business, evening school 1964 -1968

Certifications

- CFA (Chartered Financial Analyst)
- NASD (now FINRA) Exams Passed - CRD # 2373545
- Member, Chicago Board Options Exchange 1980 - 1995
- Certified as Global Entry Traveler, by U.S. Customs & Border Protection, Department of Homeland Security (Additional Background Check Passed), 2013

Business Background

1974 - 1993	Market Maker on the Chicago Board Options Exchange, Self-employed
1980 - 1995	Member, Chicago Board Options Exchange
1994 - 2013	General Partner, President, Managing Member, Owner of GLL Investors, LLC (and its predecessor, GLL Investors, Inc.)
2013 - Present	Executive Chairman, President, Managing Member, Owner and Director of Investments of GLL Investors, LLC

Disciplinary Information No Actions, Events or History

Other Business Activity

Personal LLCs formed for real estate investments (since sold), and for personal property ownership as hobby (wound down in 2014).

Additional Compensation: Social Security

Supervision

Stephen Gilboy is supervised by Mr. Newlander and Mr. Jason Gilboy

Michael Scott Newlander

Born 1964

Education Bachelor of Science in Finance, University of Illinois at Chicago 1987

Certifications

- Registered Floor Broker with the National Futures Association, 1989 to present
- National Futures Association ID # 0219246
- FINRA CRD # 6032853
- Certified as Global Entry Traveler, by U.S. Customs & Border Protection, Department of Homeland Security (Additional Background Check Passed), 2013

Business Background

1985 to 1987	Commodities Trader, part-time, self-employed, during college.
1989 to present	Registered at the Chicago Board of Trade (now the Chicago Mercantile Exchange) as Floor Trader, then as a Registered Floor Broker
1989 to present	Registered with the National Futures Association as a Registered Floor Trader, then as a Registered Floor Broker, with trading privileges at the Chicago Board of Trade (now the CME)
1987 to 2007	Professional Market Maker at CBOT, self-employed.
2005 to 2012	Capital Preservation Investors, LLC, GLL of The Players Fund, LP. (Co-Founder, Managing Member, Partner)
2009 to present	Managing Member, Vice President, Owner, Director of Investments of GLL Investors, LLC

Disciplinary Information No Actions, Events or History

Other Business Activity

Personal LLCs formed for real estate and personal property ownership as hobbies.

Additional Compensation None

Supervision

Michael Newlander is supervised by Stephen Gilboy and Jason Gilboy.

Jason Robert Gilboy

Born 1979

Education Bachelor of Science, Economics, Boston College, 2001

Certifications

- NASD (FINRA) Series 7 and Series 63 Exams Passed 9/28/2004 CRD #4825145
- Certified as Global Entry Traveler, by U.S. Customs & Border Protection, Department of Homeland Security (Additional Background Check Passed), 2013

Business Background

1999 to 2000	Morse Diesel International, Laborer
2001 to 2002	Keefer's Restaurant, bar tender and wine attendant
2004 to 2007	Sanders Morris Harris, Inc. Garden City, NY and Houston TX (NASD Member broker-dealer firm). Associated Person, not employee, did not conduct activities and received no compensation
2003 to present	GLL Investors, LLC (and its predecessor, GLL Investors, Inc.); Secretary, Treasurer, Chief Compliance Officer, Managing Member, Director of Operations
2009 to present	GLL Investors, Ltd.: Director of the Cayman Islands Fund

Disciplinary Information No Actions, Events or History

Other Business Activity None

Additional Compensation None

Supervision

Jason Gilboy is supervised by Michael Newlander and Stephen Gilboy.

This document does not constitute an offer to sell, or a solicitation of any offer to buy, interests in any of the Funds offered by GLL Investors, LLC. Offers to invest in the GLL funds are made only by the confidential Private Placement Memorandum for each Fund. The information in this Brochure contains selected information included in the Memoranda, and does not purport to be complete. The information contained in this document is qualified in its entirety by the information included in the Memoranda. The examples set forth here are for illustrative purposes only. GLL Investors, LLC reserves the right to modify the portfolios from those illustrated. There are no assurances that the Funds will allocate assets to the strategies described.

