



J.H. LANE PARTNERS

FIRM BROCHURE
(Part 2A of Form ADV)

April 18, 2016

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This Brochure provides information about the qualifications and business practices of J.H. Lane Partners, LP. If you have any questions about the contents of this Brochure, please contact Haskel Ginsberg at 212-899-9793 or by e-mail at hginsberg@jhlanepartners.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, and references in this Brochure to J.H. Lane as a "registered investment adviser" are not intended to imply a certain level of skill or training.

Additional information about J.H. Lane is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

If you are amending your *brochure* for your annual update and it contains material changes from your last annual update, identify and discuss those changes on the cover page of the *brochure* or on the page immediately following the cover page, or as a separate document accompanying the *brochure*. You must state clearly that you are discussing only material changes since the last annual update of your *brochure*, and you must provide the date of the last annual update of your *brochure*.

This is the first time J.H. Lane Partners, LP is submitting the Form ADV. In the future, when J.H. Lane Partners, LP amends its Brochure for its annual update (or otherwise) and the amended version contains material changes from the last annual update, it will identify and discuss those changes either on this page or as a separate document accompanying the Brochure.

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ITEM 4 – ADVISORY BUSINESS

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| <p>Item 4.A</p> | <p>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</p> <p>J.H. Lane Partners, LP (“J.H. Lane”) is a Delaware limited partnership formed on November 10, 2015. J.H. Lane’s office is located in New York, New York.</p> <p>J.H. Lane is beneficially owned and controlled by Jonathan Neiss and Seth Lax (the “Principals”). The general partner of J.H. Lane (the “General Partner”) is J.H. Lane Management GP, LLC (formerly J.H. Lane Partners, LLC), which is also owned by the Principals. Jonathan Neiss serves as J.H. Lane’s Portfolio Manager. Seth Lax serves as J.H. Lane’s President.</p> <p>J.H. Lane intends to serve as an investment adviser to pooled investment vehicles exempt from registration under the U.S. Investment Company Act of 1940, as amended (the “Investment Company Act”), pursuant to Section 3(c)(7) of the Investment Company Act (collectively, the “Funds” and collectively with any other clients or accounts J.H. Lane may in the future provide investment advisory services to the “Advisory Clients”).</p> |
| <p>Item 4.B</p> | <p>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</p> <p>J.H. Lane generally has broad and flexible investment authority with respect to the investment portfolios that it manages for the Funds. The Funds’ investment objectives and/or parameters are set forth in more detail in Item 8 below and in the Funds’ governing documents (the “Fund Documents”) provided to each investor in each Fund (each, an “Investor”). The Funds will be highly flexible and will have ability to select and dispose of investments in response to market opportunities and other circumstances.</p> <p>J.H. Lane intends to initially provide discretionary investment advisory services to three Funds: J.H. Lane Partners Master Fund, LP, a Cayman Islands exempted limited partnership (the “Master Fund”), in which two feeder funds, J.H. Lane Partners Fund, LP, a Delaware limited partnership (the “Onshore Feeder”), and J.H. Lane Partners Offshore Fund, Ltd., a Cayman Islands exempted company (the “Offshore Feeder”) (the Onshore Feeder and the Offshore Feeder, collectively, the “Feeder Funds”) invest as part of a “master-feeder” portfolio structure by which the Master Fund acts as a central trading mechanism for the Feeder Funds. The Feeder Funds intend to invest most or all of their investable assets in the Master Fund.</p> <p>J.H. Lane may invest on behalf of the Funds in certain investments it deems illiquid and treat such investments differently, pursuant to the parameters described in the Fund Documents.</p> |

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| Item 4.C | <p>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</p> <p>J.H. Lane neither tailors its advisory services to the individual needs of investors in the Funds, nor accepts investor-imposed investment restrictions. The Fund Documents set forth the Fund’s investment strategy, including guidelines regarding the types of securities in which the Fund will invest and portfolio limits (if any).</p> <p>J.H. Lane or the General Partner may from time to time cause the Funds to enter into side letter agreements or other similar agreements with one or more Investors that provide such Investors with terms additional to or different from those set forth in the Fund Documents.</p> |
| Item 4.D | <p>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</p> <p>J.H. Lane does not participate in wrap fee programs.</p> |
| Item 4.E | <p>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a <i>non-discretionary basis</i>. Disclose the date “as of” which you calculated the amounts.</p> <p>As of the date of this brochure, J.H. Lane does not have any assets under management but expects, following the effectiveness of J.H. Lane’s registration with the U.S. Securities and Exchange Commission (“SEC”) as a registered investment adviser, to have client assets under management at least sufficient to allow us to remain eligible for registration with the SEC.</p> |

ITEM 5 – FEES AND COMPENSATION

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| <p>Item 5.A</p> | <p>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</p> <p>As J.H. Lane will only provide this Brochure to “qualified purchasers” as defined in Section 2(a)(51)(A) of the Investment Company Act, we have not included a fee schedule or the other information requested by Item 5.A.</p> <p>It is critical that investors refer to the relevant Fund’s confidential private placement memorandum and other governing documents for a complete understanding of how J.H. Lane is compensated for its advisory services.</p> |
| <p>Item 5.B</p> | <p>Describe whether you deduct fees from <i>clients</i>’ assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</p> <p>Fees are deducted from each Fund’s assets. Investors do not have the ability to choose to be billed directly for fees incurred. The management fee (“Management Fee”) with respect to the Funds—which is calculated as a share of the net asset value for each class of shares/interests in each Feeder Fund—is generally payable quarterly in advance and will be prorated in the event of a contribution or withdrawal/redemption during the month. The performance allocation—which, subject to the terms described in the applicable private placement memorandum, is calculated as a share of the increase in net asset value for each class of shares/interests in the Funds—is calculated and charged at the end of each fiscal year (or at the time of any withdrawal/redemption).</p> <p>It is critical that investors refer to the relevant confidential private placement memorandum and other governing documents for a complete understanding of how fees are deducted from their assets. The information contained herein is a summary only and is qualified in its entirety by such documents.</p> |
| <p>Item 5.C</p> | <p>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</p> <p>Each Fund bears, or reimburses J.H. Lane and/or the General Partner for advancing, its administrative and operational expenses, including but not limited to, expenses related to investment transactions and positions for the Funds’ account, including brokerage commissions and custody charges, clearing and settlement charges, interest and commitment fees on loans and debit balances, costs of borrowing securities to be sold short; third-party operations, accounting and portfolio and trading-related software and system costs; research and market data fees, expenses and materials (including subscriptions to online news and quotation services and print publications, computer hardware, data feed for portfolio securities, data and software used for research (and any exchange fees related thereto), Bloomberg services and terminal, Debtwire service and travel expenses (including transportation, lodging and meals) relating to investment research, due diligence and execution); trustees’ fees; proxy solicitation firm fees, public relations firm fees related to the Funds’ investment activities; fees and</p> |

