

PART 2A OF FORM ADV
FIRM BROCHURE



CONTACT: NATASHA GUTTMAN at (310) 220-6300

18455 Burbank Blvd, Suite 204

Tarzana, CA 91536

August 22, 2016

This brochure (“Brochure”) provides information about the qualifications and business practices of Illumination Asset Management, LLC (“Illumination”). If you have any questions about the contents of this Brochure, please contact Natasha Guttman at (310) 220-6300 or by email at natasha@illuminationam.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority, and references in this Brochure to Illumination as a “registered investment adviser” are not intended to imply a certain level of skill or training.

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

ITEM 2 – MATERIAL CHANGES

Material changes since the Form ADV Part 2A was filed on February 26, 2016 include the following:

- The regulatory assets under management (RAUM) in Item 4 has been updated to reflect that Illumination Asset Management, LLC (“Illumination”) manages \$284,896,059 of client assets on a discretionary basis.
- As of June 2016, Natasha Guttman will serve as Illumination’s Chief Compliance Officer and Chief Financial Officer.
- As of August 15, 2016, Illumination changed its business address to 18455 Burbank Blvd, Suite 204, Tarzana, CA 91536.

ITEM 3 - TABLE OF CONTENTS

Page

ITEM 2 – MATERIAL CHANGES	I
ITEM 3 - TABLE OF CONTENTS.....	II
ITEM 4 – ADVISORY BUSINESS	3
ITEM 5 – FEES AND COMPENSATION	4
ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT ...	7
ITEM 7 – TYPES OF CLIENTS	8
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	8
ITEM 9 – DISCIPLINARY INFORMATION	11
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS ...	11
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	12
ITEM 12 – BROKERAGE PRACTICES.....	14
ITEM 13 – REVIEW OF ACCOUNTS.....	15
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION	15
ITEM 15 – CUSTODY	16
ITEM 16 – INVESTMENT DISCRETION	16
ITEM 17 – VOTING CLIENT SECURITIES.....	16
ITEM 18 – FINANCIAL INFORMATION	17

ITEM 4 – ADVISORY BUSINESS

A. Overview of Illumination Asset Management, LLC

Illumination was formally established in June 2012 and provides discretionary investment advisory services to affiliated private investment funds (the “Funds”) and a separately managed account (“Managed Account”). The Funds invest through a master-feeder structure, with the IAM Credit Opportunities Master Fund, LP (“IAM Master Fund”) and MIMS Master Fund, LP (“MIMS Master Fund”) serving as Master Funds. Specifically, the IAM Credit Opportunities Fund LP, a Delaware limited partnership (the “IAM Onshore Feeder Fund”) and IAM Credit Opportunities Offshore Fund, Ltd., a Cayman Islands exempted company (the “IAM Offshore Feeder Fund” and together with the Onshore Feeder Fund, the “IAM Feeder Funds”) invest substantially all of their assets in the IAM Master Fund, which is a Cayman Islands exempted limited partnership. Todd Sherer and DMS Fund Governance I Ltd. serve as the directors of the IAM Offshore Feeder Fund, and Illumination acts as the general partner of the IAM Onshore Feeder Fund and the Master Funds.

Illumination also acts as the general partner of MIMS 2013 GSE 1A LP, a Cayman Islands exempted limited partnership (the “MIMS Fund”) and MIMS Master Fund., a Delaware limited partnership. The MIMS Fund is a feeder fund to the MIMS Master Fund and also has committed to invest significant capital in the IAM Onshore Feeder Fund, the IAM Offshore Fund and/or IAM Master Fund. At the present, the only clients of Illumination are the Funds and a Managed Account.

Illumination is responsible for managing the Funds’ investment portfolio through the Master Funds pursuant to an investment management agreement (the “Investment Management Agreement”). Todd Sherer (the “Chief Investment Officer”) manages the day-to-day investment management activities of Illumination.