GLL INVESTORS

3200 NORTH LAKE SHORE DRIVE, SUITE 201, CHICAGO, IL 60657

T 773.525.3038

INFO@GLLINVESTORS.COM GLLINVESTORS.COM

APPENDIX A – SUPPLEMENT DESCRIBING MARKET RISKS

Market Risks

Market conditions are materially more favorable to some investment strategies over others, and there are market conditions in which any given investment strategy is unlikely to be profitable. Neither GLL nor the Portfolio Managers has any ability to control or predict market conditions.

1. Economic Conditions

The success of any investment activity is affected by general economic conditions, which may affect the level and volatility of interest rates and the extent and timing of investor participation in the markets for both equities and interest-sensitive securities. Unexpected volatility or illiquidity in the markets in which the Funds, directly or indirectly, holds positions could impair the Funds ability to carry out its business or cause it to incur losses.

2. Financing Arrangements: Availability of Credit

The use of leverage is an integral part of many strategies used by some Portfolio Managers, and they depend on the availability of credit in order to finance their trading and investment activities. Portfolio Managers may not be able to maintain adequate financing arrangements under all market circumstances. Banks and dealers that provide financing to investment funds can apply discretionary margin, haircut, financing, security and collateral valuation policies. Changes by banks and dealers in policies, or the imposition of other credit limitations or restrictions, may result in large margin calls, loss of financing, forced liquidation of positions at disadvantageous prices, termination of swap and repurchase agreements and cross-defaults to agreements with other dealers, all of which can be exacerbated by sudden changes in market conditions. The imposition of limitations or restrictions could compel a Portfolio Manager to liquidate all or part of its portfolio at disadvantageous prices. The illiquidity of the Funds' Structured Equities can make liquidations difficult, if not impossible or economically infeasible.

3. Volatility

The prices of the instruments that may be traded by Portfolio Managers have been subject to periods of excessive volatility in the past, and which periods will recur. Price movements are influenced by many unpredictable factors, such as market sentiment, inflation rates, interest rate movements and general economic and political conditions. While volatility can create profit opportunities, it can also create excessive risk. The lack of volatility can result in losses for strategies implemented by Portfolio Managers that profit from price movements.

Substantial disruption occurred in the derivatives markets as a result of the bankruptcy or government bailout of market participants, and as a result of uncertainty around government

interventions. Disruptions and uncertainty can cause substantial losses if transactions are prematurely terminated, especially if default causes payment delay or loss.

4. Stagnant Markets

Although volatility is one indication of market risk, certain investment strategies employed by the Portfolio Managers rely for their profitability on market volatility contributing to the mispricing which they are designed to identify. In periods of trendless, stagnant markets or deflation, alternative investment strategies have materially diminished prospects for profitability.

5. Lack of Liquidity

Despite the heavy volume of trading in most of the instruments traded by Portfolio Managers, the market for some of these instruments may have limited liquidity, particularly in the case of Structured Equity and PIPEs investments. In addition, securities and commodities exchanges typically have the right to suspend or limit trading in any instrument traded on exchanges. Lack of liquidity can make it economically unfeasible for Portfolio Managers to recognize profits on open positions or to close out open positions against which the market is moving.

6. Market Disruptions

The Funds may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships (on which Portfolio Managers base a number of their trading positions) become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets, many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving.

The financing available to the Portfolio Managers from banks, dealers and other counterparties may be reduced in disrupted markets. A reduction may result in substantial losses. Sudden restrictions of credit by the dealer community have, in the past, resulted in forced liquidations and major losses for a number of private investment funds. Market disruptions caused by unexpected political, military and terrorist events could cause dramatic losses for the GLL Funds, and these types of events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

7. Market Turmoil

The Funds may incur major losses and be unable to satisfy redemption requests (in whole or in part) in the event of disrupted markets. During the market turmoil in 2008-2009, many private investment funds suffered substantial losses and were required to suspend or defer redemptions (which in some cases are still continuing). It is impossible to predict if and when future market crises may occur again in the future.

