

**Clearfield Capital Management LP**

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This brochure provides information about the qualifications and business practices of Clearfield Capital Management LP. If you have any questions about the contents of this brochure, please contact Clearfield Capital Management's Chief Compliance Officer, Aaron Tawil, at (212) 468-5401 or by email at [tawil@clearfieldcap.com](mailto:tawil@clearfieldcap.com).

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("**SEC**") or by any state securities authority.

Additional information about Clearfield Capital Management LP is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Any reference to Clearfield Capital Management LP as a "registered investment adviser" or as being "registered" does not imply a certain level of skill or training.

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**Item 2 - Material Changes**

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This is the initial Form ADV Part 2A filing for Clearfield Capital Management LP and as such, there are no material changes to report.

**Item 3 - Table of Contents**

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**Item 4 - Advisory Business**

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Clearfield Capital Management LP (“**Clearfield**” or the “**Firm**”) is a Delaware limited partnership that was formed in September 2014. Clearfield is controlled by its principal owner, Philip Hilal (the “**Principal Owner**”), who acts as the managing member of Clearfield's general partner, Clearfield Capital Management GP LLC, a Delaware limited liability company (the “**Investment Adviser General Partner**”). The Investment Adviser General Partner has ultimate responsibility for our management, operations and investment decisions. Clearfield expects to provide investment advisory services to one or more private funds (each a “**Fund**” and collectively, the “**Funds**”) and separately managed accounts (the “**Managed Accounts**”). Unless clearly suggested otherwise, the Funds and Managed Accounts are collectively referred to herein as the “**Clients**.”

Clearfield expects to provide investment management services to its Clients pursuant to investment guidelines within the relevant governing documents, offerings documents and/or investment management agreements.

Clearfield seeks to accomplish its Clients' investment objectives through disciplined, research-intensive investment and risk-management processes focusing primarily on public equity (including "new issues"), equity-linked securities (e.g., common and preferred stock, options, warrants and other derivatives) which the Firm believes are priced below their intrinsic value and debt from time to time.

Clearfield does not expect to tailor its services to the individual Fund investors or provide investors with the right to specify, restrict, or influence the Funds' investment objectives or any investment or trading decisions.

Clearfield does not intend to participate in wrap fee programs.

Clearfield is registering with the SEC as a “newly formed adviser” and expects to be eligible for SEC registration within 120 days after the date that Clearfield's registration becomes effective with the SEC. As such, Clearfield does not currently have assets under management. Clearfield intends to update this Form ADV Part 2A to reflect, among other things, its regulatory assets under management, within 120 days after the date that Clearfield's registration becomes effective with the SEC.

**Item 5 - Fees and Compensation**

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Clearfield or its affiliates expect to receive a management fee and performance-based compensation from Clients. Such compensation arrangements will be set forth in the relevant investment management agreement with each Client.

Clearfield expects that the Funds will be responsible for investment-related expenses (including brokerage (see Item 12 below)), as well as their organizational and offering expenses.

The expenses charged to the Managed Accounts will be determined on a case-by-case basis.

To the extent that Clearfield allocates Clients' capital to money market funds or exchange-traded funds, Clients would indirectly incur similar fees and expenses as these funds in turn pay similar fees and expenses to their investment managers and other service providers.

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**Item 6 - Performance Fees and Side-by-Side Management**

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Clearfield or its affiliates expect to receive performance-based compensation from Clients, which will be based on a percentage of capital appreciation of their assets.

The terms of the performance-based compensation may differ among the Clients. This may result in a conflict of interest when allocating opportunities among Clients, as Clearfield may have an incentive to favor Clients that have higher performance-based compensation. To avoid such a conflict of interest, Clearfield will develop documented procedures for allocating opportunities among Clients, which will not take into account the performance-based compensation.

As management fees and performance-based compensation will be based directly on Clients' net asset values, Clearfield may have a conflict of interest in valuing the assets held in Client accounts. Clearfield will follow documented valuation policies and consult with each Client's third-party administrator, as applicable, in order to mitigate this risk.