In January 2016, Illumination underwent a corporate reorganization (the “Reorganization”) through which Wunderlich Investment Company, Inc. (“Wunderlich”) redeemed its 50.1% membership interest and Bodi Advisors, Inc. (“Bodi”) redeemed its 42.8% membership interest in Illumination. After the Reorganization, neither Wunderlich or its principals, nor Bodi or its principals, retains any management, ownership or economic rights with respect to Illumination. Illumination’s remaining member is Todd Sherer, who is the sole owner of Illumination after the completion of the Reorganization. In addition to new roles as Illumination’s Managing Member and Chief Executive Officer, Mr. Sherer will continue to serve as Illumination’s Chief Investment Officer responsible for management of Illumination’s day-to-day investment management activities. Peter Harrison joined Illumination to serve as Portfolio Manager focused primarily on proxy capital strategies, and Greg Jacobson will act as Portfolio Manager for mortgage corporate credit strategies. Messrs. Sherer, Harrison and Jacobson comprise Illumination’s Board of Managers. Natasha Guttman will serve as Illumination’s Chief Compliance Officer and Chief Financial Officer.

As part of the Reorganization, Illumination has filed a succession by application registration with the SEC and is considered a “new” investment adviser in accordance with the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Those Illumination client agreements that have been consented to for assignment have been assumed by Illumination in accordance with the terms of the relevant terms of such agreements.

The principal owner of Illumination is Todd Sherer.

B. Advisory Services

Illumination generally has broad and flexible investment authority with respect to the Funds. The Funds' investment objectives and strategy are set forth in the applicable confidential private placement memorandum, limited partnership agreement, operating agreement and/or other offering documents.

The Funds employ a disciplined, bottom-up and value-oriented investment process seeking to identify mortgage related fixed income assets which Illumination (defined below) believes are undervalued in the market. This strategy includes making investments in U.S. and non-U.S., public and private mortgage-backed securities and other mortgage-related assets, with an emphasis on residential mortgage-backed securities and home equity asset backed securitizations. The Funds may also invest in commercial mortgage securities, whole loans, whole loan mortgages, and other real estate-based assets. Illumination may take positions in various derivative securities, futures, options and equities in an attempt to enhance returns, hedge positions and manage overall portfolio risk, including credit default swaps, collateralized debt obligations, interest rate swaps and interest rate futures options. Illumination may implement hedging strategies in order to seek to mitigate portfolio risks, and will attempt to profit from pricing distortions by taking both long and short positions with respect to under-valued assets and related derivatives.

As noted above, the clients of Illumination are the Funds. Illumination does not tailor its advisory services to the individual needs of investors in the Funds ("Investors") and does not accept any sort of investment restrictions as it relates to the Funds.

Illumination has not accepted any sort of investment restrictions for individual Investors in the Feeder Funds. However, it should be noted that Illumination may in the future agree to modify certain rights and privileges for certain Investors that are not available to other Investors (including without limitation, transparency rights, modified fee arrangements, reporting rights and capacity rights).

The Managed Account agreement is heavily negotiated and as such may be subject to objectives, guidelines, restrictions, terms and/or fees that are different than those of the Funds.

C. Regulatory Assets Under Management

As of December 31, 2015 Illumination manages \$284,896,059 of client assets on a discretionary basis. Illumination does not currently manage any client assets on a nondiscretionary basis.

ITEM 5 – FEES AND COMPENSATION

A. Fees

All clients of Illumination are qualified purchasers as defined in section 2(a)(51) of the Investment Company Act of 1940 ("Qualified Purchaser"). In addition, 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 U.S. Securities Act of 1933, as amended (“Accredited Investors”) and (ii) Qualified Purchasers; and (B) non-U.S. Investors. Investors and prospective Investors should refer to the offering documents for the Funds for a detailed description of the fee schedules applicable to an investment in the Funds.

With respect to the Feeder Funds, clients generally compensate Illumination, directly or indirectly through the respective Master Fund, with respect to each limited partner’s capital account attributable to interests/shares quarterly in advance in an amount equal to 0.5% (2.0% annually) (the “Management Fee”). A portion of the Management Fee will be allocated to one or more Strategic Investors in the form of special payments or allocations to such Strategic Investor made at the Master Fund level.

The Management Fee generally is paid from the Master Fund to Illumination on behalf of each of the Feeder Funds quarterly in advance. Illumination deducts the amount of the Management Fee applicable to each Investor in the Feeder Fund at the beginning of each quarter. Illumination deducts fees applicable to the Feeder Fund (and Investors therein) directly from the applicable Fund’s assets. Clients and Investors do not have the ability to choose to be billed directly for fees incurred.

Illumination may receive a performance-based fee of 20% of profits, calculated on a high watermark basis (the “Incentive Allocation”), as is further discussed in Item 10A.

