

Item 1 – Cover Page

Part 2A of Form ADV
Firm Brochure

Oribel Capital Management, LP

477 Madison Avenue, Suite 520

New York, NY 10022

646-779-6270

June 29, 2017

This brochure provides information about the qualifications and business practices of Oribel Capital Management, LP (“Oribel”). If you have any questions about the contents of this brochure, please contact us at 646-779-6270.

The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “SEC”) or by any state securities authority. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

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

Item 2 - Material Changes

This is the initial filing of the Form ADV, Part 2A for Oribel Capital Management, LP, and as such, there are no material changes to report. In the future, this Item will discuss only specific material changes that were made to the brochure and will provide a summary of such changes.

Item 3 - Table of Contents

Item 1 – Cover Page	1
Item 2 - Material Changes	2
Item 3 - Table of Contents.....	3
Item 4 - Advisory Business	4
Item 5 - Fees and Compensation	7
Item 6 - Performance-Based Fees and Side-By-Side Management.....	9
Item 7 - Types of Clients	9
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss	10
Item 9 - Disciplinary Information.....	22
Item 10 - Other Financial Industry Activities and Affiliations.....	22
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.	23
Item 12 - Brokerage Practices	23
Item 13 - Review of Accounts.....	27
Item 14 - Client Referrals and Other Compensation	28
Item 15 - Custody	28
Item 16 - Investment Discretion	28
Item 17 - Voting Client Securities	29
Item 18 - Financial Information	29
Item 19 - Requirements for State-Registered Advisers	29

Item 4 - Advisory Business

A. General Description of Advisory Firm

Oribel Capital Management, LP (“Investment Manager”, “we” or “us”) is a Delaware limited partnership that was formed on June 15, 2015 and commenced operations in December 2015. The Investment Manager currently has one office located in New York City, where its officers and employees are based.

Oribel Capital GP, LLC (the “General Partner”) is an affiliate of the Investment Manager and the general partner of certain funds as explained below. The General Partner is a “relying adviser” as that term is described in the SEC Staff No-Action Letter, dated January 18, 2012, to the American Bar Association, Business Law Section. Unless and only to the extent that the context otherwise requires, references to the Investment Manager, we or us herein are deemed to include references to the General Partner as well.

The Investment Manager and General Partner are principally owned and controlled (directly or through affiliated business entities) by Adam Brenner, Greg Brenner and Mikal Patel (each, a “Founder” and collectively, the “Founders”).

Oribel Management, LLC (each Founder is a managing member) as general partner of the Investment Manager, controls the Investment Manager. The general partner of the Investment Manager has ultimate responsibility for the management, operations and investment decisions made by the Investment Manager.

The Investment Manager currently provides investment advisory services to pooled investment vehicles (the “Funds”) and certain separately managed accounts (the “SMAs”) (collectively, the Funds and the SMAs are referred to as the “Clients”) intended for investment by sophisticated investors and institutional investors on a discretionary basis.

B. Description of Advisory Services

We provide discretionary investment advice to the Funds and the SMAs. In the future, we may provide discretionary and/or non-discretionary investment advice to other private investment funds and/or separately managed accounts.

“The Oribel Strategy” is a diversified long/short equity strategy which takes minimal net exposure. The Oribel Strategy invests in the technology, media and telecom (“TMT”) and industrials sectors, with no pre-determined style bias.

- Objectives - Strive to achieve superior risk-adjusted returns regardless of market environment while taking minimal net exposure to the market’s direction and minimizing drawdowns and preserving capital.
- Strategy – Seek to employ a deep bottom-up fundamental research process, balanced with a top-down perspective, and combined with a flexible investment style and strong risk management framework. Apply an iterative investment process and unemotional decision making.

The Investment Manager will focus principally on long and short positions in publicly-traded equities and options.

We have in place an investment management agreement with each Client. We are responsible for determining the specific securities and other investments to be bought and sold and arranging the execution of all purchase and sale orders on behalf of the Clients.

