

Hunter Peak Investments, LP
Part 2A of Form ADV
The Brochure

110 East 59th Street, 28th Floor
New York, New York 10022
(212) -507-9789

January 2016

This brochure provides information about the qualifications and business practices of Hunter Peak Investments LP (“HPI” or the “Firm”). If you have any questions about the contents of this brochure, please contact us at 212-507-9789. 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. The Firm is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about HPI is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2: Material Changes

There have been no material changes related to HPI's investment operations since the Company's registration and initial filing of this brochure with the SEC in September 2015.

Item 3: Table of Contents

Item 2: Material Changes	Error! Bookmark not defined.
Item 3: Table of Contents	3
Item 4: Advisory Business.....	4
Item 5: Fees and Compensation	5
Item 6: Incentive Allocations and Side-by-Side Management.....	7
Item 7: Types of Clients	8
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	8
Item 9: Disciplinary Information.....	13
Item 10: Other Financial Industry Activities and Affiliations.....	13
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading...	14
Item 12: Brokerage Practices.....	14
Item 13: Review of Accounts	15
Item 14: Client Referrals and Other Compensation	16
Item 15: Custody	16
Item 16: Investment Discretion	16
Item 17: Voting Client Securities	16
Item 18: Financial Information.....	16

Item 4: Advisory Business

A. Description of Firm and Principal Owners

Hunter Peak Investments LP, a Delaware limited partnership (“HPI” or the “Firm”) is a privately-held investment advisor founded in 2015 and wholly owned by its Chief Executive Officer and Chief Investment Officer, Michael A. Karsch.

In addition, Mr. Karsch controls Hunter Peak Investments Fund GP, LLC, the general partner (“General Partner”) of each Fund (as defined below) managed and expected to be managed by HPI. Mr. Karsch and his associated persons or entities, may invest in the Funds (as defined below) managed by HPI and are also limited partners of the General Partner of the Funds (as defined below) and, in such capacity, will participate in the economics of, and receive certain preferential rights in, each Fund’s General Partner.

B. Description of Advisory Services

Upon approval of its registration, HPI will provide discretionary investment management services to Hunter Peak Investments Fund, LP, a Delaware limited partnership (the “Onshore Fund”), and Hunter Peak Investments Offshore Fund, Ltd., a Cayman Islands exempted company (the “Offshore Fund”), that are feeder funds that execute their investment strategies by investing their assets in the limited partnership interests of Hunter Peak Investments Master Fund, LP, a Cayman Islands exempted limited partnership (the “Master Fund”). The Onshore Fund, the Offshore Fund and the Master Fund will be referred to collectively as the “Fund” or “Funds”.

The Investment Manager may in the future organize other investment funds (including parallel funds for employees of the Investment Manager or parallel funds designed for other purposes) or manage separately managed accounts that may either co-invest with a Fund or follow an investment program similar to or different from a Fund’s program (together with the Funds and the Master Fund, the “Related Funds”). The Investment Manager may also establish special purpose vehicles or subsidiaries of the Master Fund and invest in or act through such special purpose vehicles or subsidiaries.

Investment advisory services provided by HPI are provided directly to each Fund and not individually to the investors in the Fund. Hunter Peak Investments Fund GP, LLC, a Delaware limited liability company (the “General Partner”), is the general partner of the Fund and the Master Fund.

HPI will serve as the investment adviser with discretionary authority to implement investment decisions for the Funds. HPI’s investment decisions and advice with respect to the Funds are in accordance with the investment objectives and restrictions set forth in the offering documents of each Fund. The investment objective of each Fund is generally to maximize risk-adjusted absolute returns over the long-term and across market cycles, primarily by investing (on the long and the short sides) in equities and equity-related instruments. HPI may expand the Funds’ investment focus to cover other investment opportunities as they arise. The Funds’ primary geographic focus is expected to be developed markets in North America, Europe, and Asia, while