Management Fees and Incentive Allocations for certain Investors in the Feeder Funds may be, and have been waived or modified in the sole discretion of Illumination and/or the Board of Directors (in the case of the Offshore Feeder Fund). It should be noted that Illumination or the Board of Directors (in the case of the Offshore Feeder Fund) have modified the Incentive Allocation and Management Fee for employees and principals of Illumination.

The Feeder Funds are currently offering only Class A interests/shares. Notwithstanding the foregoing, the Offshore Feeder Fund’s shares are issued in two sub-classes: Sub-Class 1, are issued to Investors that are not restricted from participating in profits and losses attributable to “new issues,” as defined under FINRA Rule 5130 and Rule 5131, and Sub-Class 2, which are issued to Investors that are restricted under the FINRA Rule 5130 and Rule 5131 in their ability to participate in profits and losses from new issues. Sub-Class 2 Shares will not participate in such profits and losses. Illumination may create additional shares/interest in the future pursuant to the detailed terms of the offering documents. Such shares/interests may be offered at terms that are substantially different or the same as the Class A shares/interests. As noted above, Illumination advises a Managed Account and such Managed Account may have substantially different terms than those described in this Item 5.

With respect to the Feeder Funds, Illumination deducts fees from Investors’ assets invested in the Funds. Investors do not have the ability to choose to be billed directly for fees incurred.

Fee arrangements with the Managed Account are individually negotiated.

It is critical that Investors refer to the relevant private placement memorandum or other governing documents for a complete understanding of how fees are paid to Illumination. The

information contained herein is a summary only and is qualified in its entirety by such documents.

B. Client Expenses

Illumination will bear the costs of providing such goods and services including paying its own administrative costs and expenses, which include rents, salaries, benefits and other compensation costs, if any, of the Illumination's employees.

The Feeder Funds will pay all ordinary and extraordinary expenses incurred by it or on its behalf, including, but not limited to, the Management Fee, investment related expenses, investment related travel expenses, insurance expenses, legal expenses, professional fees (including, without limitation, expenses of consultants and experts) relating to investments, appraisal and valuation expenses, internal and external accounting expenses (including the cost of accounting software packages), auditing, reporting and tax preparation expenses, administrative expenses, fund compliance expenses, expenses relating to maintaining the registered offices of Illumination and the Master Fund in the Cayman Islands, third-party administrator fees, fees and expenses of service providers retained by the Funds or Illumination and other similar expenses related to the Funds. Please refer to Item 12 of this Brochure for a description of Illumination's brokerage practices.

The Feeder Funds shall bear all costs and expenses, other than fees paid to placement agents, incurred in connection with the formation and organization (such costs and expenses, the "Organizational Costs") of the Feeder Funds as well as its pro rata share of the Organizational Costs of the Master Fund.

It is critical that Investors refer to the relevant private placement memorandum and/or other governing documents for a complete understanding of expenses they may pay through an investment in the Funds. The information contained herein is a summary only and is qualified in its entirety by such documents.

C. Pre-payment of Fees

Management Fees applicable to Investors in the Feeder Funds are paid quarterly in advance. With respect to refunds of fees, Investors in the Feeder Funds are generally allowed to redeem/withdraw as of the last day of a calendar quarter. Therefore, generally, Illumination will not provide a refund of the Management Fee. Investors are encouraged to review the detailed withdrawal/redemption terms provided in the respective Fund's offering documents.

Investors in the Feeder Funds generally are able to withdraw/redeem all or a portion of their capital account balance attributable to its Class A interests/shares upon at least 90 days' prior written notice (as specified in the relevant Funds' governing documents). In each case, withdrawals/redemptions will be subject to significant conditions and restrictions, which are set forth in the relevant Funds' governing documents. Such conditions, restrictions, and limitations may include, without limitation:

- The condition that withdrawal/redemption requests be properly submitted in accordance with the relevant Fund documents and in a timely manner;

- The condition that withdrawals/redemptions have not been suspended (in whole or in part) or postponed by Illumination or Board of Directors (in the case of the Offshore Feeder Fund);
- Restrictions on the timing of withdrawal/redemption payments ;
- Limitations on the amount paid to a withdrawing/redeeming Investors due to fees, expenses and/or reserves for certain contingencies, among others;
- Withdrawal/Redemption Fee (for withdrawals/redemptions during the “lock-up” period or for withdrawal redemption requests submitted with 60 days prior written notice);
- Withdrawal/Redemption Gate;
- Limitations on the method of withdrawal payments (i.e., in cash or in kind).