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**Item 7 - Types of Clients**

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Clearfield expects to provide investment advice to clients that are private funds or other institutional investors. Investors in the Funds are generally expected to be institutional investors and high net worth individuals that qualify as "accredited investors" (as defined in Rule 501 under the Securities Act of 1933, as amended) and "qualified purchasers" (as defined under the Investment Company Act of 1940, as amended). The minimum initial investment in the Funds is expected to be \$5 million, subject to Clearfield's discretion to accept lesser amounts. Clearfield will determine the minimum investment for a Managed Account on a case by case basis.

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**Item 8 - Methods of Analysis, Investment Strategies, Risk of Loss**

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***Investment Strategy***

The Investment Manager seeks to accomplish the Fund's investment objective through disciplined, research-intensive investment and risk-management processes focusing primarily on public equity (including "new issues"), equity-linked securities (e.g., common and preferred stock, options, warrants and other derivatives) which the Investment Manager believes are priced below their intrinsic value and debt from time to time. The Investment Manager deploys a multi-disciplinary approach to its investment strategy including both a fundamental analysis of companies and also utilizing the skills developed in understanding event driven strategies.

***Method of Analysis***

*Fundamental Analysis* – Clearfield's investment process utilizes a "bottoms-up" stock selection process based on fundamental analysis. The Firm's fundamental analysis is driven by experienced analysts, and investment decisions are based on in-depth fundamental research. Such bottoms-up analysis is combined with a thematic or "top down" view of opportunities across the various sectors and seeks to identify the best long and short opportunities globally. The top-down view also focuses on the overall composition of the Clients in attempting to minimize areas where the Clients may have an unintended exposure in a particular sector, country or macro-economic variable such as interest rates or foreign exchange rates.

*Event Driven* – Clearfield, on behalf of the Clients, may also invest in loans and securities of companies involved in reorganizations, mergers, acquisitions, bankruptcies, binary biotechnology events or other extraordinary corporate events/transactions with the intention of capturing a spread between the current value of the securities and their value upon consummation of the event within a specified period of time. The Clients may also make special situation or relative value investments, seeking to exploit fundamental valuation discrepancies caused by market dislocations, lack of sell side following or expected corporate events. Clearfield may (1) position the Clients' portfolios from both the long and the short side, (2) actively trade such positions and related spreads and (3) utilize leverage and derivatives to optimize returns.

### ***Certain Risk Factors***

Clearfield anticipates that its investment strategy will involve significant risks. The following explanation of certain risks is not exhaustive, but rather highlights some of the more significant risks involved in Clearfield's investment strategy. For a more complete list of expected risk factors, prospective Fund investors will be urged to review each Fund's offering documents.

*Legal and Regulatory Environment for Private Investment Funds and their Managers* – The legal, tax and regulatory environment worldwide for private investment funds (such as the Funds) and their managers is evolving. Changes in the regulation of private investment funds, their managers, and their trading and investing activities may have a material adverse effect on the ability of the Funds to pursue its investment programs and the value of investments held by the Funds. There has been an increase in scrutiny of the private investment fund industry by governmental agencies and self-regulatory organizations. New laws and regulations or actions taken by regulators that restrict the ability of the Funds to pursue its investment programs or employ brokers and other counterparties could have a material adverse effect on the Funds and the investors' investments therein. In addition, Clearfield may, in its sole discretion, cause the Funds to be subject to certain laws and regulations if the Firm believes that an investment or business activity is in the Funds' interest, even if such laws and regulations may have a detrimental effect on one or more investors.

*Dodd-Frank Act* – The U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") was enacted in July 2010. The Dodd-Frank Act has resulted in extensive rulemaking and regulatory changes that affect private fund managers, the funds that they manage and the financial industry as a whole. Under the Dodd-Frank Act, the U.S. Commodity Futures Trading Commission and the SEC have mandated (and will mandate) new recordkeeping, reporting, central clearing and mandatory trading on electronic facilities requirements for investment advisers, which add costs to the legal, operational and compliance obligations of Clearfield and the Clients and increase the amount of time that Clearfield spends on non-investment-related activities. The Dodd-Frank Act affects a broad range of market participants with whom the Clients interact or may interact, including banks, non-bank financial institutions, rating agencies, mortgage brokers, credit unions, insurance companies, payday lenders and broker dealers, and may change the way in which the Firm conducts business with its counterparties. It may take years to understand the impact of the Dodd-Frank Act on the financial industry as a whole, and therefore, the continued uncertainty may make markets more volatile and make it difficult for Clearfield to execute the investment strategy of the Clients.