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| | <p>expenses incurred in connection with the Funds' risk management systems and processes (including software); costs of any outside appraisers, accountants, auditors, attorneys, independent pricing services or other experts or consultants engaged by J.H. Lane, the General Partner and/or the Master Fund to serve the needs of the Funds; fees and expenses of the Funds' administrator (such as portfolio and investor accounting, middle office, tax and financial reporting and investor servicing costs); costs and expenses in connection with communications to investors, including preparation and distribution to investors of marketing and reporting materials; bank charges; costs of insuring against risks to the Funds' assets; all legal fees and costs, including legal expenses arising in connection with the Funds' investing activities; legal expenses relating to the formation and organization of the Funds and legal expenses and costs (including settlement costs) arising in connection with any litigation or regulatory investigation instituted against the Funds, J.H. Lane and/or the General Partner regarding the affairs of the Funds; the Funds', the General Partner's and J.H. Lane's costs and expenses relating to regulatory and statutory filings (such as filings for FATCA, Form D, Form PF and blue sky); fees and expenses incurred in connection with the compliance by the Funds or by J.H. Lane, and/or the General Partner related to advising the Funds with applicable laws, rules, regulations and procedures (including the cost of any outside compliance consultants, but excluding the preparation of the Form ADV); any taxes applicable to any Fund on account of its operations and/or investments (including the cost of professional advice relating thereto), including any withholding or transfer taxes; administrative costs, including portfolio and investor accounting, tax and investor servicing costs; valuation costs and the costs of the audit of the Funds' annual financial statements; expenses related to the offering of the Interests (not including J.H. Lane's travel and lodging expenses relating to marketing the Interests); and other similar fees and expenses. Each Fund will also be responsible for its organizational fees and expenses. In addition, the Funds will bear the expenses of any blocker corporations formed by the Funds, and each Feeder Fund will bear its pro rata share of the Master Fund's expenses. The General Partner and/or J.H. Lane may, in their discretion, waive their right to be reimbursed for any of the foregoing expenses for any period of time.</p> <p>Except as provided above, J.H. Lane and the General Partner will bear their own operating, rent and similar overhead expenses, in addition to the salaries and benefits of their employees. The Funds may purchase and maintain (or reimburse J.H. Lane and/or the General Partner for purchasing or maintaining) directors' and officers' and errors and omissions insurance on behalf of the Funds, the General Partner, J.H. Lane, their principals, officers, employees, partners, directors, members, affiliates or agents of any of the foregoing.</p> <p>To the extent any expenses are incurred by J.H. Lane or the General Partner on behalf of more than one Fund, J.H. Lane or the General Partner, as applicable, will allocate such expenses in a reasonable manner among Funds.</p> <p>It is critical that investors refer to the relevant confidential private offering memorandum and other governing documents for a complete understanding of expenses. The information contained herein is a summary only and is qualified in its entirety by such documents.</p> |
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| Item 5.D | <p>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</p> <p>As described in Item 5.B., the Management Fee is paid quarterly in advance. Contributions made as of times other than the first day of the calendar quarter will be assessed a pro rata Management Fee at the time such contribution is made. Once paid, the Management Fee will be non-refundable.</p> <p>Performance-based allocations will not be paid in advance.</p> <p>It is critical that investors refer to the relevant confidential private offering memorandum and other governing documents for a complete understanding of their withdrawal/redemption rights and when fees are charged. The information contained herein is a summary only and is qualified in its entirety by such documents.</p> |
| Item 5.E | <p>If you or any of your <i>supervised persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</p> <p>Neither J.H. Lane nor any of J.H. Lane’s supervised persons accept compensation (e.g., asset-based sales charges or services fees) for the sale of securities or other investment products.</p> |
| Item 5.E.1 | <p>Explain that this practice presents a conflict of interest and gives you or your <i>supervised persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client’s</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend “no-load” funds.</p> <p>Not applicable.</p> |
| Item 5.E.2 | <p>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</p> <p>Not applicable.</p> |
| Item 5.E.3 | <p>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</p> <p>Not applicable.</p> |
| Item 5.E.4 | <p>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</p> |

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| | Not applicable. |
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ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

If you or any of your *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *supervised persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *supervised persons* face by managing these accounts at the same time, including that you or your *supervised persons* have an incentive to favor accounts for which you or your *supervised persons* receive a *performance-based fee*, and describe generally how you address these conflicts.

As described in Item 5 above, J.H. Lane or an affiliate of J.H. Lane receive performance-based compensation from investors in the Funds.

It should be noted that the fact that J.H. Lane and/or its affiliates could receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for J.H. Lane to effect transactions in investments that are riskier or more speculative than would be the case if compensation were based solely on a flat percentage of capital. In addition, the Funds' performance-based fees are generally calculated on a basis that includes unrealized appreciation of the Funds' assets; such compensation may be greater than if it were based solely on realized gains.

J.H. Lane does not currently have any side-by-side management arrangements.

ITEM 7 – TYPES OF CLIENTS

Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

J.H. Lane intends to provide investment advisory services to pooled investment vehicles operating as private investment funds, exempted from registration under the Investment Company Act. Each investor in the Funds must meet certain eligibility provisions: interests/shares in the Funds are generally offered to (A) U.S. investors who are (i) accredited investors within the meaning of Regulation D of the Securities Act of 1933, as amended and (ii) qualified purchasers within the meaning of Section 2(a)(51) of the Investment Company Act of 1940, as amended; and (B) non-U.S. investors. Admission to the Funds is not open to the general public.

The minimum investment amount for initial investments in each Feeder Fund is \$2,500,000. J.H. Lane or its affiliates, in their sole discretion, may accept lesser amounts. **Prospective investors to the Funds should refer to the private placement memorandum of each respective Feeder Fund for information on minimum investment requirements or other such requirements for opening or maintaining an account.**

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

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| <p>Item 8.A</p> | <p>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</p> <p><u>Methods of Analysis and Investment Strategies</u></p> <p>J.H. Lane has broad discretion in making investment decisions for the Funds, which it believes allows maximum liquidity and flexibility to trade in and to capitalize on opportunities with superior risk/reward characteristics. J.H. Lane utilizes various methods of analysis in formulating its investment management decisions. J.H. Lane seeks to achieve superior risk-adjusted returns for Investors throughout economic cycles. To execute this strategy of trading, J.H. Lane intends to utilize its wide breadth of experience in event-driven investing in stressed and distressed securities and other financial instruments, deep knowledge of bankruptcy and restructuring process and relevant industries, and J.H. Lane’s extensive network of industry relationships.</p> <p>The investment strategies are set forth in the private placement memorandum that is provided to investors in respect of the applicable Fund. With respect to the Funds, J.H. Lane intends to pursue an actively managed event-driven investment strategy focusing on companies that are currently experiencing, or likely to experience, financial and/or operational stress or distress. The Funds will primarily invest in long or short opportunities as they arise across the capital structure in publicly traded equity and debt securities and obligations, but may from time to time invest in private securities and obligations. Such investment instruments may include common and preferred equity or other securities that J.H. Lane may identify from time to time, bank debt, corporate bonds, debentures, notes, municipal bonds, claims held by trade or other creditors, limited partnership interests, equipment lease certificates, equipment trust certificates, foreign currency, derivatives, warrants, litigation claims and, to the extent permitted by applicable laws and regulations, securities issued by troubled foreign issuers, including foreign governments.</p> <p>Please note that an investment in the Funds is deemed highly speculative and is not intended as a complete investment program. Investing in the securities markets in general and in funds advised by J.H. Lane in particular involves significant risk. Investments in the Funds are designed only for experienced and sophisticated persons who are able to bear the economic risk of the loss of their investment and who have a limited need for liquidity.</p> <p>It is critical that investors refer to the relevant confidential private offering memorandum and other governing documents for a complete understanding of J.H. Lane’s investment strategies and methods of analysis. The information contained in this Item 8 is a summary only and is qualified in its entirety by such documents.</p> |
| <p>Item 8.B</p> | <p>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment</p> |