Our current Clients are:

- Funds - Oribel Capital Master Fund, LP (the “Master Fund”) is an exempted limited partnership established and registered on November 30, 2015 under the laws of the Cayman Islands. The Master Fund is registered as a mutual fund under the Mutual Funds Law of the Cayman Islands and commenced operations on January 4, 2016. The Master Fund was organized for the purpose of trading and investing in securities and is a “master” fund in a “master-feeder” fund structure with two limited partners:
 - Oribel Capital Partners, LP (the “Onshore Feeder”), a Delaware limited partnership established primarily for the benefit of U.S. taxable investors, and
 - Oribel Capital Partners Offshore, Ltd. (the “Offshore Feeder”), an exempted company incorporated in the Cayman Islands established primarily for the benefit of U.S. tax-exempt and non-U.S. investors.

The Onshore Feeder and the Offshore Feeder are together referred to as the “Feeder Funds”. The Master Fund and the Feeder Funds are collectively referred to as the “Funds”. The Feeder Funds invest substantially all of their assets in the Master Fund.

- SMAs – As of the date of this filing, we currently manage four (4) SMAs on behalf of institutional investors.

The Client accounts are generally managed on a pari passu basis (i.e., in proportion to assets under management). Certain exceptions and additional parameters are employed, such as (i) an exception for capital rebalancing (generally performed at the beginning of each month), (ii) the use of odd lot rounding for common shares except for higher priced stocks (this allows the number of common stock shares to be paired with one or more option contracts), and (iii) option assignments (option assignments are assigned on an account by account basis by prime brokers based on a lottery methodology - thus, option assignments may not apply to all Client accounts on a pari passu basis).

While the Founders are equal in their ownership and management of the General Partner and the Investment Manager and collaborate very closely on the investment process, Mikal Patel serves as the portfolio and risk manager. In Mr. Patel’s absence, the other Founders are authorized to serve in this capacity.

C. Tailored Advisory Services

The Client accounts are managed in accordance with the terms of the applicable investment management agreement (which is described in their respective offering documents and/or governing agreements).

We generally do not permit investors in the Funds to impose limitations on the investment activities described in the Funds’ offering documents. Under certain circumstances, we do contract with a client to adhere to limited risk and/or operating guidelines imposed by the client. We negotiate such arrangements on a case by case basis. (See Item 16 “Investment Discretion.”)

D. Wrap Fee Programs

The Investment Manager does not participate in any wrap fee programs.

E. Assets Under Management

As of June 1, 2017, we had approximately \$280.4 million in assets under management on a discretionary basis. We do not currently manage any assets on a non-discretionary basis. Since leverage is employed in managing Client accounts, regulatory assets under management are in excess of assets under management.

Item 5 - Fees and Compensation

A. Advisory Fees and Compensation

Our fees and compensation are described in the investment management agreements we enter into with our Clients. All of our current Clients and investors in the Funds are “qualified purchasers” (as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the “1940 Act”).

Asset-Based Compensation. Fund investors are provided with detailed disclosure in the applicable offering documents of such Fund as to how the relevant management fee compensation is calculated and charged.

Performance-Based Compensation. We may receive performance-based fees or allocations from the Funds and SMAs, which are based on a percentage of the capital appreciation of Client assets or the return on invested capital, typically subject to a high-water mark. Fund investors are provided with detailed disclosure in the applicable offering documents of such Fund as to how the relevant performance-based compensation is calculated and charged.

For an investor in the Funds, we may, in our sole discretion, waive all or part of the management fee and performance-based fees or allocations with respect to any investor. The terms of each SMA are negotiated among the parties.

All current and potential investors/Clients should review the offering or governing documents for each Fund/Client in conjunction with this Brochure for more complete information on the fees and compensation payable with respect to a particular Fund investor or Client.