the secondary geographic focus is expected to be developing markets across the globe. While it is anticipated that the Funds will invest primarily in equity securities and equity-related instruments, the Funds have a broad and flexible investment authority. Accordingly, the Funds' investments may at any time include U.S. or non-U.S., long or short positions in publicly traded or privately issued or negotiated common stocks; preferred stocks; stock warrants and rights; corporate and government debt, bonds, notes or other debentures or debt participations, including, but not limited to, so-called "distressed" or "high-yield" securities; options; cash equivalents, including but not limited to short-term corporate or government obligations and money market instruments; market or sector indices; convertible securities, fixed income securities; trade claims; swaps (including total return swaps and credit default swaps); options (purchased or written); futures contracts, commodities, forward contracts and other derivative instruments; partnership or limited liability company interests and other securities or financial instruments including those of investment companies. The Funds may also invest in new issues of securities ("new issues"), provided that the Funds first comply with all of the rules and regulations pertaining to such investments, including the Conduct Rules of the Financial Industry Regulatory Authority, Inc. ("FINRA").

The Funds may also invest in private or restricted securities or investments (as determined by the Investment Manager in its sole discretion).

Please review the offering documents for each Fund related to the services provided by HPI.

C. Tailoring Advisory Services to Individual Needs

HPI tailors its advisory services to the Funds as set forth in the offering documents of each Fund. Investment advice is provided directly to each Fund and not individually to investors in the Funds.

D. Wrap Fee Programs

HPI does not participate in wrap fee programs.

E. Assets under Management

As of January 1, 2016, HPI's managed approximately \$175,000,000 in asset under management on a discretionary basis. HPI does not manage any assets on a non-discretionary basis.

Item 5: Fees and Compensation

Fees

The applicable fees for each Fund are disclosed to Fund investors in the offering documents of each Fund. HPI or its designee will generally be entitled to receive a management fees (collectively, "management fees") payable and debited quarterly in advance as of the first day of each calendar quarter by the applicable Fund with respect to each investor (other than any affiliated investor). The management fee may vary among share classes from 1.00-1.50% based on the shares and capital account balance maintained in each investor's capital account.

The General Partner will generally receive a performance allocation, in each case from the respective Fund. Performance allocations are typically measured as a percentage of the profits of a Fund and are negotiated separately for each Fund at a rate consistent with industry standards. The performance allocation may vary among share classes from 15-20% for each fiscal year in excess of any loss recovery and will be allocated as of the close of each fiscal year.

HPI's management fee and performance allocations are separate from brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the Funds and/or Accounts. Item 12 below further describes the factors HPI considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Please review the offering documents for each Fund for information on management fees and performance allocations.

The minimum initial capital contribution to the Funds is \$1 million, and each additional capital contribution by Fund investors must be in an amount of at least \$250,000; provided, however, that HPI, in its sole discretion, may accept subscriptions in lesser amounts.

HPI and/or the General Partner may, in its sole discretion, reduce or waive the management fees or performance allocation with respect to any investor, including with respect to other funds the General Partner may organize in the future and certain other strategic investors. HPI and/or the General Partner generally intends to waive the performance allocation for HPI, employees of HPI, the General Partner, Chief Investment Officer or their other related persons, including estate planning vehicles of such persons and certain other persons or entities associated with such persons.

Expenses

HPI is responsible for and shall pay, or cause to be paid, all Overhead Expenses, except as described below. For this purpose, "Overhead Expenses" for a fiscal year include overhead expenses of an ordinarily recurring nature such as rent, utilities, supplies, secretarial expenses, stationery, charges for furniture, fixtures and equipment, employee benefits including insurance, payroll and other taxes and compensation (and related costs) of all personnel. Notwithstanding to anything to contrary herein, the Investment Manager will also bear fees payable to third-party sub-advisors (if the General Partner determines that such an arrangement represents the best way to access a particular investment opportunity or a difficult to access market or otherwise makes available specialized investment expertise to the Master Fund) retained pursuant to a portfolio management agreement with responsibilities for managing a portion of the Master Fund's portfolio.