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| | <p>performance, particularly through increased brokerage and other transaction costs and taxes.</p> <p>All investing and trading activities risk the loss of capital. While J.H. Lane attempts to moderate these risks, there can be no assurance that the Funds will be able to invest fully on attractive terms or that the Funds will not suffer losses. The following discussion sets forth some of the more significant risks associated with the investment strategies pursued by J.H. Lane.</p> <p><u>Concentration of Investments.</u> Although a Fund will generally invest not more than 10% of its assets in any one issuer (measured at time of investment) and no more than 20% of its assets in any one industry, the Funds are not restricted in the amount of capital that may be committed to any sector, industry or geographic region, and at times the Funds may hold a relatively large concentration in a particular sector, industry and/or geographic region. Losses incurred in connection with those investments could have a material adverse effect on the Funds' overall financial condition. This is because the value of the Funds' investment portfolio will be more susceptible to any single occurrence affecting one or more of those sectors, industries or geographic regions than would be the case with a more diversified investment portfolio.</p> <p><u>Competition; Availability of Investments.</u> Certain markets in which the Funds may invest are extremely competitive for attractive investment opportunities and, as a result, there may be reduced expected investment returns. There can be no assurance that J.H. Lane will be able to identify or successfully pursue attractive activist or other investment opportunities in such environments. There has been significant growth in the number of firms organized to make such investments, which may result in increased competition to the Funds in obtaining suitable investments. Competition for suitable investments from other pooled investment vehicles, the public equity markets and other investors may reduce the availability of investment opportunities or alter the terms on which the Funds are able to invest. It may be difficult for the Funds to capitalize on investment opportunities or to purchase investments at the Funds' initial desired price. There can be no assurance that J.H. Lane will be able to identify or successfully pursue attractive investment opportunities for the Funds.</p> <p><u>Special Situations.</u> The Funds intend to invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or result in a distribution of cash or a new security the value of which will be less than the purchase price to the Funds of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, a Fund may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Funds may invest, there is a potential risk of loss by the Funds of the entire investment in such companies.</p> <p><u>No Operating History.</u> The Funds are newly formed entities and have no operating history upon which Investors can evaluate their likely performance. The past investment performance of the Principals or entities or accounts with which either</p> |
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| | <p>of them has been associated should not be construed as an indication of future results of an investment in the Funds.</p> <p><u><i>Limited Liquidity; No Secondary Market.</i></u> An investment in the Funds is suitable only for sophisticated investors who have no need for current liquidity. An investment in the Funds provides limited liquidity since Interests are not freely transferable and Investors making withdrawals/redemptions are subject to certain restrictions. There is no secondary market for Interests and none is likely to develop in the future. In addition, depending on the then current status of the financial markets, the liquidity profile of the Funds’ portfolio may not correspond with withdrawals/redemptions requests the Funds receive from Investors, and the Funds may suspend withdrawals/redemptions and withdrawal/redemption payments, make payments in-kind (including via subsidiary entities, special purpose vehicles and/or participation interests) or take such other appropriate measures as J.H. Lane and the General Partner deem necessary. J.H. Lane may cause the Funds to allocate capital to investments J.H. Lane considers less liquid, which capital will be not be withdrawable/redeemable by Investors as of right until such investments are liquidated.</p> <p><u><i>Changes and Uncertainty in U.S. and International Regulation.</i></u> The Funds may be adversely affected by uncertainties such as international and domestic political developments, changes in government policies, taxation, currency fluctuations and other developments in the laws and regulations of the countries to which the Funds are exposed through their investments or investor base. The tax and regulatory environment for hedge funds is evolving, and changes in the regulation or tax treatment of hedge funds and their investments may adversely affect the value of investments held by the Funds, and may impair their ability to pursue the trading strategy. During this period of uncertainty, market participants may react quickly to unconfirmed reports or information and as a result there may be increased market volatility. This unpredictability could cause J.H. Lane to alter investment and trading plans, including the holding period of positions and the nature of instruments used to achieve the Funds’ trading objective.</p> <p>In the United States, the Funds, J.H. Lane and the General Partner may be adversely affected as a result of new or revised legislation or regulations imposed by the SEC, the Financial Stability Oversight Council, and other U.S. governmental regulatory authorities or self-regulatory organizations that supervise the financial markets. In addition, the securities and futures markets are subject to comprehensive statutes and regulations including margin requirements. Regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The Dodd–Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) and the rules promulgated thereunder could result in the Funds, J.H. Lane and the General Partner becoming subject to additional regulatory compliance burdens and trade reporting, which may add significant cost to the Funds. The Dodd-Frank Act endows the SEC, the U.S. Commodity Futures Trading Commission (“CFTC”), and other regulators with discretionary authority to write and interpret new rules. The ultimate impact of the Dodd-Frank Act on the Funds, J.H. Lane and the General Partner is unclear and will depend in large part on the final regulations and guidance that the CFTC and the SEC promulgate.</p> <p>Actions in the future of one or more governments could have a significant effect on the various economies and/or the issuers in which the Funds have invested, which</p> |
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| | <p>could affect market conditions, prices and yields of securities in the Funds' portfolio as well as the any trading strategies that rely on historical pricing relationships. Further, some currency prices may be volatile, and there is the possibility of government controls on currency exchange or government intervention in currency markets, which could adversely affect the Funds. Political and economic instability in any of the countries in which the Funds invest could adversely affect the Funds' investments.</p> <p><u>Risks of Litigation.</u> Activist investing and investing in distressed securities can be a contentious and adversarial process. Different investor groups may have qualitatively different, and frequently conflicting, interests. The Funds' investment activities may include activities that are hostile in nature and will subject the Funds to the risks of becoming involved in litigation with creditors, trustees, the issuer, other shareholders, governmental entities or other third parties. This risk may be greater where a Fund exercises control or significant influence over a company's direction. Alternatively, the Funds may initiate litigation as a tool to further activist goals, and such litigation may precipitate counterclaims. Litigation, even if successful, is often expensive. Unsuccessful litigation could result in losses to the Funds. The expense of pursuing or defending against claims, and paying any amounts pursuant to settlements or judgments would be borne by the Funds and would reduce net assets and could require Fund investors to return distributed capital and earnings to the Funds. J.H. Lane will be indemnified by the Funds in connection with such litigation, subject to certain limitations.</p> |
| Item 8.C | <p>If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</p> <p><u>Distressed Investments.</u> The Funds will invest in "distressed investments" – securities, trade claims, litigation claims, warrants and other derivatives, real estate interests, bank debt and other obligations of entities which are experiencing significant financial or business difficulties. Distressed investments may result in significant returns, but involve a substantial degree of risk. The Funds may lose a substantial portion or all of their investment in a distressed investment or may be required to accept cash or securities with a value much less than the Funds' investment. In addition, it frequently may be difficult to obtain information as to the true condition of such issuers. Distressed investments are often significantly less liquid than marketable securities or other assets with readily ascertainable market value. Such investments also may be adversely affected by laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability, litigation risks and a bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims. The market price of such investments is subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such instruments may be greater than normally expected. In investing in distressed investments, litigation is sometimes required, which can be time-consuming and expensive, and can lead to unpredicted delays or losses.</p> <p>Trade claims are purchased on an individual basis from trade creditors of the insolvent entity. As a result, it may be difficult for J.H. Lane to identify claimholders and to acquire a sufficient quantity of claims to make an investment worthwhile. Trade claims are subject to individual defenses which may be asserted by the debtor as well as possible deficiencies in the seller's title to the claim. As a</p> |