*Counterparty Risk* – The Firm expects to cause the Clients to establish relationships to obtain financing, derivative intermediation and prime brokerage services that permit the Clients to trade in any variety of markets or asset classes over time. However, there can be no

assurance that the Firm will be able to establish or maintain such relationships on behalf of the Clients. An inability to establish or maintain such relationships could limit the Clients' trading activities, create losses, preclude the Clients from engaging in certain transactions or prevent the Clients from trading at optimal rates and terms. Moreover, a disruption in the financing, derivative intermediation and prime brokerage services provided by any such relationships could have a significant impact on the Clients' business due to the Clients' reliance on such counterparties.

*Event-Driven* – The success of the Clients' event-driven investment strategy depends upon the Clearfield's ability to make predictions about (i) the likelihood that an event will occur and (ii) the impact such event will have on the value of a company's securities. If the event fails to occur or it does not have the effect foreseen, losses can result. For example, the adoption of new business strategies or completion of asset dispositions or debt reduction programs by a company may not be valued as highly by the market as the Firm had anticipated, resulting in losses. In addition, a company may announce a plan of restructuring which promises to enhance value, but fail to implement it, which can result in losses to investors. In liquidations and other forms of corporate reorganization, the risk exists that the reorganization either will be unsuccessful, will be delayed or will result in a distribution of cash or a new security, the value of which will be less than the purchase price to the Clients of the security in respect of which such distribution was made. The consummation of mergers and tender and exchange offers can be prevented or delayed by a variety of factors, including: (i) opposition of the management or stockholders of the target company, which will often result in litigation to enjoin the proposed transaction; (ii) intervention of a U.S. federal or state regulatory agency; (iii) efforts by the target company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) in the case of a merger, failure to obtain the necessary stockholder approvals; (v) market conditions resulting in material changes in securities prices; (vi) compliance with any applicable U.S. federal or state securities laws; and (vii) inability to obtain adequate financing. Because of the inherently speculative nature of event-driven investing, the results of the Firm's investment activities on behalf of the Clients may be expected to fluctuate from period to period. Accordingly, investors in the Funds and beneficial owners of Managed Accounts should understand that the results of a particular period will not necessarily be indicative of results that may be expected in future periods.

*Equity Securities Generally* – The value of equity securities of public and private, listed and unlisted companies and equity derivatives generally varies with the performance of the issuer and movements in the equity markets. As a result, the Clients may suffer losses if Clearfield causes them to invest in equity instruments of issuers whose performance diverges from Clearfield's expectations or if equity markets generally move in a single direction and Clearfield has not caused the Clients to hedge against such a general move. The Clients also may be exposed to risks that issuers will not fulfill contractual obligations such as, in the case of convertible securities or private placements, delivering marketable common stock upon conversions of convertible securities and registering restricted securities for public resale.

*Derivative Instruments Generally* – Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk and operations risk. Derivatives traded over-the-counter may not have an authoritative source of valuation and the models used to value such derivatives are subject to change. Special risks may apply in the future that cannot be determined at this time with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available. The regulatory and tax environment for derivative instruments in which Clearfield may cause Clients to

participate is evolving, and changes in the regulation or taxation of such securities may have a material adverse effect on the Clients.

*Long/Short* – The success of the Clearfield's long/short investment strategy depends upon the Clearfield's ability to identify and purchase securities that are undervalued and identify and sell short securities that are overvalued. The identification of investment opportunities in the implementation of Clearfield's long/short investment strategies is a difficult task, and there are no assurances that such opportunities will be successfully recognized or acquired. In the event that the perceived opportunities underlying the Clients' positions were to fail to converge toward, or were to diverge further from values expected, the Clients may incur a loss. In the event of market disruptions, significant losses can be incurred which may force the Clients to close out one or more positions. Furthermore, the valuation models used to determine whether a position presents an attractive opportunity consistent with Clearfield's long/short strategies may become outdated and inaccurate as market conditions change.