8. Positive Correlation with Stocks and Bonds

One of the goals in incorporating a non-traditional investment such as the Funds into a portfolio is to provide a potentially valuable element of diversification. However, the GLL Funds and the Portfolio Funds may not end up being positively correlated with a traditional portfolio of stocks and bonds, particularly during periods of market disruption and stress when the risk

control benefits of diversification may be most important. In fact, during recent financial crises, many alternative investment funds suffered losses equal to or greater than the general equity and bond markets, and did not provide the element of diversification intended or expected.

9. Counterparties, Brokers and Custodians

The financial institutions and counterparties, including banks and brokerage firms, with which the Portfolio Funds trade or invest, may encounter financial difficulties and default on their respective obligations to the Portfolio Funds. With respect to investments in bank debt or participations in bank debt, a default by a counterparty could include the failure to perform its obligations under the terms of a trade or an investment, or, in the case of a participation, the failure by a counterparty to perform its obligations under a loan agreement or indenture, even if the obligor on the underlying loan performs its own obligations.

The GLL Funds do not control the custodianship of the Portfolio Funds' assets. The securities and other assets of the Portfolio Funds may be held by various custodians throughout the world. The financial institutions selected as custodians may become insolvent, causing the Portfolio Funds to lose all or a portion of their assets held by those parties. The credit markets have been unsettled, challenging the financial stability of many highly regarded counterparties and brokers. Even if the Funds or Portfolio Funds do not actually lose capital on deposit with a counterparty or broker which experiences financial difficulties, the Funds and Portfolio Funds could incur market losses as a result of financial difficulties, impeding the Funds' ability to execute transactions necessary to limit losses or capitalize on market opportunities.

10. Counterparty Risks in Uncertain Markets

The bankruptcies of Lehman Brothers, Refco LLC and MF Global have demonstrated that even assets which investors may have believed were subject to regulatory protection may be subject to the insolvency of the dealers or counterparties with which the funds are maintained.

The bankruptcies or failures of Lehman Brothers in September 2008 (leading to widespread chaos in the global financial markets, and significant outright losses as numerous market participants found themselves in the position of general creditors of Lehman Brothers even in respect of assets which they had deposited with Lehman Brothers) ramifications of the Lehman Brothers bankruptcies are unlikely to be resolved for a number of years, but could be adverse to the prospects for the GLL Funds or private investment funds in general. Moreover, the Lehman Brothers bankruptcies have demonstrated the systemic risks of any comparable failure. It is not possible to predict if or when one or more failures might occur. Were this to happen, the results could be materially adverse to the Funds.

While the Refco, Inc. ("Refco") and MF Global, Inc. ("MF Global") bankruptcies did not have the same widespread systemic consequences as the Lehman Brothers bankruptcies (see above), they demonstrate a number of systemic risks in trading through commodity brokers. It appears that many clients of both Refco and MF Global believed that their funds on deposit to support their trading had the benefit of customer protected "segregation" when this was not, in fact, the case.

The Refco bankruptcy demonstrated that a significant portion of customer funds on deposit with CFTC-regulated futures brokers are, as a matter of practice, maintained in “unregulated” rather than “regulated” accounts at the futures brokers. The futures brokers do not have to maintain “net capital” with respect to amounts on deposit in unregulated accounts. However, amounts in unregulated accounts are not subject to “customer protection” in the event of the futures broker’s bankruptcy — in which case the amounts become simply unsecured debts of the futures brokers.

In the case of MF Global, the uses which MF Global was able to make of customer funds in attempting to generate more profit for MF Global not only led to the bankruptcy of MF Global but also the apparent loss of a significant amount of customer funds.

Another feature of the Refco and MF Global bankruptcies was that investors which suffered the largest losses did so not because their capital at Refco or MF Global was lost (although some of it was) but because they were unable to determine with certainty which positions they should hold and which positions had been involuntarily liquidated. In addition, some investors were unable to execute trades for several days due to the processing time required to open brokerage accounts at other firms, and, accordingly, were unable to mitigate the risks of their open positions during the period.