B. Payment of Fees and Compensation

For the Funds, management fees are generally deducted in advance on a quarterly basis and performance-based compensation is generally deducted at the end of a performance period (or upon the distribution of capital), as more fully described in the Funds’ respective offering documents.

For the SMAs, management fees are generally deducted in advance or arrears on a monthly basis and performance-based compensation is generally deducted at the end of a performance period, as more fully described in the investment management agreement with each SMA.

We also may receive performance-based fees or allocations on a redemption or withdrawal by a Client or Fund investor. Fees and compensation paid to the Investment Manager or its affiliates by the Funds are generally deducted from the assets of the Client accounts. The calculation and payment of such amounts are confirmed and released by the Funds’ or SMAs’ administrator (provided an SMA has contracted with an administrator for such services).

C. Additional Fees and Expenses

A Fund will bear its own (and, each Feeder Fund through its interest in the Master Fund, its pro rata share of the Master Fund’s) operating and other expenses, including, but not limited to, (i) fees to the Administrator (as defined below) (including, without limitation, in connection with the Administrator’s tax, FATCA, regulatory and audit compliance, monitoring and support services), and any other expenses or fees related to third party providers of middle-office or back-office

services; (ii) fees and expenses, if any, of members of the applicable Fund's Advisory Board, (iii) trading expenses (e.g., expenses which the Investment Manager reasonably determines to be related to the trading of the Feeder Fund's and the Master Fund's assets, including, without limitation, brokerage commissions, expenses relating to short sales, clearing and settlement charges, custodial fees, bank service fees, interest expenses and the cost of investigating actual or potential trades (including, without limitation, travel expenses arising from such investigations and third party investigative work)); (iv) the cost (including, but not limited to, any related consulting, hardware and maintenance expenses) of: trade execution and management systems (including, without limitation, Bloomberg AIM), compliance, risk and portfolio systems and reports, integration and data transfer connectivity costs to and from third party systems; (v) the costs of obtaining third party research products and services (including, without limitation, the cost of research reports, expert network research services, surveys and subscriptions or publications relating to securities, issuers, market segments or geographic regions, the costs of portfolio modeling and analyses and the costs of computerized financial databases, and trading news services (for example, without limitation, Bloomberg)); (vi) legal expenses, accounting expenses, auditing and tax preparation and compliance expenses (including, without limitation, expenses incurred in connection with FATCA) and the expenses associated with regulatory and statutory filings, including, but not limited to, Form PF; (vii) professional fees (including, without limitation, expenses of consultants and experts) relating to compliance by the Investment Manager with securities and investment advisory laws and regulations; (viii) insurance (including, without limitation, directors' and officers' insurance, fidelity bonds and insurance relating to cybersecurity) for the Feeder Funds, the Master Fund, the Investment Manager, its affiliates and the applicable Fund's Advisory Board; (ix) organizational expenses and expenses relating to the offer and sale of the interests in the Funds; (x) other similar expenses related to the Feeder Funds and the Master Fund; and (xi) extraordinary expenses.

See Item 12 "*Brokerage Practices*" below for additional information.

Fees and expenses charged to separately managed accounts are determined on a case by case basis in accordance with the terms of the applicable investment management agreement.

We may also allocate a portion of certain clients' capital to money market funds, exchange-traded funds or other registered investment companies. In addition to the fees and expenses discussed above, investors will indirectly incur similar fees and expenses if we invest client's capital in such money market funds, exchange traded funds or other registered companies, as these funds in turn pay similar fees to their investment managers and other service providers.

To the extent any expenses are advanced by us on behalf of the Funds or any other Client, as applicable, such expenses will be promptly reimbursed. To the extent we incur any expenses for the benefit of multiple Clients, we will generally allocate such expenses in a reasonable manner among such Clients. However, it is possible that under some of our investment management agreements we may not require a Client to incur certain expenses, despite the fact that such Client will receive a benefit in connection with our incurrence of such expenses.