*Short Selling* – The success of Clearfield's short selling investment strategy depends upon the Firm's ability to identify and sell short securities that are overvalued. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Clients of buying those securities to cover the short position. There can be no assurance that the Clients will be able to maintain the ability to borrow securities sold short. In such cases, the Clients can be "bought in" (i.e., forced to repurchase securities in the open market to return to the lender). There also can be no assurance that the securities necessary to cover a short position will be available for purchase at or near prices quoted in the market. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Short strategies can also be implemented synthetically through various instruments and be used with respect to indices or in the over-the-counter market and with respect to futures and other instruments. In some cases of synthetic short sales, there is no floating supply of an underlying instrument with which to cover or close out a short position and the Clients may be entirely dependent on the willingness of over-the-counter market makers to quote prices at which the synthetic short position may be unwound. There can be no assurance that such market makers will be willing to make such quotes. Short strategies can also be implemented on a leveraged basis. Lastly, even though Clearfield causes the Clients to secure a "good borrow" of the security sold short at the time of execution, the lending institution may recall the lent security at any time, thereby forcing the Clients to purchase the security at the then-prevailing market price, which may be higher than the price at which such security was originally sold short by the Clients.

*Long-Term* – The success of Clearfield's long-term investment strategy depends upon the Firm's ability to identify and purchase securities that are undervalued and hold such investments so as to maximize value on a long-term basis. In pursuing any long-term strategy, Clearfield may cause the Clients to forego value in the short-term or temporary investments in order to be able to avail the Clients of additional and/or longer-term opportunities in the future. Consequently, the Clients may not capture maximum available value in the short-term, which may be disadvantageous, for example, for investors in a Fund who withdraw all or a portion of their capital accounts before such long-term value may be realized by the Clients.

*Leverage for Investment Purposes* – The use of leverage will allow Clearfield to make additional investments on behalf of the Clients, thereby increasing such Clients' exposure to assets, such that a Client's total assets may be greater than its capital. However, leverage will also magnify the volatility of changes in the value of the Clients' portfolio. The effect of the use of leverage by a Client in a market that moves adversely to its investments could result in substantial losses to a Client, which would be greater than if such Client were not leveraged.



*Volatility Risk* – In advising the Clients, Clearfield's investment program may involve the purchase and sale of relatively volatile securities and/or investments in volatile markets. Fluctuations or prolonged changes in the volatility of such securities and/or markets can adversely affect the value of investments held by the Clients.

*Diversification and Concentration* – Clearfield may select investments that are concentrated in a limited number or types of securities. In addition, the Clients' portfolio may become significantly concentrated in securities related to a single or a limited number of issuers, industries, sectors, strategies, countries or geographic regions. This limited diversification may result in the concentration of risk, which, in turn, could expose the Clients to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in such securities.

*Hedging Transactions* – In advising the Clients, Clearfield may utilize securities for risk management purposes in order to: (i) protect against possible changes in the market value of the Clients' investment portfolios resulting from fluctuations in the markets and changes in interest rates; (ii) protect the Clients' unrealized gains in the value of its investment portfolios; (iii) facilitate the sale of any securities; (iv) enhance or preserve returns, spreads or gains on any security in the Clients' portfolios; (v) hedge against a directional trade; (vi) hedge the interest rate, credit or currency exchange rate on any of the Clients' securities; (vii) protect against any increase in the price of any securities the Clients anticipate purchasing at a later date; or (viii) act for any other reason that Clearfield deems appropriate. The Clients will not be required to hedge any particular risk in connection with a particular transaction or its portfolio generally. Clearfield may be unable to anticipate the occurrence of a particular risk and, therefore, may be unable to cause a Client to attempt to hedge against it. While the Clients may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Clients than if it had not engaged in any such hedging transaction. Moreover, the Clients' portfolios will always be exposed to certain risks that cannot be hedged.

## **Item 9 - Disciplinary Information**

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There have been no legal or disciplinary events that are material to a Client's or prospective Client's evaluation of Clearfield's advisory business or the integrity of Clearfield's management.

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

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The management of multiple Clients may result in conflicts of interests when Clearfield or its related persons allocate their time and investment opportunities among Clients. In addition, the compensation earned by Clearfield and its related persons from each of Client may differ from one another.