The Master Fund bears all other expenses, which include the following expenses incurred by or allocable to the Funds, or the Master Fund: Directors' fees and expenses, legal, accounting, bookkeeping, tax compliance, auditing, consulting and other professional expenses, including those of valuation firms; administration fees and other expenses charged by or relating to the services of third-party providers of administration services; fees payable to sub-advisors (if HPI

determines that such an arrangement represents the best way to access a particular investment opportunity or a difficult to access market or otherwise makes available specialized investment expertise to the Master Fund); fees and expenses (including travel expenses) related to research, market data and the due diligence, analysis, purchase or sale of investments, whether or not the investments are consummated; interest and fees (including commitment, structuring and underwriting fees) on margin loans, committed loan facilities, total return swaps and other indebtedness; bank service, custodial and similar fees; expenses related to the purchase, monitoring, sale, settlement, custody or transfer of Fund assets (directly or through trading affiliates); expenses associated with activist investment activities (including public relations, tender offer and proxy solicitation expenses); third party and out-of-pocket fees and expenses relating to systems and software used in connection with the operation of the Funds and investment related activities (including any accounting, risk management, trading and administrator-like functions, and adviser and fund compliance that HPI performs in-house); entity-level taxes; fees and expenses relating to the offer and sale of interests (including organizational fees and expenses and filing and legal fees); Directors and Officers, Errors and Omissions or similar professional liability insurance purchased on behalf of the General Partner and HPI; registration, annual and other similar fees payable by the Funds; expenses in the connection with any advisory committee; fees and expenses incurred with the General Partner's or HPI's compliance with applicable ongoing regulatory requirements to the extent such requirements are imposed as a result of the organization or operation of the Funds and other ordinary and extraordinary expenses associated with the operation of Funds and their investment activities. Notwithstanding the foregoing, General Partner may specially allocate the expenses described herein in any other manner if the General Partner reasonably determines, in its sole discretion, that it is equitable to do so.

To the extent that expenses to be borne by the Fund are paid by HPI or its affiliates, the Master Fund will reimburse HPI or its affiliates for such expenses.

Please review the limited partnership agreement and offering documents for each Fund for full disclosure of all fees and expenses charged by HPI, its affiliates, and others to fully understand the total amount of fees and expenses to be paid by the Fund and, indirectly, the investors in each Fund.

Item 6: Incentive Allocations and Side-by-Side Management

As described above, the Funds are structured as a master-feeder. As such, HPI will provide investment management services to one trading vehicle since all the investable assets are held and managed at the Master Fund level. As stated above, the fact that HPI and its affiliates are compensated based on the trading profits may create an incentive for HPI to make investment on behalf of the Funds that are riskier or more speculative than would be the case in the absence of such compensation.

Generally, and except as may be otherwise set forth in the organizational documents of the Funds, this conflict is mitigated by policies and procedures of HPI, including that HPI generally allocates transactions in which more than one client is eligible to participate pro rata among such

clients. Please see Item 11 below for additional information relating to how conflicts of interests are generally addressed by the Investment Adviser.

Item 7: Types of Clients

HPI's clients are the Funds themselves, which will typically be structured as limited partnerships, corporations or similar entities that are exempt from registration as an investment company under U.S. law by virtue of Section 3(c)(7) of the Investment Company Act of 1940, as amended.

Investors in the Funds managed by HPI may include high net worth individuals and a variety of institutional investors (e.g. trusts, employee benefit plans, endowments, foundations, corporations and other types of entities, including private funds of funds). All Fund investors are required to be "accredited investors" (as defined in Regulation D promulgated under the Securities Act of 1933) and must satisfy other investor qualification requirements in order to satisfy applicable securities laws.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

HPI seeks to build a concentrated portfolio of high conviction ideas where deep research on industry and subsequently, company fundamentals can meaningfully increase conviction in expected outcomes.