Illumination or Board of Directors (in the case of the Offshore Feeder Fund), may waive or modify the conditions relating to withdrawals/redemptions for certain Investors, including Investors that are principals, employees or affiliates of Illumination or its affiliates.

The Managed Account holder may decrease the amount of assets managed in a Managed Account as set forth in the respective Managed Account’s governing documents which may differ from the terms and conditions relating to withdrawals/redemptions for the Funds.

It is critical that Investors refer to the relevant confidential private placement memorandum or other governing documents for a complete understanding of their withdrawal rights. The information contained herein is a summary only and is qualified in its entirety by such documents.

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described in Item 5 above, Illumination receives incentive-based compensation from the Funds (although incentive-based compensation may be waived or reduced for certain Investors). The incentive-based compensation from the Managed Account is negotiated on a case by case basis.

Generally, the Incentive Allocation applicable to each Investor will be made (at the Master Fund level) to Illumination as of the end of each fiscal year, on a high watermark basis. The Incentive Allocation applicable to an Investor may be made at the time an Investor withdraws or redeems (as the case may be) from the applicable Fund. Illumination deducts the amount of the Incentive Allocation applicable to an Investor at such time.

It should be noted that the possibility that Illumination may receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for Illumination, as an affiliate of Illumination, to make investments that are riskier or more speculative than in the absence of such performance-based fees.

ITEM 7 – TYPES OF CLIENTS

Illumination provides investment advisory services to the Funds, as described in Item 4, above. As noted above the Feeder Funds are currently offering a single class of interests/shares, the Class A interests/shares. The minimum initial contribution for Investors to the Feeder Funds is \$1,000,000 subject to reduction or waiver at the discretion of Illumination, or the Board of Directors (in the case of the Offshore Feeder Fund) (although not below Cayman Island minimums in the case of the Offshore Feeder Fund).

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

A. Methods of Analysis and Investment Strategy

The primary investment objective of the Funds is to achieve significant pre-tax returns on an absolute basis. The Funds will capitalize on Illumination's core strengths: fundamental credit analysis and broad experience in valuing complex credit securities.

The Funds employ a disciplined, bottom-up and value-oriented investment process seeking to identify mortgage related fixed income assets which Illumination believes are undervalued in the market. This strategy includes making investments in U.S. and non-U.S., public and private mortgage-backed securities and other mortgage-related assets, with an emphasis on residential mortgage-backed securities and home equity asset backed securitizations. The Funds may also invest in commercial mortgage securities, whole loans, whole loan mortgages, and other real estate-based assets. Illumination may take positions in various derivative securities, futures, options and equities in an attempt to enhance returns, hedge positions and manage overall portfolio risk, including credit default swaps, collateralized debt obligations, interest rate swaps and interest rate futures options. Illumination may implement hedging strategies in order to seek to mitigate portfolio risks, and will attempt to profit from pricing distortions by taking both long and short positions with respect to under-valued assets and related derivatives.

An investment with Illumination may be deemed speculative and is not intended as a complete investment program. Investing in the securities markets involves significant risk. Investments in the Funds are appropriate for only experienced and sophisticated persons who meet certain eligibility criteria, are able to bear the risk of loss or some or all of an investment, and have a limited need for liquidity.

B. Risk Factors

Potential investors should be aware that an investment in the Funds involves a high degree of risk and is suitable only for sophisticated investors for whom an investment in the Funds does not represent a complete investment program, and who fully understand and are capable of bearing the risk of an investment in the Funds.

There can be no assurance that the Fund's investment objective will be achieved or that the Investors will receive a return of its capital, and investment results may vary substantially on an annual basis. Potential investors should carefully consider the following risk factors, among others, in determining whether an investment in the Funds is a suitable investment. The

following list of risk factors does not purport to be a complete list of all the risks, involved in an investment in the Fund.

Investors and prospective Investors are provided with confidential offering documents that contain a detailed description of the material risks related to an investment in the Funds, and are advised to carefully review all risk factors set forth in the relevant private placement memorandum.

Financial Model Risk: Industry Data: Most, if not all, of the Funds' investments and investment strategies require the use of quantitative and qualitative valuation models developed by Illumination and third-parties. As market dynamics (for example, due to changed market conditions and participants) shift over time, a previously highly successful model often becomes outdated or inaccurate, perhaps without Illumination recognizing the change before significant losses are incurred. The use of a model that is not viable or not completely viable could, at any time, have a material adverse effect on the performance of the Funds. The Funds' model risk extends to the valuation of its investments, which may be made on the basis of internal Illumination models in the absence of any readily determinable market value. The valuations so determined may differ materially from realized values.