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| | <p>result, the Funds will have a greater risk of loss than would apply to a more generic debt instrument and the Funds may be forced to incur substantial legal fees in enforcing their rights.</p> <p>Any investment that the Funds may make in real estate will be subject to the risks incident to the ownership and operation of residential, commercial and industrial real estate. In addition, the value of any loans and bonds secured by real estate assets may be detrimentally affected if the real estate collateral declines in value. To the extent that the Funds invest, directly or indirectly, in real property, the Funds will be subject to the following risks that may affect the value of such real property: risks associated with both the domestic and international general economic climate, local real estate conditions, community conditions, population trends, local employment conditions, changes in supply of, or demand for, competing properties in an area (as a result, for instance, of over-building), energy and supply shortages, various uninsured or uninsurable risks, terrorism, war, natural disasters, the ability of the Funds and third parties to manage the real properties, changes in applicable laws and government regulations (including tax laws), potential environmental and other legal liabilities, general availability of financing and changes in interest rate levels, changes in interest rates and ordinary market fluctuations in the value of property or equity taken as collateral for any loans made. Certain of these risks cannot be predicted with certainty or controlled by J.H. Lane. If the Funds purchase real property or foreclose on loans or bonds secured by real property, the Funds will incur the burdens of ownership of real property, which include the paying of expenses and taxes maintaining such property and any improvements thereon, and ultimately disposing of such property.</p> <p>The Funds may purchase creditor claims subsequent to the commencement of a formal reorganization or wind down process. Under judicial decisions, it is possible that such purchase may be disallowed by the bankruptcy court if the court determines that the purchaser has taken unfair advantage of an unsophisticated seller, which may result in the rescission of the transaction (presumably at the original purchase price) or forfeiture by the purchaser.</p> <p>The Dodd-Frank Act established the Orderly Liquidation Authority (the “OLA”), an insolvency regime for large, interconnected financial companies, including broker-dealers, whose failure poses a significant risk to the financial stability of the United States. The Funds may invest in, or transact with, such large, interconnected financial companies and therefore may face losses if such financial companies are put into receivership and then liquidated or reorganized upon a determination by the U.S. Federal Deposit Insurance Corporation (the “FDIC”) and the Board of Governors of the U.S. Federal Reserve. If a financial company becomes liquidated or reorganized by the OLA, the Funds’ investments in such a financial company could be adversely affected. Compared to bankruptcy proceedings, creditors, shareholders and contract counterparties will have less input into and/or advance notice about the liquidation or reorganization of the financial company. While the FDIC has outlined certain aspects of its strategy and promulgated certain rules and regulations with respect to the OLA, it is unclear how financial companies that become subject to liquidation proceedings or reorganizations by the OLA will ultimately be affected.</p> <p><u>Equity Securities.</u> The Funds will likely invest in equity and equity-related securities. Equity securities fluctuate in value in response to many factors, including the activities, results of operations and financial condition of individual companies,</p> |
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| | <p>the business market in which individual companies compete, industry market conditions, interest rates and general economic environments. In addition, events such as political instability, terrorism and natural disasters may be unforeseeable and contribute to market volatility in ways that may adversely affect investments made by the Funds.</p> <p><u>Small Companies.</u> The Funds will likely invest a portion of its assets in small and/or unseasoned companies. While smaller companies generally have potential for rapid growth, they often involve higher risks because they may lack the management experience, financial resources, product diversification and competitive strength of larger companies. In addition, in many instances, the frequency and volume of their trading may be substantially less than is typical of larger companies.</p> <p><u>Capital Structure Arbitrage.</u> The Funds may invest based on capital structure arbitrage strategies. The success of any such strategies will depend on J.H. Lane's ability to identify and exploit inefficiencies in the pricing of credit risk within a company's or sovereign's capital structure. Identification and exploitation of market opportunities involve uncertainty. There can be no assurance that J.H. Lane will be able to locate investment opportunities or to correctly exploit price discrepancies. A reduction in the pricing inefficiency of the markets in which the Funds will seek to invest will reduce the scope for the Funds' involvement in these strategies. In the event that the perceived mispricings underlying the Funds' positions fail to materialize, these strategies could be unsuccessful or result in losses.</p> <p><u>Fixed Income Securities and Loans.</u> The Funds will invest in bonds or other fixed income securities of U.S. and non-U.S. issuers, including, without limitation, bank debt, bonds, notes, debentures and commercial paper, as well as derivatives thereon. Fixed income securities pay fixed, variable or floating rates of interest. The value of fixed income securities in which the Funds invest will change in response to fluctuations in interest rates. In addition, the value of certain fixed-income securities and bank loans can fluctuate in response to perceptions of creditworthiness, foreign exchange rates, political stability or soundness of economic policies.</p> <p><u>Bank Loans.</u> The Funds' investment program will likely include investments in bank loans and participations. These obligations are subject to unique risks, including: (i) the possible invalidation of an investment transaction as a fraudulent conveyance under relevant creditors' rights laws; (ii) so-called lender-liability claims by the issuer of the obligations; (iii) environmental liabilities that may arise with respect to collateral securing the obligations; and (iv) limitations on the ability of the Funds to directly enforce their rights with respect to participations. In analyzing each bank loan, J.H. Lane compares the relative significance of the risks against the expected benefits of the investment. Successful claims by third parties arising from these and other risks will be borne by the Funds.</p> <p>Certain newer loans use standardized documentation in an attempt to facilitate loan trading. Although this may improve market liquidity, there can be no assurance that future levels of supply and demand in loan trading will provide an adequate degree of liquidity or that any level of liquidity will continue. Because of the provision to holders of such loans of confidential information relating to the borrower, the unique and customized nature of the loan agreement, and the private syndication of the loan, loans are not as easily purchased or sold as a publicly traded security, and</p> |
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| | <p>historically the trading volume in the loan market has been small relative to the high-yield debt market.</p> <p><u><i>“High Yield” Securities.</i></u> The Funds may invest in “higher yielding” (and, therefore, higher risk) debt securities. Such securities are generally considered to be below “investment grade” and face ongoing uncertainties and exposure to adverse business, financial or economic conditions which could lead to the issuer’s inability to meet timely interest and principal payments. In certain periods, there may be little or no liquidity in markets for these securities. Furthermore, it is likely that a major economic recession or financial crisis could have a materially adverse impact on the value of such securities. As expected, high yield securities have historically experienced greater default rates than has been the case for investment grade securities. 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. The markets for high yield securities tend to be more volatile, less liquid and less active than those for higher-rated securities, which can adversely affect the price at which these securities can be sold and may make it impractical or impossible to sell such securities at times of market dislocation. In addition, adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the value and liquidity of these securities.</p> <p><u><i>Illiquid Securities and Obligations.</i></u> The Funds may also trade in illiquid securities and other obligations (whether or not the issuer or debtor is distressed), such as unregistered securities of publicly held companies and securities and other obligations of privately held companies. Such positions may require a significant amount of time from the date of initial investment before disposition. At various times, the markets for securities purchased or sold by the Funds may be “thin” or illiquid, making the purchase or sale of securities at desired prices or in desired quantities difficult or impossible. There may be no market for unlisted securities traded by the Funds. In some cases, the Funds may be contractually prohibited from disposing of such securities for a specified period of time. Further, the sale of any such positions may be possible only at substantial discounts and such positions may be extremely difficult to value. If a substantial number of Investors were to withdraw/redeem their interests from the Funds and the Funds did not have a sufficient number of liquid securities, the Funds might have to meet such withdrawals/redemptions through distributions of illiquid securities.</p> <p><u><i>Structured Finance Securities.</i></u> The Funds may invest in structured finance securities such as, for example, collateralized debt obligations. Structured finance securities may present risks similar to those of the other types of investments in which the Funds may invest and, in fact, such risks may be of greater significance in the case of structured finance securities. Moreover, investing in structured finance securities may entail a variety of unique risks. Among other risks, structured finance securities may be subject to prepayment risk. In addition, the performance of a structured finance security will be affected by a variety of factors, including its priority in the capital structure of the issuer thereof, the availability of any credit enhancement, the level and timing of payments and recoveries on and the characteristics of the underlying receivables, loans or other assets that are being securitized, remoteness of those assets from the originator or transferor, the adequacy of and ability to realize upon any related collateral and the capability of the servicer of the securitized assets.</p> |
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Convertible Securities. The Funds may invest in convertible securities. The market value of convertible securities, as with all fixed income securities, tends to decline as interest rates increase and, conversely, to increase as interest rates decline. However, when the market price of the common stock underlying a convertible security exceeds the conversion price, the convertible security tends to reflect the market price of the underlying common stock. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly on a yield basis and thus, may not decline in price to the same extent as the underlying common stock. If a convertible security held by the Funds is called for redemption, the Funds will be required to permit the issuer to redeem the security, convert it into the underlying stock or sell it to a third party. Any of these actions could have an adverse effect on J.H. Lane's ability to achieve its investment objective.