D. Fees Paid in Advance

For the Funds, management fees paid are not refundable. The terms regarding fees paid in advance for separately managed accounts are determined on a case by case basis in accordance of the applicable investment management agreement.

E. Compensation for the Sale of Securities or Other Investment Products

Neither the Investment Manager nor any of its supervised persons accepts compensation (e.g., brokerage commissions) for the sale of securities or other investment products.

Item 6 - Performance-Based Fees and Side-By-Side Management

As described in Item 5 above, we may receive performance-based fees or allocations from the Funds and SMAs, which are based on a percentage of the capital appreciation of Client assets or the return on invested capital, typically subject to a high-water mark. Fund investors are provided with detailed disclosure in the applicable offering documents of such Fund as to how the relevant performance-based compensation is calculated and charged.

Since the amount of fees paid/allocations made to us is dependent in part on the profitability of the applicable Client account (or each investor in a Fund), we may have an incentive to cause a Client account to make investments that are riskier or more speculative than would be the case if such fees/allocations were not dependent on the Client account's net asset value and profitability. Additionally, we may have the incentive to favor Client accounts that pay higher performance-based compensation. We recognize that we have a fiduciary duty and as such must act in the best interests of our Clients.

Our affiliates (including family members) may invest in one or more of our Funds. As a result, we may have the incentive to favor the Client(s) (or Fund investors) in which our affiliates have a greater economic interest.

As the management fees and performance-based fees and allocations are generally based directly on the net asset value of the applicable Client accounts, we have a conflict of interest in valuing the assets held in those accounts. In order to mitigate this conflict, we will follow our documented valuation policies in valuing Fund investments and the Funds' administrator is integral to the valuation process. Likewise, our SMA Clients also follow their documented valuation policies and may utilize the services of an administrator for the valuation process.

Although the current Funds and SMAs are generally managed on a *pari passu* basis (i.e., in proportion to assets under management), participation in specific investments may be appropriate, at times, to less than all of our Clients. In such cases, we will seek to allocate such investments between Clients in a manner that we believe is fair and equitable under the circumstances existing at such time based upon a number of factors, including, but not limited to, the intended objective and strategy of each Client and any applicable investment or risk restrictions or guidelines, including leverage constraints and position limits; legal, regulatory and tax considerations; our perception of the appropriate risk/reward ratio for each Client, taking into account, among other things, market exposure, anticipated volatility and diversification; the overall portfolio composition of each Client; the relative amounts of capital in each Client available for new investments of the type at issue; the liquidity of each Client; the desire to avoid *de minimis* allocations and odd lots; and such other considerations as we believe are relevant at such time.

Item 7 - Types of Clients

We primarily provide investment advice to clients that are private investment funds (either through a fund-vehicle or a separately managed account). The minimum investment in a Fund is

generally \$1,000,000. However, the General Partner (or a Fund's Board of Directors, if applicable) may, in its discretion, accept lesser amounts (subject to any regulatory minimum). We determine the minimum investment for other clients, including any separately managed accounts, on a case-by-case basis.

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

Method of Analysis

The Investment Manager aims to build a diversified long/short portfolio primarily consisting of publicly-traded equities and options. The principals of the Investment Manager have considerable experience analyzing and investing in the TMT and industrials sectors. As such, a significant portion of the portfolio will generally be focused (but not limited to) these areas. Individual long and short investment ideas will be evaluated primarily on their own merits, while the overall portfolio is constructed using a top/down overlay as an input for the overall portfolio's net, gross, subsector and factor exposures.

Investing in the TMT and Industrials Sectors

- Sub-sectors within TMT and industrials represent a microcosm of the overall market and provide what the Investment Manager considers to be opportunities upon which to capitalize.
- There are over 500 mid and large cap companies in the broad investable universe, potentially with significant dispersion in stock performance. This can facilitate favorable long and short investments.
- The principals of the Investment Manager have a thorough understanding of sector dynamics and have developed an expertise investing in them.
- The Investment Manager invests in sub-sectors within industrials that are directly related to TMT. The Investment Manager expanded into these areas as a direct result of observing trends that impacted both technology and industrial companies.