In connection with executing the Funds' strategy, Illumination expects to obtain financial information that is made available by the issuers, servicers, third party modeling firms and trustees of securities in which the Funds will invest. There is no guarantee such information is reliable and, as demonstrated by the recent unprecedented decline in the housing market and material losses that investors such as the Funds can incur, creating usable data from such information is difficult.

Spread Trading Risks: A part of the Funds' trading operations may involve spreads between two or more positions. To the extent the price relationships between such positions remain constant, no gain or loss on the positions will occur. In addition, such positions entail substantial risk that the price differential could change unfavorably, causing a loss to the spread position. In periods of trendless, stagnant markets and/or deflation, many alternative investment strategies have materially diminished prospects for profitability.

Arbitrage Transaction Risks: Arbitrage strategies attempt to take advantage of perceived price discrepancies of identical or similar financial instruments, on different markets or in different forms. Illumination may employ any one or more of these arbitrage strategies. If the requisite elements of an arbitrage strategy are not properly analyzed, or unexpected events or price movements intervene, losses can occur which can be magnified to the extent the Funds are employing leverage. Moreover, arbitrage strategies often depend upon identifying favorable "spreads," which can also be identified, reduced or eliminated by other market participants. Identification and exploitation of these opportunities involve uncertainty. In the event that the perceived pricing inefficiencies underlying an issuer's securities were to fail to materialize as expected by Illumination, the Funds could incur a loss.

Possible Positive Correlation: One of the goals in incorporating non-traditional investment strategies such as those to be utilized by the Funds into a portfolio or series of portfolios is to provide a potentially valuable element of diversification. However, there can be no assurance, particularly during periods of market disruption and stress, when the risk control benefits of

diversification may be most important, that the Funds will, in fact, be negatively-correlated or non-correlated with a traditional portfolio of stocks or bonds.

Hedging Transactions: The success of the Funds' hedging strategy will be subject to the ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio 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 the 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 any such hedging transactions.

Leverage: The Funds borrow funds from brokers, banks and other lenders to finance its trading operations. The access to capital could be impaired by many factors, including market forces or regulatory changes. There could also be other factors more specific to the Funds, such as fraud on behalf of one of its employees.

Short Selling: The Funds may engage in short selling. Short selling allows the Funds to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. However, since the borrowed securities must be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed securities would result in a loss. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Types of Mortgage-Backed Securities – Residential: The Funds may invest in residential mortgage-backed securities ("RMBS"). General risks common to investing in traditional fixed-income securities, such as interest rate and credit risk, also impact investments in RMBS. Certain additional risks and special considerations with respect to such investments include the risk of prepayment, the risk of investing in real estate generally, the risk of nonconforming mortgage loans, valuation risks, lack of credit availability, risks related to downgrades or withdrawal of ratings, ability of counterparties (originators, servicers, bond insurers and mortgage insurers) to satisfy their contractual obligations, environmental risks, the risk of loan modifications by servicers, the risk that consumer protection laws may subject lenders to liability, the risk of adverse government action that reduces recoveries on defaulted mortgage loans or increases the level of defaults on mortgage loans and legal risks. For residential mortgage-backed securities, there is the possibility that the principal may be prepaid at any time because of prepayments on the underlying mortgage loans or other assets. These prepayments may require the Fund to reinvest assets at an inopportune time, which may expose the Fund to a lower rate of return. The prepayment risk varies with different types of mortgage-backed securities. The risks of investing in such instruments also reflects the risks of investing in real estate securing the underlying loans, including, for example, the ability of tenants to make payments, the ability to attract and retain tenants and the effect of local and other economic conditions. Furthermore, the market for defaulted residential mortgage loans or foreclosed properties may be very limited.

Asset-Backed Securities: The Funds will invest in asset-backed securities, which are subject to interest rate risk, prepayment risk and credit risk. Also, unlike mortgage-backed securities, asset-backed securities generally do not offer the benefit of a security interest in the underlying

collateral. Further, there is the risk that recoveries on repossessed collateral will be unavailable to support payments on asset-backed securities because a security interest in such collateral cannot be perfected. The type of underlying asset and the legal structure used will contribute to risk with respect to different types of asset-backed securities.