HPI seeks to build a concentrated portfolio of high conviction ideas where deep research on industry and subsequently, company fundamentals can meaningfully increase conviction in expected outcomes. Ideas come from both the Portfolio Manager down to the analyst team and also from the analysts up to the Portfolio Manager. Each idea typically goes through a rigorous vetting process over the course of at least several weeks before it is determined to fit HPI's criteria for an investment, including financial, operational, qualitative and legal due diligence as well as ongoing dialogue, collaboration and debate. Once an idea is approved to go into the portfolio, the Portfolio Manager considers a number of factors generally including conviction in the research, return potential, liquidity and risk profile to determine sizing.

Risk Management

Risk management, which will be performed at both the position and portfolio level, will be a significant consideration in making all investment decisions. At the position level, custom risk templates will be used to identify stock specific risks ranging from company related issues to potential macro influences. Proprietary sizing models will also be utilized to analyze the reward/risk ratio and determine liquidity risk. At the portfolio level, HPI will monitor industry, sector, and geographic exposure and liquidity and review portfolio exposure metrics daily which includes all options on a delta-adjusted basis.

Investment Risks

An investment in the Funds involves a high degree of investment risk, including the risk that the entire amount invested may be lost. The Funds will make investments using strategies and

financial techniques with significant risk characteristics. No guarantee is made that the investment objectives of the Funds will be realized. Below is a list of potential investment risk factors. There is no guarantee that this is a complete list of the risks, that the Funds will be able to control investment risks or that the risks will not aggregate in a manner adverse to the Funds. The risks associated with particular investments by the Funds include, but are not limited to, the following:

Equity Risk. The market price of securities owned by the Funds may go up or down, sometimes rapidly or unpredictably. A risk of investing in the Fund is that the equity securities in a Fund's portfolio will decline in value due to factors affecting equity securities markets generally or particular industries represented in those markets. The values of equity securities may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in equity securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding or other taxes, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which HPI believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame HPI anticipates. As a result, the Funds may lose all or substantially all of its investment in any particular instance.

Short Sales. The Funds may engage in short selling of securities, currencies or indices, including all forms of derivatives. A short sale will result in a gain if the price of the instrument sold declines sufficiently between the time of the short sale and the time at which another is purchased to replace it. A short sale will result in a loss if the price of the instrument sold short increases or does not decline sufficiently to cover transaction costs. Short sales on equities may expose the Funds to theoretically unlimited losses, due to the lack of an upper limit on the price to which an investment can rise. Any gain would be decreased and any loss would be increased by the amount of any premium or interest which the Funds may be required to pay with respect to the borrowed instrument.

Concentration of Investments. The Funds' assets may not be diversified. Any such non-diversification would increase the risk of loss to the Fund if there was a decline in the market value of any security or sector in which the Funds had invested a large percentage of its assets. Investment in a non-diversified fund will generally entail greater risks than investments in a diversified fund.

Fixed-Income Securities. The Funds expect to invest in bonds or other fixed-income securities, including, without limitation, commercial paper and "higher yielding" (and, therefore, higher risk) debt securities. Such securities may be below "investment grade" and may face ongoing uncertainties and exposure to adverse business, financial or economic conditions that could lead to the issuer's inability to make timely interest and principal payments. The market values of certain of these lower rated debt securities tend to reflect individual corporate developments to a greater extent than do higher rated securities, which react primarily to fluctuations in the general level of

interest rates, and tend to be more sensitive to economic conditions than are higher rated securities. Companies that issue lower rated debt securities often are highly leveraged and may not have access to more traditional methods of financing. Trading in such securities may be limited or disrupted by an economic recession, resulting in an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could affect adversely the ability of the issuers of such securities to repay principal and pay interest thereon and, therefore, increase the incidence of default for such securities.