Foreign Investments. The Funds may invest in non-U.S. securities and other instruments denominated in non-U.S. currencies and/or traded outside of the U.S. Such transactions require consideration of certain risks not typically associated with trading in U.S. securities or other instruments. Such risks include unfavorable currency exchange rate developments, restrictions on repatriation of investment income and capital, imposition of exchange control regulation by the U.S. or foreign governments, confiscatory taxation and economic or political instability in foreign nations. In addition, there may be less publicly available information about certain non-U.S. companies than would be the case for comparable companies in the U.S., and certain non-U.S. companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. companies.

Currency Risks. Since the Funds may invest in securities and other instruments denominated or quoted in currencies other than the U.S. dollar, changes in currency exchange rates will affect the value of the Funds' portfolio and the unrealized gains or losses on investments. Further, the Funds may incur costs in connection with conversions between various currencies. Foreign currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to the Funds at one rate, while offering a lesser rate of exchange should the Funds desire immediately to resell that currency to the dealer. The Funds will conduct their currency exchange transactions either on a spot (i.e., cash) basis at the spot rate prevailing in the currency exchange market, or through entering into forward contracts to purchase or sell non-U.S. currencies.

Short Sales. A short sale involves the sale of a security that the Funds does not own in the expectation of purchasing the same security (or a security exchangeable therefor) at a later date at a lower price. To make delivery to the buyer, the Funds must borrow the security and the Funds are obligated to return the security to the lender, which is accomplished by a later purchase of the security by the Funds. When the Funds make a short sale in the United States, they must leave the proceeds thereof with the broker and must also deposit with the broker an amount of cash or U.S. government or other securities sufficient under current margin regulations to collateralize the obligation to replace the borrowed securities that have been sold. If short sales are effected on a foreign exchange, such transactions will be governed by local law. A short sale involves the risk of a theoretically unlimited increase in the market price of the security that would result in a theoretically unlimited loss to the Funds. The extent to which the Funds will engage in short sales will depend upon J.H. Lane's investment strategy and perception of market direction and the

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| | <p>value of individual securities. J.H. Lane may engage in short sales on behalf of the Funds as a hedge against potential market declines and/or based on its fundamental analysis of the subject issuers.</p> <p><u>Call Options.</u> There are risks associated with the sale and purchase of call options. The seller (writer) of a call option which is covered (e.g., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. If the seller of the call option owns a call option covering an equivalent number of shares with an exercise price equal to or less than the exercise price of the call written, the position is “fully hedged” if the option owned expires at the same time or later than the option written. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing its entire investment in the call option.</p> <p><u>Put Options.</u> There are risks associated with the sale and purchase of put options. The seller (writer) of a put option which is covered (e.g., the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price (in establishing the short position) of the underlying security plus the premium received, and gives up the opportunity for gain on the underlying security below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is “fully hedged” if the option owned expires at the same time or later than the option written. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option.</p> <p><u>Derivatives Generally.</u> Derivative instruments, or “derivatives,” include options, swaps, structured securities and other instruments and contracts that are derived from or the value of which is related to one or more underlying securities, financial benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The Funds may seek to acquire derivatives for these or other reasons.</p> <p>The value of a derivative is frequently difficult to determine and depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to investing in the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives. For example, because many derivatives are “leveraged,” and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose the Funds to the possibility of a loss exceeding the original amount invested. Over-the-counter derivatives generally are not assignable except by agreement between the parties concerned, and no party or purchaser has any obligation to permit such assignments. The over-the-counter market for derivatives is relatively illiquid. In the case of</p> |
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| | <p>over-the-counter derivatives contracts, the Funds are subject to the credit risk of the counterparty.</p> <p>The Funds may take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available, but that may be developed, to the extent such opportunities are both consistent with the investment objective of the Funds and legally permissible. Special risks may apply to instruments in which the Funds invest in the future that cannot be determined at this time or until such instruments are developed or invested in by the Funds.</p> <p><u><i>Futures Trading.</i></u> J.H. Lane may trade futures on behalf of the Funds. Futures trading is very speculative, largely due to the traditional volatility of futures prices. Futures prices are affected by and may respond rapidly to a variety of factors, including (but not limited to) market and news reports, interest rates, national and international political or economic events, and domestic or foreign trade, monetary or fiscal policies or programs. Such rapid response might include an opening price on an affected futures contract sharply higher or lower than the previous day's close. In such an instance, the Funds might be unable to adjust their positions in time to avoid a loss.</p> <p>Moreover, commodity exchanges limit fluctuations in commodity futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." 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 traders are willing to effect trades at or within the limit. Commodity futures prices have occasionally moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent the Funds from promptly liquidating unfavorable positions and subject the Funds to substantial losses. In addition, the Dodd-Frank Act significantly expands the CFTC's authority to impose broader aggregate position limits.</p> <p><u><i>Forward Trading.</i></u> J.H. Lane may engage in forward trading on behalf of the Funds. Deliverable forward contracts (including certain foreign exchange contracts) and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Such forward trading is largely unregulated and currently daily price movements are not limited and speculative position limits are not applicable. The principals who deal in such forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration, which could result in substantial losses to the Funds.</p> <p><u><i>Hedging Transactions.</i></u> The Funds may utilize financial instruments, both for investment purposes and for risk management purposes in order (i) to protect against possible changes in the market value of the Funds' portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) to protect the Funds' unrealized gains in the value of the Funds' portfolio; (iii) to facilitate the sale of any such investments; (iv) to enhance or preserve returns, spreads or gains on any investment in the Funds' portfolio; (v) to hedge the interest rate or currency exchange rate on any of the Funds' liabilities or assets; (vi) to protect against any</p> |
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| | <p>increase in the price of any securities the Funds anticipate purchasing at a later date; or (vii) for any other reason that J.H. Lane deems appropriate.</p> <p>The success of the Funds' hedging strategy will depend, in part, upon J.H. Lane's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the portfolio investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Funds' hedging strategy will also be subject to J.H. Lane's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Funds than if it had not engaged in such hedging transactions. For a variety of reasons, J.H. Lane may not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent the Funds from achieving the intended hedge or expose the Funds to risk of loss. J.H. Lane may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of the Funds' portfolio holdings.</p> <p><u><i>Leverage and Borrowing Risks.</i></u> The Funds have the power to borrow funds and may do so when deemed appropriate by J.H. Lane, including to enhance the Funds' returns and satisfy withdrawal/redemption requests that would otherwise result in the premature liquidation of investments. The Funds may borrow funds from brokers, banks and other lenders to finance their investment operations, which borrowings may be secured by assets of the Funds. The use of such leverage can, in certain circumstances, maximize the losses to which the Funds' investment portfolio may be subject. Any event that adversely affects the value of an investment would be magnified to the extent that asset or the applicable Fund is leveraged. The cumulative effect of the use of leverage by the Funds in a market that moves adversely to the Funds' investments could result in a substantial loss to the Funds, which would be greater than if the Funds were not leveraged. Leverage may be achieved through, among other methods, direct borrowing, purchases of securities on margin and the use of options, futures, forward contracts, repurchase and reverse repurchase agreements and swaps. The access to capital could be impaired by many factors, including market forces or regulatory changes.</p> <p>The use of margin and short-term borrowings creates several risks for the Funds. If the value of the Funds' securities falls below the margin level required by a prime broker, additional margin deposits would be required. If the Funds are unable to satisfy any margin call by a prime broker, then the prime broker could liquidate the Funds' position in some or all of the financial instruments that are in the Funds' accounts at the prime broker and cause the Funds to incur significant losses. Furthermore, secured counterparties and lenders may have the right to sell, pledge, rehypothecate, assign, use or otherwise dispose of collateral posted by the Funds. This could increase exposure to the risk of a counterparty default since, under such circumstances, the Funds may be unable to recover the posted collateral promptly or may be unable to recover all of the posted collateral. The occurrence of defaults may trigger cross-defaults under the Funds' agreements with other brokers, lenders,</p> |
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| | <p>clearing firms or other counterparties, creating or increasing a material adverse effect on the performance of the Funds.</p> <p>The purchase of options, futures, forward contracts, repurchase agreements, reverse repurchase agreements and equity swaps generally involves little or no margin deposit and, therefore, will provide substantial leverage. Accordingly, relatively small price movements in these financial instruments may result in immediate and substantial losses to the Funds.</p> <p>It is critical that investors refer to the relevant confidential private offering memorandum and other governing documents for a complete understanding of the material risks involved in relation to the types of securities that J.H. Lane invests in on behalf of the Funds. The information contained herein is a summary only and is qualified in its entirety by such documents.</p> |
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ITEM 9 – DISCIPLINARY INFORMATION