Derivatives: The Funds may invest in derivative financial instruments which includes, but is not limited to, futures, options, interest rate swaps, forward currency contracts and credit derivatives such as credit default swaps. In addition, the Funds may from time to time utilize both exchange-traded and over-the-counter futures, options and contracts for differences, for hedging purposes, as well as other derivatives. Such derivative instruments are highly volatile, involve certain special risks and expose investors to a high risk of loss. The trading of over-the-counter derivatives will subject the Fund to a variety of risks including: (i) counterparty risk, (ii) basis risk, (iii) interest rate risk, (iv) settlement risk, (v) legal risk and (vi) operational risk. Counterparty risk is the risk that one of the Fund's counterparties might default on its obligation to pay or perform generally on its obligations.

Liquidity of Investments: The Funds may acquire thinly-traded investments that are difficult to dispose of quickly. In addition, investments that were once liquid may become illiquid, making it difficult to acquire or dispose of them at the prices quoted on the various exchanges. In that event, the Funds' ability to respond to market movements may be impaired and the Funds may experience adverse price movements upon liquidation of its investments.

Credit Default Swaps: Credit default swaps can be used to hedge a portion of the default risk on a single corporate bond or a portfolio of bonds. The credit default swap market in high yield securities is comparatively new and rapidly evolving compared to the credit default swap market for more seasoned and liquid investment grade securities. Swap transactions dependent upon credit events are priced incorporating many variables including the pricing and volatility of the common stock, potential loss upon default and the shape of the U.S. Treasury Yield curve, among other factors. As such, there are many factors upon which market participants may have divergent views. Illumination may also enter into credit default swap transactions, even if the credit outlook is positive, if it believes that participants in the marketplace have incorrectly valued the components which determine the value of a swap. Investments in credit default swaps can involve a high degree of risk.

ITEM 9 – DISCIPLINARY INFORMATION

Illumination is required to disclose all material facts regarding any legal or disciplinary events that would be material to an investor's evaluation of Illumination or the integrity of Illumination's management. Illumination has no legal or disciplinary information to disclose at this time.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Illumination is registered with the Commodity Futures Trading Commission as a commodity pool operator. Illumination is also listed as an exempt commodity trading adviser with the National Futures Association.

Illumination and its principals, and its and its principals' respective affiliates, are involved in other business activities not involving the Funds including, but not limited to, the organization and management of other investment partnerships, pooled investment vehicles and individual managed accounts. Entities using such strategies may have parallel positions or performance. Illumination and its principals, and its and its principals' respective affiliates, may also give advice and recommend securities to, or buy securities for, clients and other accounts, which advice or securities may differ from advice given to, or securities recommended or bought for, the Funds, even though their investment objectives may be the same or similar.

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

A. Code of Ethics

Illumination'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 Illumination's "Access Persons." Access Persons include, generally, any member, officer or director of Illumination and any employee or other Access Person of Illumination who, in relation to the Funds (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 Illumination employees are deemed to be Access Persons.

The Code sets forth a standard of business conduct that takes into account Illumination's status as a fiduciary to the Funds and requires Access Persons to place the interests of Funds above their own interests and the interests of Illumination. 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 Illumination's Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and on at least an annual basis thereafter.

The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide Illumination'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, Illumination's Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Advisers Act Rule 204A-1.

The Code also describes Illumination's duty to protect material non-public information about securities/investment recommendations provided to (or made on behalf of) advisory clients. Underlying these policies and procedures are two primary principles. First, confidential information must be maintained in confidence. Second, employees of Illumination who possess non-public information, whether or not it is material, must not trade in the securities affected by such information and must not disclose such information to anyone who does not have a legitimate need to know it.

Investors or prospective Investors may obtain a copy of the Code by contacting the Chief Compliance Officer at natasha@illuminationam.com.

B. Conflicts of Interest

As explained in Item 10 above, Illumination serves as the general partner of the IAM Onshore Feeder Fund and Master Funds. Illumination also commits capital to the Funds, and as a result every investment made by a Fund involves a purchase of securities whereby related persons of Illumination indirectly acquire an indirect interest in such securities. Illumination employees and Illumination affiliates may also invest directly in certain of the Funds. These transactions have the potential to present conflicts of interest as described below.