Corporate Debt. Corporate debt securities are subject to the risk of the issuer's inability to meet principal and interest payments on the obligation and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity. When interest rates rise, the value of corporate debt securities can be expected to decline. Debt securities with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities.

High Yield Securities. The Funds may make investments in "high yield" debt and preferred securities which are rated lower than investment grade by the various credit rating agencies (or in comparable non-rated securities). Securities that are rated lower than investment grade are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with lower-rated securities, the yields and prices of such securities may tend to fluctuate more than those for higher-rated securities. The market for lower-rated securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such lower-rated securities.

Securities that are rated BB+ or lower by Standard & Poor's Ratings Group ("S&P") or Bal or lower by Moody's Investors Service ("Moody's") are often referred to in the financial press as "junk bonds" and may include securities of issuers in default. "Junk bonds" are considered by the rating agencies to be predominately speculative and may involve major risk exposures such as: (i) vulnerability to economic downturns and changes in interest rates; (ii) sensitivity to adverse economic changes and corporate developments; (iii) redemption or call provisions which may be exercised at inopportune times; and (iv) difficulty in accurately valuing or disposing of such securities.

Original Issue Discount, Zero Coupon and Deferred Interest Rate Bonds. The Funds may invest in original issue discount, zero coupon bonds and deferred interest bonds, which are debt obligations issued at a significant discount from face value. The original discount approximates the total amount of interest the bonds will accrue and compound over the period until maturity or the first interest accrual date at a rate of interest reflecting the market rate of the security at the time of issuance. While zero coupon bonds do not require the periodic payment of interest, deferred interest bonds generally provide for a period of delay before the regular payment of

interest begins. Such investments experience greater volatility in market value due to changes in interest rates than debt obligations that provide for regular payments of interest.

Convertible Securities. The Funds may invest in convertible securities, which are debt securities or preferred equity securities that are exchangeable for other debt or equity securities of the issuer at a predetermined price. Convertible securities entitle the holder to receive interest payments paid on corporate debt securities or the dividend preference on preferred equity securities until such time as the convertible security matures or is redeemed or until the holder elects to exercise the conversion privilege. As a result of the conversion feature, convertible securities typically offer lower interest rates than if the securities were not convertible. It is possible that the potential for appreciation on convertible securities may be less than that of a common stock equivalent.

Convertible securities may or may not be rated within the four highest categories by S&P and Moody's and, if not so rated, would not be investment grade. To the extent that convertible securities are rated lower than investment grade or not rated, there would be greater risk as to timely repayment of the principal of, and timely payment of interest or dividends on, those securities.

Also, in the absence of adequate anti-dilution provisions in a convertible security, dilution in the value of the Fund's holding may occur in the event the underlying stock is subdivided, additional securities are issued, a stock dividend is declared or the issuer enters into another type of corporate transaction which increases its outstanding securities.

Distressed Securities. The Funds expect to invest in the securities and obligations of distressed and bankrupt issuers, including debt obligations that are in covenant or payment default. Such investments generally are considered speculative. The repayment of defaulted obligations is subject to significant uncertainties. Defaulted obligations might be repaid, if at all, only after lengthy workout or bankruptcy proceedings, during which the issuer might not make any interest or other payments and the amount of any recovery may be affected by the relative security of the Fund's investment in the capital structure of the issuer. In addition, distressed investments are more likely to be challenged as fraudulent conveyances and amounts paid on the investment may be subject to avoidance as a preference under certain circumstances.

Purchasing securities or currencies to close out a short position can itself cause the price of the securities or currencies to rise further, thereby exacerbating a loss. Under adverse market conditions, the Fund may have difficulty purchasing securities or currencies to meet its short sale delivery obligations, and may have to sell portfolio securities or currencies to raise the capital necessary to meet its short sale obligations at a time when it would be unfavorable to do so. If a request for return of borrowed securities and/or currencies occurs at a time when other short sellers of the securities and/or currencies are receiving similar requests, a "short squeeze" can occur, and the Funds may be compelled to replace borrowed securities and/or currencies previously sold short with purchases on the open market at a disadvantageous time, possibly at prices in excess of the proceeds received in originally selling the securities and/or currencies short.