If there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

J.H. Lane has no legal or disciplinary information to disclose at this time.

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| <p>Item 9.A</p> | <p>A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a <i>management person</i></p> <ol style="list-style-type: none"> 1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any <i>felony</i>; (b) a <i>misdemeanor</i> that <i>involved</i> investments or an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses; 2. is the named subject of a pending criminal <i>proceeding</i> that involves an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses; 3. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation; or 4. was the subject of any <i>order</i>, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a <i>management person</i> from engaging in any <i>investment-related</i> activity, or from violating any <i>investment-related</i> statute, rule, or <i>order</i> <p>Not applicable.</p> |
| <p>Item 9.B</p> | <p>An administrative <i>proceeding</i> before the SEC, any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> in which your firm or a <i>management person</i></p> <ol style="list-style-type: none"> 1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or 2. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation and was the subject of an <i>order</i> by the agency or authority <ol style="list-style-type: none"> (a) denying, suspending, or revoking the authorization of your firm or a <i>management person</i> to act in an <i>investment-related</i> business; (b) barring or suspending your firm’s or a <i>management person's</i> association with an <i>investment-related</i> business; (c) otherwise significantly limiting your firm’s or a <i>management person's investment-related</i> activities; or (d) imposing a civil money penalty of more than \$2,500 on your firm or a <i>management person</i>. <p>Not applicable.</p> |

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| Item 9.C | <p>A self-regulatory organization (SRO) proceeding in which your firm or a management person</p> <ol style="list-style-type: none"> 1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or 2. was <i>found</i> to have been <i>involved</i> in a violation of the <i>SRO's</i> rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from <i>investment-related</i> activities; or (iii) fined more than \$2,500. <p>Not applicable.</p> |
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ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

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| Item 10.A | <p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>Not applicable. Neither J.H. Lane nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.</p> |
| Item 10.B | <p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</p> <p>Neither J.H. Lane nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of such entities. J.H. Lane will operate under an exemption from registration with the CFTC as a commodity pool operator pursuant to CFTC Rule 4.13(a)(3), which is available to managers of privately offered funds whose investments in commodity interests are limited to certain thresholds and parameters and which are not marketed as a vehicle for trading commodity interests.</p> |
| Item 10.C | <p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> 1. broker-dealer, municipal securities dealer, or government securities dealer or broker 2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund) 3. other investment adviser or financial planner 4. futures commission merchant, commodity pool operator, or commodity trading advisor 5. banking or thrift institution 6. accountant or accounting firm 7. lawyer or law firm 8. insurance company or agency 9. pension consultant 10. real estate broker or dealer 11. sponsor or syndicator of limited partnerships <p>J.H. Lane serves as investment advisor to the Funds. J.H. Lane, its employees, affiliates or their related persons also invest directly in any one, some or all of the Funds. J.H. Lane has adopted a Code of Ethics concerning trading by personnel of J.H. Lane that is designed to detect and prevent potential conflicts of interest between J.H. Lane, including its employees, and the Fund and Investors. Please</p> |

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| | <p>refer to Item 11 below for additional information regarding J.H. Lane's Code of Ethics.</p> <p>An affiliate of J.H. Lane, J.H. Lane Holdings GP, LLC, serves as the general partner of the Master Fund and the Domestic Feeder. As described in Item 6, this creates a conflict of interest in that it may cause J.H. Lane or the General Partner to take greater risks than they may have otherwise. This conflict of interest is addressed as described in Item 6.</p> |
| Item 10.D | <p>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</p> <p>Not applicable. J.H. Lane does not recommend or select other investment advisers for its Funds.</p> |