Illumination or its affiliates have a financial ownership interest in the Funds and receive a Management Fee, and in some cases, a performance-based allocation for services to the Funds (as disclosed elsewhere in this ADV). Such financial ownership interest in the Funds creates a potential conflict in that it could cause Illumination to make different investment decisions than if it did not have such a financial ownership interest. Further, as noted in Item 6, the possibility that Illumination could receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for Illumination to make more speculative investments than it might otherwise make.

The fact that Illumination's employees have financial ownership interests in the Funds creates a potential conflict in that it could cause Illumination to make different investment decisions than if such parties did not have such financial ownership interests. Illumination is of the view that such potential conflicts are addressed by the personal securities transaction restrictions, pre-clearance and reporting requirements described in this Item 11 (as well as the disclosure of such conflicts in this ADV).

Illumination addresses these potential conflicts through regular monitoring of the Funds' portfolios for consistency with objectives, strategies, and target capacity. Further, Illumination carefully considers the risks involved in any investments and Illumination provides extensive disclosure to Investors regarding the potential risks that come with an investment with Illumination. The Code requires Access Persons to place the interests of the Funds over their own or those of Illumination, and all Access Persons are required to acknowledge their receipt and understanding of the Code.

C. Restrictions on Access Person Trading

Access Persons are permitted to make securities transactions in their personal accounts in the same securities that Illumination recommends to the Funds. This presents potential conflicts in that an Access Person could improperly use information regarding a client's holdings or future transactions or research paid for by the clients. An Access Person could take for himself or herself an investment opportunity available to a client or could engage in "front-running" of a client's trade.

Illumination manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains strict pre-clearance and reporting guidelines for Access Persons. Illumination requires that Access Person transactions in reportable securities be pre-cleared. Pre-clearance decisions are based on a number of factors,

including whether any of the clients hold or are contemplating an investment in the given security.

Further, to deter and prevent improper personal trading, Illumination generally imposes a 90-day holding period on personal securities transactions in reportable securities. In addition, the Chief Compliance Officer receives transaction and holdings reports in accordance with Advisers Act Rule 204A-1. The Chief Compliance Officer or his designee also reviews Access Persons' personal transaction and holdings reports to make sure each access person is conducting his or her personal securities transactions in a manner that is consistent with the Code.

Illumination maintains a "Restricted List" with the names of issuers of public securities about which Illumination or its affiliates (including Access Persons) have learned material non-public information. Access Persons are strictly prohibited from trading securities on the Restricted List.

ITEM 12 – BROKERAGE PRACTICES

A. Best Execution

Illumination has the authority to select the broker-dealer used in each transaction for the Funds and for negotiating the fees to be paid to the broker-dealer in connection with such transactions. Illumination recognizes its duty to obtain "best execution." Consistent with such duty, in determining best execution, Illumination takes into account the full range and quality of a broker-dealer's services, including research and other services. Illumination does not select broker-dealers solely on the basis of lowest possible commission costs, but by the best qualitative execution.

Consistent with such policy, Illumination and its affiliates will seek to obtain the best combination of the following factors, including but not limited to pricing, expertise and ability to perform execution services, ability to execute transactions in liquid and illiquid markets, as applicable, at competitive prices without disrupting the market for a particular security, range of services provided and products offered (including research and brokerage services), quality and timeliness of market information provided, ability to maintain confidentiality, credit worthiness and financial responsibility.

While Illumination's primary consideration in allocating portfolio transactions to broker-dealers is to obtain favorable prices and efficient executions, Illumination does not have an obligation to, and does not always seek to, obtain the lowest priced execution regardless of qualitative considerations. Commission rates are generally negotiable and thus selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable.

Illumination does not currently utilize "soft dollars." If in the future Illumination utilizes soft dollars, it will amend its Form ADV as appropriate. It should be noted, however, that broker-dealers utilized by Illumination on behalf of Funds may include research, certain services or access to certain information as part of the brokerage service provided to Funds.

It should be noted that Illumination does not consider capital introduction in selecting or recommending broker-dealers and Illumination does not have directed brokerage arrangements.

B. Aggregation of Orders

Illumination may but is under no obligation to combine orders on behalf of the Master Funds with orders for other accounts for which it or its affiliates have trading authority, or in which it or its affiliates have an economic interest. In such cases, Illumination allocates the securities or proceeds arising out of those transactions (and the related transaction expenses) on an average price basis among the various participants. While Illumination believes combining orders in this way is, over time, advantageous to all participants, in particular cases the average price could be less advantageous to the Master Fund than if the Master Fund had been the only account effecting the transaction or had completed its transaction before the other participants.