Availability of Investment Strategies. The success of the Funds' investment and trading activities will depend on the ability of the General Partner and HPI (including members of the investment team) to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the U.S. equity markets. Identification and exploitation of the investment strategies to be pursued by the Fund involves a high degree of uncertainty. No assurance can be given that the General Partner and HPI (including members of the investment team) will be able to identify suitable investment opportunities in which to deploy all of a Fund's capital. A reduction in overall market volatility and liquidity, as well as other market factors, may reduce the pool of profitable investment strategies for the Funds.

Investment in Non-U.S. Securities. The Funds expect to invest in non-U.S. securities. Such investments may be subject to a greater risk than U.S. investments due to non-U.S. economic, political and legal developments, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), expropriation of assets or nationalization, imposition of taxes on dividends, interest payments, capital gains, or other income, the need for approval by government or other authorities to make investments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities and other factors beyond the control of HPI. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive accounting, reporting or disclosure requirements than U.S. issuers. The securities markets of some countries in which the Funds may invest have substantially less volume than those in the United States, and securities of certain companies in these countries are less liquid and more volatile than securities of comparable U.S. companies. Accordingly, these markets may be subject to greater influence by adverse events generally affecting the market, and by large investors trading significant blocks of securities, than is usual in the United States. Brokerage commissions and other transaction costs on securities exchanges in non-U.S. countries are generally higher than in the United States. Non-U.S. securities settlements may in some instances be subject to delays and related administrative uncertainties. In some countries there are restrictions on investments or investors such that the only practicable way for the Fund to invest in such markets is by entering into swaps or other derivative transactions with its prime brokers or others. Such transactions involve counterparty risks which are not present in the case of direct investments and which may not be controllable by HPI.

Leverage. HPI expects to utilize leverage in investing the Funds' assets, including through engaging in trading on margin by borrowing funds and pledging securities as collateral. While such use of borrowed funds increases returns if a Fund earns a greater return on the incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns if a Fund fails to earn as much on such incremental investments as it pays for such funds. The effect of leverage may therefore result in a greater decrease in the net asset value of a Fund than if such Fund were not so leveraged. Any use by a Fund of short-term margin borrowings will result in certain additional risks to such Fund. For example, the securities pledged to brokers to secure a Fund's margin accounts could be subject to a "margin call," pursuant to which such Fund would be required to either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. A sudden, precipitous drop in value of a Fund's assets accompanied by corresponding margin calls could force a Fund to liquidate assets quickly, and not for what HPI perceives to be their fair value, in order to pay off its margin debt. In addition, the Funds may engage in certain derivative

transactions which implicitly contain leverage and subject the Funds to the same risks discussed above.

Limited Liquidity; No Market for Limited Partnership Interests. An investment in the Funds is a relatively illiquid investment because Interests are not generally transferable and the withdrawal rights of the Fund investors are restricted, including any lock-up period. In addition, transfer of the limited partnership interests may be affected by restrictions on resales imposed by federal and state securities laws and the requirement that the General Partner consent. The Funds are not intended as a complete investment program and is designed only for persons who are able to bear economic risk of investment and are sophisticated persons in connection with financial and business matters who do not need liquidity with respect to their investments.

Tax Risks

There are a number of tax considerations with respect to an investment in the Funds. Tax laws are subject to change, and tax liabilities could be incurred by Partners as a result of changes thereto. Fund investors may be subject to filing requirements and U.S. federal, state and local and non-U.S. taxes as a result of an investment in the Funds. The Funds themselves may be subject to U.S. federal, state or local or non-U.S. taxes. Therefore, Fund investors should consult their own tax advisors to determine the tax effects of an investment in the Funds, especially in light of their particular situations.