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

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| Item 11.A | <p>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any client or prospective client upon request.</p> <p>J.H. Lane’s Code of Ethics (the “Code”) is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (the “Advisers Act”). The Code applies to J.H. Lane’s “Access Persons.” Access Persons include, generally, any partner, officer or director of J.H. Lane and any employee or other supervised person of J.H. Lane (or an affiliate) who, in relation to the Fund, (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All employees of J.H. Lane are deemed to be Access Persons.</p> <p>The Code sets forth a standard of business conduct that takes into account J.H. Lane’s status as a fiduciary and requires Access Persons to place the interests of the Funds and Investors above their own interests and the interests of J.H. Lane and its affiliates. All Access Persons are required to acknowledge their receipt of, and agreement to abide by, the Code upon hire and at least annually thereafter. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of J.H. Lane’s Chief Compliance Officer (the “Chief Compliance Officer”).</p> <p>The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide J.H. Lane’s Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, J.H. Lane’s Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Advisers Act Rule 204A-1.</p> <p>J.H. Lane manages the potential conflicts of interest inherent in personal trading by Access Persons through rigorous enforcement of its Code, which contains limitations on Access Persons’ personal investment activities. Access Persons’ personal securities transactions are required to be made in accordance with J.H. Lane’s Code. In addition, J.H. Lane receives transaction and holdings reports in accordance with Advisers Act Rule 204A-1. The Chief Compliance Officer reviews Access Persons’ personal transaction and holdings reports in an effort to ensure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code.</p> <p>J.H. Lane maintains a “Restricted List” with the names of issuers of securities about which J.H. Lane (or its Access Persons) has learned material, non-public information or that may require, for business or legal reasons, that the Fund and Access Persons do not trade in the securities for a specific period of time. Access Persons are strictly prohibited from trading securities on the Restricted List (or any other securities to which the material, non-public information relates). In addition,</p> |
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| | <p>the Code seeks to ensure the protection of non-public information about the activities of the Funds.</p> <p>As explained in Item 10 above, J.H. Lane serves as investment adviser to the Funds. J.H. Lane recommends interests in the Funds to prospective Investors. J.H. Lane, its affiliates and certain Access Persons have invested, and may continue to invest, in the Funds.</p> <p>Investors or prospective Investors may obtain a copy of the Code by contacting the Chief Compliance Officer at hginsberg@jhlanepartners.com.</p> |
| Item 11.B | <p>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>As explained in Item 10.C above, J.H. Lane serves as the investment adviser to the Funds, and J.H. Lane, its employees, affiliates or their related persons also invest directly in any one, some or all of the Funds. An Affiliate of J.H. Lane serves as the general partner of the Master Fund and the Domestic Feeder.</p> <p>The fact that J.H. Lane, its employees, affiliates or their related persons have a financial ownership interest in the Funds creates a conflict of interest in that it may incentivize J.H. Lane to make different investment decisions than if such persons did not have such a financial ownership interest. Further, J.H. Lane charges fees based on a percentage of assets under management. Such asset-based fee is payable without regard to the overall success or income earned by the Advisory Clients and therefore creates an incentive on the part of J.H. Lane to raise or otherwise increase assets under management to a higher level than would be the case if J.H. Lane were receiving a lower or no management fee. The receipt of performance-based compensation by affiliates of J.H. Lane may create an incentive for J.H. Lane to make investments that are riskier or more speculative than would be case in the absence of a performance-based fee structure. Such potential conflicts are addressed by the personal securities transaction pre-clearance and holding requirements described in J.H. Lane's Code of Ethics.</p> |
| Item 11.C | <p>If you or a <i>related person</i> invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a <i>related person</i> recommends to <i>clients</i>, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</p> <p>Related persons of J.H. Lane may not buy, sell or otherwise invest in securities that J.H. Lane also recommends to Advisory Clients unless prior written approval is obtained from the Chief Compliance Officer before engaging in these personal transactions, as described in J.H. Lane's Code of Ethics. Each such related person transaction is separately identified and made strictly in accordance with J.H. Lane's Code of Ethics and the terms of the offering described in the applicable private placement memorandum. Such employee transactions will be reviewed in the best interests of the Advisory Clients and will be denied by the Chief Compliance Officer if there is risk of potential adverse consequences to the Advisory Clients. J.H. Lane will also maintain a restricted securities list that contains the names of any public security about which J.H. Lane, its employees or its affiliates have received material</p> |

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| | <p>non-public information. The Advisory Clients and related persons of J.H. Lane are generally prohibited from trading in securities on the restricted list.</p> |
| Item 11.D | <p>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>J.H. Lane and its related persons conduct investment activities for their own accounts and may serve as investment advisers or investment managers to other clients in the future. Such other activities or accounts may have investment objectives or may implement investment strategies similar to those of the Advisory Clients. J.H. Lane and its principal owners have a significant investment in certain J.H. Lane Funds and may have investments in certain other entities managed by J.H. Lane or its affiliates from time to time.</p> <p>The trades made by some funds or accounts managed by J.H. Lane or its affiliates in the future, may compete with trades for some Advisory Clients' portfolios. J.H. Lane will generally determine the allocation of assets pro rata based on assets under management or in some other manner which J.H. Lane determines is fair and equitable under the circumstances.</p> <p>Please see Item 11.C above for a description of how J.H. Lane manages the personal trading aspect of this conflict via its Code of Ethics.</p> |

ITEM 12 – BROKERAGE PRACTICES

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| <p>Item 12.A</p> | <p>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (e.g., commissions).</p> <p>When performing investment management services for the Funds, J.H. Lane has full discretion to place buy and sell orders with or through such brokers or dealers as it may deem appropriate. It is the policy and practice of J.H. Lane to strive for the best price and execution that are competitive in relation to the value of the transaction (“best execution”). In selecting brokers to effect portfolio transactions for the Funds, J.H. Lane considers factors such as price, the ability of the brokers to effect the transactions, the brokers’ facilities, reliability and financial responsibility and the provision or payment (or the rebate to the Funds for payment) of the costs of property or services (e.g., short-term custodial services, research services, news and quotation services, publications, and other services). Accordingly, if J.H. Lane 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, the Funds may pay commissions to such broker in an amount greater than the amount another broker might charge.</p> |
| <p>Item 12.A.1</p> | <p><u>Research and Other Soft Dollar Benefits.</u> If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.</p> <ol style="list-style-type: none"> a. Explain that when you use <i>client</i> brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services. b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your <i>clients’</i> interest in receiving most favorable execution. c. If you may cause <i>clients</i> to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact. d. Disclose whether you use soft dollar benefits to service all of your <i>clients’</i> accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to <i>client</i> accounts proportionately to the soft dollar credits the accounts generate. e. Describe the types of products and services you or any of your <i>related persons</i> acquired with <i>client</i> brokerage commissions (or markups or markdowns) within your last fiscal year. f. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for soft dollar benefits you received. <p>J.H. Lane may select a broker-dealer in recognition of the value of various services or products, beyond transaction execution, that such broker-dealer provides where, considering all relevant factors, it believes the broker-dealer can provide best</p> |

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| | <p>execution. The amount of compensation paid to such broker-dealer may be higher than what another, equally capable broker-dealer might charge. Selecting a broker-dealer in recognition of the provision of services or products other than transaction execution is known as paying for those services or products with “soft dollars.”</p> <p>J.H. Lane does not currently have any soft dollar arrangements in place, and at this time has no plan to enter into any such arrangements.</p> <p>J.H. Lane has established prime brokerage arrangements on behalf of the Funds with one or more registered broker-dealers (each a “Prime Broker”). Under these arrangements, the Prime Broker, among other things: (i) settles and clears trades; (ii) extends margin and securities loans; (iii) maintains custody of cash and securities held by the Funds; and (iv) provides detailed portfolio and related reports. J.H. Lane may cause the Funds to pay for custodial and related services either in cash or by allocating a portion of its business to the Prime Broker. The brokerage commissions and other costs charged by the Prime Broker have been negotiated by J.H. Lane (or its affiliates) and are believed to be comparable to those charged by other brokerage firms for similar accounts. J.H. Lane and its affiliates may, in their sole discretion, change the Prime Broker, alter the terms of the arrangements with the Prime Broker, or make alternative arrangements to receive the services provided by the Prime Broker. J.H. Lane may also use additional brokers (in addition to the Prime Broker) to execute transactions.</p> <p>J.H. Lane periodically evaluates the execution performance of broker-dealers to ensure that the services provided are consistent with best execution.</p> <p>As part of the best execution review process, J.H. Lane will review any trade errors that have occurred. J.H. Lane maintains a detailed policy to ensure that trade errors are identified and corrected as soon as possible. It should be noted that the Funds (and not J.H. Lane, the General Partner or their affiliates or personnel) shall (i) be responsible for any losses resulting from trading errors and similar human errors, absent gross negligence or willful misconduct in the performance of the obligations and duties of J.H. Lane, the General Partner or their respective affiliates or personnel in respect of the Funds, as the case may be, or (ii) receive the gain from such trading errors, as the case may be.</p> |
| Item 12.A.2 | <p><u>Brokerage for <i>Client</i> Referrals.</u> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</p> <ol style="list-style-type: none"> a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients’</i> interest in receiving most favorable execution. b. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals. <p>At times, J.H. Lane may place transactions with a broker or dealer that (i) provides J.H. Lane with the opportunity to participate in capital introduction events sponsored by the broker-dealer or (ii) refers investors to the Funds or other products advised by J.H. Lane (or an affiliate).</p> |