The Principal Owner (and/or other related persons) may have a greater portion of his personal assets invested in a Fund(s). As a result, Clearfield may have a conflict of interest in allocating investment opportunities among the Clients.

In light of the foregoing, Clearfield has established procedures for allocating opportunities among Clients in a fair and equitable manner.

**Item 11 - Code of Ethics, Participation/Interest in Client Transactions, Personal Trading**

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**Code of Ethics**

Clearfield has adopted a Code of Ethics (the “**Code of Ethics**”), which is designed to ensure that it conducts its business in accordance with all applicable laws and regulations and in an ethical and professional manner. The Code of Ethics will apply to all Clearfield employees. In addition, Clearfield recognizes that it will have a fiduciary duty to its Clients, and that all of its employees will need to conduct their business on Clearfield’s behalf in a manner that enables Clearfield to fulfill this fiduciary duty. In this regard, Clearfield will develop policies and procedures in the Code of Ethics that are premised on fundamental principles of openness, integrity, honesty and trust. Employees will be provided with a copy of the Code of Ethics and will be required to sign and acknowledge that they will comply with its provisions on an annual basis. Clearfield will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

**Personal Trading**

Under the Code of Ethics, employees (and members of their immediate households) are not permitted to invest in single name equity securities, options on equities, bonds, futures or commodities and must obtain written pre-approval from Clearfield’s Chief Compliance Officer (the “**CCO**”) prior to executing a sell order in any such holdings that they may have previously owned. The spirit of the Code of Ethics is to discourage frequent trading in employee personal accounts.

In addition, employees are prohibited from participating in any initial public offering and may not buy or sell unlevered ETFs and securities in a private placement without pre-approval from the CCO. Employees must also obtain pre-approval from the CCO before engaging in any outside business activities. In addition, where the activities of the CCO require pre-approval, that approval will be provided by the Principal Owner.

All employees must provide duplicate copies of brokerage statements to the CCO. These records are used to monitor compliance with the foregoing policies.

**Participation and Interest in Client Transactions**

Subject to applicable law, Clearfield may effect transactions between Client accounts whereby one Client account will purchase securities from or sell securities to another account. Clearfield does not currently intend to engage in such activity. Nonetheless, if it plans on effecting such transactions in the future, it will develop documented procedures for doing so, including requiring pre-approval from the CCO.

**Item 12 - Brokerage Practices**

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**Selection of Brokers**

In placing portfolio transactions for Clients, Clearfield will seek to obtain the best execution for Clients’ accounts, which may take into account a number of the following factors, among others: price, timeliness of execution, the availability of financing, the financial stability and reputation of a broker, the value of research, brokerage and other services provided, the responsiveness of a broker-dealer, a broker-dealer’s financial resources, counterparty credit risk, and access to liquidity for certain less liquid products.

Clearfield has established a Brokerage Committee (consisting of the CCO and the Principal Owner), which meets on a quarterly basis to review the execution performance of the broker-dealers Clearfield uses to execute Client transactions. The committee also reviews commissions paid to brokers, soft dollar arrangements and certain conflicts of interest.

**Research and Other Soft Dollar Benefits**

Clearfield may enter into soft dollar arrangements with brokers. Soft dollar arrangements arise when an investment adviser obtains products and services, other than securities execution, from a broker in return for directing client securities transactions to the broker. Soft dollar arrangements would pose a conflict of interest for Clearfield in that such arrangements would allow Clearfield to pay with Client commissions expenses that would otherwise be borne by Clearfield. If Clearfield uses Client brokerage commissions (or markups or markdowns) to obtain research or other products or services, it would receive a benefit because it would not have to produce or pay for the research, products or services. Clearfield may have an incentive to select a broker based on Clearfield's interest in receiving the research or other products or services offered by such broker, rather than on Clients' interests in receiving most favorable execution.