The Funds are managed without regard to the tax consequences of their investment or trading activity. The investment strategies of the Funds, acting through the Master Fund, including certain investments and hedging transactions, may result in the Funds being subject to tax rules that defer or disallow taxable losses or accelerate taxable income, cause Fund investors to be taxed on amounts not representing economic income, cause adjustments in the holding periods of securities, convert long-term capital gains into short-term capital gains or ordinary income or convert short-term capital losses into long-term capital losses.

For a full list of risks associated with an investment in the Funds, please review the Funds' offering documents.

Item 9: Disciplinary Information

HPI is not aware, after having conducted due diligence on the Firm and its management persons, of any legal or disciplinary events that would be material to a client's or prospective client's evaluation of HPI's advisory business or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

HPI provides investment advice to each Fund. The General Partner of each Fund is affiliated with and under common control with HPI. Neither HPI nor any of its affiliates is registered, or currently has an application pending to register, as a broker-dealer, a futures commissions merchant, a commodity pool operator, or a commodity trading advisor.

Certain of the related persons of HPI may have personal investments in companies, limited partnerships, or limited liability companies, including other partnerships and investment funds or

serve in advisory roles on investment committees for certain non-profits or educational institutions. To the extent that conflicts arise, they are reviewed by HPI's compliance personnel. Additionally, pursuant to the constituent documents of each Fund, the General Partner may form an advisory committee of representatives of investors and non-investors (the "Advisory Committee") to approve or disapprove, to the extent required by applicable law, principal transactions and certain other related party transactions and conflicts of interest proposed to be engaged in by the HPI or its affiliates

HPI does not have any arrangement in which it is compensated for recommending or selecting other investment advisers for the Funds, nor does HPI have any other business relationship or an arrangement with an investment adviser or any related person that would create a material conflict of interest with respect to HPI's management of the Funds.

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

HPI has adopted a formal compliance Code of Ethics that includes a securities trading code of ethics, insider trading policies and procedures, and procedures to address "pay to play" rules and regulations. Among other things, the code of conduct requires that employees act with integrity, place the interests of clients above their own, avoid actual and potential conflicts of interest, and comply with applicable provisions of all laws. The policies also require employees to pre-clear certain personal securities transactions, report personal securities transactions on at least a quarterly basis, and provide HPI with a detailed summary of certain holdings annually. HPI regularly reviews its compliance systems and procedures with experienced compliance consultants.

A copy of HPI's Code of Ethics will be provided to any investor or prospective investor upon request.

Item 12: Brokerage Practices

HPI is solely responsible for choosing the broker or brokers used for each securities transaction for the Master Fund. In negotiating commission rates and selecting broker/dealers, HPI seeks the best available combination of execution and price (which includes the cost of the transaction) and shall take into account all factors it deems relevant, including by way of illustration but not limited to the financial stability and reputation of the particular broker/dealer, the ability to achieve prompt and reliable executions at favorable prices, the operational efficiency with which transactions are effected and the brokerage and research services provided by such broker/dealer, among other factors. It is noted that since commission rates are generally negotiable, selecting brokers on the basis of considerations which are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable.

HPI believes that valuable brokerage and research services can be provided to the Fund and the Master Fund by brokerage firms effecting transactions for the Fund and the Master Fund. Accordingly, HPI does not intend to seek lower brokerage commissions to the extent that doing so might detract from the provision of such brokerage and research services. Brokerage and research services may either be obtained from brokerage firms or obtained from third parties and paid for

by HPI and subsequently charged to the Fund, the Master Fund, and the other Related Funds *pro rata* based on their relative capital balances. Brokerage and research services may include, but are not limited to, written (including electronic) information and analyses concerning specific securities, companies or sectors; news, quotation, statistics and pricing services, as well as discussions with research personnel and consultants; and hardware, software, data bases and other technical and telecommunications services and equipment utilized in the investment management process and consulting fees in connection with investigating and monitoring potential and existing investments. Research services, whether obtained by the use of commissions arising from the Fund's and the Master Fund's portfolio transactions or paid for HPI and charged to the Fund, the Master Fund, and any other funds the General Partner may organize in the future, may be used by HPI for the benefit of other funds.