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| | <p>Because such referrals, if any, are likely to benefit J.H. Lane and its affiliates but may provide an insignificant (if any) benefit to investors, J.H. Lane will have a conflict of interest with the Funds when allocating brokerage business to a broker who has referred investors to the Funds. To prevent brokerage commissions from being used to pay investor referral fees, J.H. Lane will not allocate Fund brokerage business to a referring broker unless J.H. Lane determines in good faith that the commissions payable to such broker is consistent with seeking best execution.</p> |
| Item 12.A.3 | <p><u>Directed Brokerage.</u></p> <ol style="list-style-type: none"> If you routinely <u>recommend</u>, <u>request</u> or <u>require</u> that a <i>client</i> direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their <i>clients</i> to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices. <p>J.H. Lane has complete discretion in deciding what brokers and dealers the Funds will use and in negotiating the rates of compensation the Funds will pay. As noted above, a prime brokerage relationship has been established on behalf of the Funds. It should be noted that not all investment advisers require their clients to direct brokerage. By directing brokerage to a particular broker-dealer, J.H. Lane may be unable to achieve the most favorable execution, which may cost the Funds more money.</p> <p>J.H. Lane is not required to allocate either a stated dollar or stated percentage of transactions to any broker-dealer for any minimum time period, and will review such relationships periodically. As outlined above, J.H. Lane recognizes its duty to seek “best execution” in effecting transactions on behalf of the Funds.</p> |
| Item 12.B | <p>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</p> <p>J.H. Lane or its affiliates may in the future act as the investment adviser to investment entities and separate managed accounts with investment strategies and policies similar in many respects to, or very different from, those of the Funds.</p> <p>In situations where J.H. Lane determines that the purchase or sale of a particular security is appropriate for multiple accounts, J.H. Lane may, but is not required to, aggregate purchase and sale orders of securities held by the Funds with similar orders being made simultaneously for other accounts if, in J.H. Lane’s reasonable judgment, such aggregation is reasonably likely to result in an overall economic</p> |

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| | <p>benefit to the affected accounts. Such benefits may include better transaction prices, lower commissions or execution costs, beneficial timing of transactions, or a combination of these and other factors.</p> <p>Because of prevailing market conditions, it may not be possible to execute all shares of an aggregated trade, in which case J.H. Lane will allocate the trade among participating accounts in an equitable manner determined prior to execution of the trade. Ordinarily, the executing broker-dealer will provide an average price, and where possible, average transaction costs will be allocated to all accounts participating in the aggregated trade. J.H. Lane may make investment allocations among the accounts in any manner which it considers to be fair under the circumstances, including, without limitation, allocations based on relative account sizes, available cash, the degree of risk involved in the securities acquired and the extent to which a position in such securities is consistent with the investment policies and strategies of the various accounts involved.</p> |
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ITEM 13 – REVIEW OF ACCOUNTS

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| Item 13.A | <p>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the <i>supervised persons</i> who conduct the review.</p> <p>The Funds’ portfolios will be reviewed by the Principals on an ongoing basis to ensure conformity with the Funds’ objectives and guidelines. In addition, all portfolios are reviewed in light of emerging trends and developments as well as market volatility. Further, the Chief Compliance Officer will periodically review J.H. Lane’s trading to ensure consistency with applicable laws and regulations.</p> |
| Item 13.B | <p>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review</p> <p>Please see Item 13.A above. The accounts are reviewed regularly.</p> |
| Item 13.C | <p>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</p> <p>Each investor in the Funds will receive periodic written unaudited statements of capital balance or letters relating to performance. Investors are also sent written audited financial statements on an annual basis prepared by an independent auditor. As noted in Item 4.C, J.H. Lane or its affiliates may agree to provide certain investors with the provision of additional information or reports on the Funds.</p> |

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

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| Item 14.A | <p>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</p> <p>Not applicable.</p> |
| Item 14.B | <p>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>supervised person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</p> <p>J.H. Lane has not currently entered into arrangements pursuant to which it compensates third parties for investor referrals; however, J.H. Lane may enter into such arrangements in the future. All such agreements will be conducted in a manner that is consistent with Rule 206(4)-3 under the Advisers Act and relevant SEC guidance. All fees paid to solicitors, if any, will be fully disclosed to investors, to the extent required by applicable law.</p> |

ITEM 15 – CUSTODY

If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.

J.H. Lane (and any of its affiliates acting as general partner to the applicable Fund) is deemed to have custody of the Fund's assets pursuant to Advisers Act Rule 206(4)-2. The qualified custodian presently utilized for the Funds' cash and securities is Wells Fargo Prime Services, LLC (New York, NY).

To ensure compliance with Rule 206(4)-2 under the Advisers Act, J.H. Lane will ensure that the Funds are subject to annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board in accordance with its rules and that the Funds' audited financial statements prepared in accordance with generally accepted accounting principles are distributed to all investors within 120 days of the end of each fiscal year. The Funds are also subject to audit upon liquidation and the audited financial statements are distributed to all investors promptly after the completion of such audit. Investors should carefully review such audited financial statements.

ITEM 16 – INVESTMENT DISCRETION

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Under the investment management agreement among the Funds and J.H. Lane, J.H. Lane has full discretionary authority to manage the Funds. J.H. Lane is authorized to make trading, purchase and sale decisions for the Funds. Investors in the Funds do not have the ability to impose limitations on J.H. Lane's discretionary authority.

Each Fund's investment strategy is set forth in detail in such Fund's offering memorandum. Prospective investors are provided with an offering memorandum prior to their investment and are encouraged to carefully review the offering memorandum, along with all other relevant offering materials, to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective investors should also consult with their legal, tax, or other advisors prior to making any investment. Prospective investors must also execute a subscription agreement, in which they make various representations, including representations regarding their suitability to invest in a high-risk investment.

ITEM 17 – VOTING CLIENT SECURITIES

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| <p>Item 17.A</p> | <p>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</p> <p>To the extent that J.H. Lane has discretion to vote the proxies on behalf of the Funds, J.H. Lane will vote any such proxies in its sole discretion in a manner which J.H. Lane believes serves the best interests and investment objectives of the Funds and in accordance with set compliance procedures.</p> <p>Prior to voting any proxies, J.H. Lane’s Chief Compliance Officer and the Principals will determine if there are any conflicts of interest related to the proxy in question. If a conflict is identified, the Chief Compliance Officer and the Principals will then make a determination (which may be in consultation with outside legal counsel) as to whether the conflict is material or not. If no material conflict is identified pursuant to its set procedures, the Chief Compliance Officer and the Portfolio Manager will make a decision on how to vote the proxy in question. Any proxies actually received by J.H. Lane will be provided to the Chief Compliance Officer. J.H. Lane keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions and each client request for proxy voting records and J.H. Lane’s response for the previous five years.</p> <p>If you have any questions about J.H. Lane’s proxy policy, its proxy record-keeping procedures or if you would like any detailed information about how proxies were actually voted, please contact J.H. Lane’s Chief Compliance Officer at hginsberg@jhlanepartners.com.</p> |
| <p>Item 17.B</p> | <p>If you do not have authority to vote <i>client</i> securities, disclose this fact. Explain whether <i>clients</i> will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) <i>clients</i> can contact you with questions about a particular solicitation.</p> <p>Not applicable.</p> |

ITEM 18 – FINANCIAL INFORMATION

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| Item 18.A | <p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none"> 1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity. 2. Show parenthetically the market or fair value of securities included at cost. 3. Qualifications of the independent public accountant and any accompanying independent public accountant’s report must conform to Article 2 of SEC Regulation S-X. <p>Not applicable.</p> |
| Item 18.B | <p>If you have <i>discretionary authority</i> or <i>custody</i> of <i>client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>J.H. Lane is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to the Funds.</p> |
| Item 18.C | <p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p> <p>Not applicable.</p> |