ITEM 13 – REVIEW OF ACCOUNTS

Illumination's client accounts are under continuous review by the Chief Investment Officer, the applicable Portfolio Manager and other investment professionals. Such reviews include a review of investment policy, the suitability of the investments used to meet policy objectives, and investment objectives. Illumination considers, among other things, investment performance, the portfolio's sensitivity to market changes, and whether anything has changed subsequent to an initial investment decision that impacts the risk or potential return.

Each Investor in the Funds will receive: (1) annual audited financial statements and (2) unaudited quarterly financial reports and such other information or commentary as the Illumination deems appropriate. In addition, Illumination will furnish Investors with annual tax information for the preparation of their tax returns.

It should be noted that the reports that the Managed Account receive differ from those sent to Investors.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

As indicated in Item 8 of Form ADV Part 1, Illumination has entered into arrangements pursuant to which it compensates third parties that are not its supervised persons for investor referrals. In each case, Illumination has granted these third parties a limited right to attempt to locate prospective investors for the Funds and/or Managed Account. In general, Illumination has agreed to pay these third parties a portion of the management and performance fee Illumination would otherwise receive based on the amount of assets these investors invest in the Funds or Managed Account and their respective performance in the Funds or Managed Account. All arrangements with solicitors have been approved by the Chief Compliance Officer, who has confirmed that any approved solicitor is an appropriately registered broker-dealer with the Securities and Exchange Commission, Financial Industry Regulatory Authority, and licensed in appropriate states, as applicable.

ITEM 15 – CUSTODY

Illumination is deemed to have custody by serving as the certain of the Funds' general partner. To ensure compliance with Rule 206(4)-2 under the Advisers Act, Illumination has a reasonable belief that Investors have been provided with audited financial statements for their respective Funds within 120 days of the end of such Funds' fiscal years (i.e., generally by April 30).

Investors in the Fund receive statements directly from Illumination and/or from the Funds' administrator. These statements should be carefully reviewed and should be compared to the information provided to Investors in the audited financial statements provided by the Funds' auditor.

ITEM 16 – INVESTMENT DISCRETION

Illumination has discretionary authority to manage securities accounts on behalf of the Funds. Illumination is authorized to make transaction recommendations for the Funds. As explained in Item 4.C above, each Fund's investment strategy is set forth in detail in such Fund's private placement memorandum. Fund Investors do not have the ability to impose limitations on Illumination's discretionary authority. Investors must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool.

ITEM 17 – VOTING CLIENT SECURITIES

Illumination has the authority to vote securities invested in by the Funds. Illumination understands and appreciates the importance of ensuring that its proxy voting procedures are clearly described to clients and Investors.

Prior to voting a proxy addressed to a Fund, the board members of the Adviser will review the proxy to determine if there are any conflicts of interest related to the proxy in question in accordance with the general guidelines outlined below. If a conflict is identified, the board members of the Adviser will confer with investment personnel and make a determination as to whether the conflict is material or not. If no material conflict is identified pursuant to these procedures, the board members of the Adviser will make a decision on how to vote the proxy. The board members of the Adviser and at least one investment professional are required to be present (or are required to respond to proxy meeting emails) to make a decision on how to vote the proxy. Illumination also has the flexibility to abstain from a particular proxy vote when it is determined to be in the best interest of the Funds. The Chief Compliance Officer (or his designated person) will deliver the proxy in accordance with instructions related to such proxy in a timely and appropriate manner.

If a material conflict is identified, the board members of the Adviser and investment personnel will determine what course of action is in the best interests of the affected Funds (which may include utilizing an independent third party to vote such proxies). Further, Illumination will determine whether it is appropriate to disclose the conflict to affected Funds and give such Funds (and Investors, if applicable) the opportunity to vote the proxies in question themselves.

The Chief Compliance Officer or his designee delivers proxies in accordance with instructions related to such proxy. Illumination 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 Illumination's response for the previous five years.

Investors do not have the ability to direct proxy votes. Investors may obtain additional information regarding how Illumination voted proxies and may obtain a copy of Illumination's proxy voting policies and procedures by contacting the Chief Compliance Officer at natasha@illuminationam.com.

ITEM 18 – FINANCIAL INFORMATION

Illumination and its affiliates do not require or solicit prepayment of fees longer than six months in advance. Illumination is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to the Funds or Investors.