Research and Brokerage Services

As is customary industry practice, broker-dealers may provide their own proprietary research to Investment Advisers, including HPI. Generally, commissions and other transaction costs (e.g., "mark-ups" and "mark-downs") paid to these broker-dealers to execute transactions include the cost to receive their proprietary research and other brokerage services.

HPI and its affiliates are entitled to use "soft" or commission dollars to pay for certain expenses that would otherwise be paid by HPI ("Soft Dollars"). If HPI uses soft dollars generated by the Master Fund to pay certain expenses which would otherwise be payable by HPI, HPI intends that such payments will fall within the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended. Using HPI's clients' commissions to pay for research creates an inherent conflict of interest between the HPI and clients as HPI would have to otherwise use its own funds to obtain this research product or service. In addition, while HPI uses this research to benefit all of its clients in its investment decision-making or trade execution process, clients whose commissions are used to pay for the research may not necessarily receive the direct benefit of this research or brokerage services while clients who do not pay for these services may receive the benefit. Soft Dollar commission rates may be higher than commission rates that might be charged by other broker-dealers to execute the transaction.

Trade Errors

The Funds (and not the HPI or its affiliates or personnel), will (i) be responsible for any losses resulting from trading errors and similar human errors, absent willful misfeasance, bad faith, gross negligence or reckless disregard in the performance of the obligations and duties of HPI, its affiliates or personnel, or (ii) receive the gain from such trading errors, as the case may be. Trading errors might include, for example, keystroke errors that occur when entering trades into an electronic trading system or typographical or drafting errors related to derivatives contracts or similar agreements.

Item 13: Review of Accounts

HPI performs various daily, weekly, monthly, quarterly and periodic reviews of the Funds. Such reviews are conducted and/or overseen by Portfolio Manager, Michael A. Karsch, and research associates.

With respect to the Funds, a periodic review is conducted of each investment portfolio with respect to its appropriateness given the Funds' investment objectives and strategy. This review also ensures that each investment position is in accordance to the limits prescribed in the respective Fund's governing documents and private placement memorandum.

HPI generally provides quarterly reports and also provides annual reports (including annual audited financial statements) to investors in the Funds.

Item 14: Client Referrals and Other Compensation

Currently, HPI does not provide compensation to any unaffiliated third party related to the solicitation of new clients or investors in the Funds.

Item 15: Custody

All assets of the Funds will be held in custody by unaffiliated broker/dealers or banks that serve as qualified custodians; however, HPI may be deemed to have access to client accounts since its affiliates serve as the General Partners of the Funds. Investors of each Fund will not receive statements from the custodian. Instead, each Fund will be subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the audited financial statements are distributed to the investors in each Fund. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 120 days of each Fund's fiscal year end.

Item 16: Investment Discretion

Upon the effectiveness of its registration, HPI will serve as the investment adviser with discretionary authority to implement investment decisions for each Fund. HPI's investment decisions and advice with respect to the Funds is subject to the investment mandates in each Fund's offering documents.

Item 17: Voting Client Securities

The Funds may have the opportunity to vote on a variety of corporate actions with respect to their portfolio companies. As part of the services provided by HPI, the Firm has adopted voting policies and procedures, which include final determination with respect to voting of proxies being made by HPI's Chief Executive Officer. These proxy voting policies and procedures are designed to ensure that HPI votes the proxies of each Fund in the best overall interests of the Fund. HPI maintains a record of all proxy votes cast on behalf of the Funds. The investors in each Fund may contact HPI for a copy of the policy or information with respect to a specific proxy vote.

Item 18: Financial Information

HPI has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to provide investment advisory services to the Funds.