To the extent that it engages in soft dollar transactions, Clearfield intends to comply with the safe harbor requirements of Section 28(e) of the Securities Exchange Act of 1934, as amended. Under this provision, in exercising its discretionary authority to select or arrange for the selection of brokers for execution of transactions for Clients, and, subject to its duty to obtain best execution, Clearfield may consider the value of research and brokerage products and services (collectively, "**Research**") provided by such brokers. Research may include, among other things, proprietary research from brokers, which may be written or oral. Research products may include, among other things, databases and quotation services. Research services may include, among other things, research concerning market, economic and financial data, a particular aspect of economics or on the economy in general, statistical information, pricing data and availability of securities, financial publications, electronic market quotations, performance measurement services, analyses concerning specific securities, companies, industries or sectors, market, economic and financial studies and forecasts, appraisal services, and invitations to attend conferences or meetings with management or industry consultants. Accordingly, if Clearfield determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and products or services provided by such broker, a Client may pay commissions to such broker in an amount greater than the amount another broker might charge.

Research provided by such brokers may be used to service all Clients and not exclusively in connection with the management of the Clients that generated the particular soft dollar credits.

Where a product or service obtained with Client commission dollars provides both research and non-research assistance to Clearfield, Clearfield would make a reasonable allocation of the cost which may be paid for with Client commission dollars.

Clearfield expects to execute securities transactions on behalf of Clients with broker-dealers that provide Clearfield with access to proprietary research reports (such as standard investment research and credit reports). To Clearfield's knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. These bundled services would likely be made available to Clearfield on an unsolicited basis and without regard to the rates of commissions charged or paid by Clients or the volume of business that Clearfield directs to such broker-dealers.

**Aggregation of Orders**

To the extent that Clearfield aggregates Client orders in the future, it will develop documented procedures for doing so in a fair and equitable manner.

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**Item 13 - Review of Accounts**

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The Principal Owner expects to review Client accounts continually for overall adherence with the investment strategy and investment guidelines.

Clearfield intends to provide Fund investors with annual audited financial statements and additional periodic reporting.

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

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Other than the products and services that Clearfield receives from broker-dealers (described above under Item 12), Clearfield does not expect to receive any economic benefits from third parties in connection with the provision of investment advice to Clients. Additionally, Clearfield does not currently plan on directly or indirectly compensating any person for investor referrals.

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**Item 15 - Custody**

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Clearfield will comply with the requirements of the Rule 206(4)-2 of the Advisers Act with regards to Clearfield's custody of the Funds' assets. Clearfield will be deemed to have custody of Client funds and securities because it expects to have the authority to obtain Client funds or securities, for example, by deducting advisory fees from a Client's account or otherwise withdrawing funds from a client's account.

Clearfield does not expect to be required to comply (or expects to be deemed to have complied) with certain requirements of the Custody Rule with respect to each Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception", which, among other things, requires that each Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

Owners of the Managed Accounts are expected to receive account statements no less frequently than monthly from the custodians of such accounts. Managed Account Clients should carefully review these statements that are received from the custodians of such accounts.

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**Item 16 - Investment Discretion**

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Clearfield expects to have discretionary authority to manage securities accounts on behalf of the Clients. The investors in the Funds generally will not have the ability to place any limits on Clearfield's authority beyond the limitations set forth in the governing documents and/or offering documents of the applicable Fund. On a case by case basis, owners of the Managed Accounts may negotiate certain risk and/or operating guidelines that Clearfield will adhere to when exercising its discretionary authority over such accounts.

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**Item 17 - Voting Client Securities**

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Clearfield will establish proxy voting policies and procedures (a "**Proxy Voting Policy**") designed to ensure that proxies are voted in the best interest of the Clients.

The Proxy Voting Policy is expected to require Clearfield, when voting proxies, to follow procedures designed to identify and address material conflicts that may arise between its interests and those of its Clients. Accordingly, prior to voting any proxy, the CCO will determine whether a material conflict of interest exists and will either resolve the conflict or refer to proxy vote to an outside service provider for its independent consideration.

In the absence of a material conflict, Clearfield will follow the voting guidelines set forth in its Proxy Voting Policy to determine whether and how to vote a proxy.

Upon the request by a Client, Clearfield will disclose to such Client how it voted securities owned by such Client. Clients may also contact Clearfield via e-mail or telephone to request a copy of its Proxy Voting Policy.

### **Item 18 - Financial Information**

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Clearfield has no financial commitment that impairs the Firm's ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy proceeding.