Research Methodology

- Monitor industry data, attend conferences, meet management teams and perform in depth primary research/due diligence
- Create thesis that often is based on product cycles, opportunities created by industry disruption, longer term secular trends and potential capital deployment
- Build a financial model that captures the Investment Manager's view of the next three years and compare it to Street consensus; Conduct rigorous analytical review of the operating model, end market, competitors and customers
- Identify catalysts that will cause the consensus view to converge to the Investment Manager's view - this ultimately unlocks the arbitrage

- Make qualitative assessment of management's capital allocation decisions and track record
- Collaboratively establish upside and downside scenarios for the risk-reward analysis

Long Approach

- High quality/Market leading franchises with solid management
- Secular winners
- Positively inflecting stories
- Re-rating candidates
- Beneficiaries of industry consolidation or M&A activity

Short Approach

- Inferior business models/Badly positioned businesses
- Secular losers
- Negatively developing stories/Customer concentration
- Weak/low quality management teams
- Poor free cash flow generators

Risk Management

The Investment Manager views risk management as a meaningful contributor to overall portfolio performance and constantly reviews potential pitfalls (on both a position and portfolio basis) in order to avoid drawdowns. The approach to risk management is proactive, as the Investment Manager strives to shift exposure quickly at potential pivot points. A Client account's portfolio will generally consist of a variety of investment styles but at times may be tilted based on a top-down view. The Investment Manager expects that Client accounts will typically have minimal net exposure and contain a diversity of liquid securities.

Options Strategy

The Investment Manager generally utilizes options as a mechanism to seek to control risk on both individual positions and the overall portfolio. Options predominantly are utilized to hedge and occasionally executed to enhance the Investment Manager's view on a specific investment.

Examples of options use include:

- Portfolio hedging via index option put spreads
- Hedging material events such as earnings

- Hedging short positions that are potential M&A candidates by controlling tail risk using calls, sometimes financed by selling covered puts
- Swapping an equity position into an option to optimize returns

Investment Strategies

The primary investment objective of the Funds is described in The Oribel Strategy included above in *Item 4 –Advisory Business*.

The development of an investment strategy for each of our Clients is an ongoing process. The strategies, techniques and methods described above will therefore be modified by us from time to time and over time. There is no limitation on the investment strategies, techniques, methods or processes which we may adopt for any particular Client or the factors that we may take into account in analyzing investments for our Clients. Depending on conditions and trends in securities markets and the economy generally, we may pursue other objectives, or employ other strategies, techniques, methods or processes, that we consider appropriate and in the best interest of the Clients, without notice to them or their consent.

Certain Risks Associated with Investment Strategies

An investment in a private investment fund and/or separately managed account involves substantial risks, and prospective investors should carefully consider, among other factors, the risks described below. These risk factors are not intended to be an exhaustive listing of all potential risks associated with such an investment.

The following risks primarily pertain to the Funds and other Clients (including separately managed accounts) with similar strategies. All of these risks, and other important risks, are described in detail in the Funds' respective private offering memorandums. Prospective investors are strongly urged to review the applicable private offering memorandum carefully and consult with their own financial, legal and tax advisors, before investing in a Fund. If a prospective client seeks a separately managed account managed on a pari passu basis with the Master Fund, we will provide the offering document of a Feeder Fund so such prospective client can evaluate additional risks described in the Funds' respective private offering memorandums.

General Investment and Trading Risks. All securities investments present a risk of loss of capital. Volatile financial markets increase that risk. If our evaluation of an investment opportunity should prove incorrect, the Client could experience losses as a result of a decline in the market value of securities in which the Client holds a long position or an increase in the value of securities in which the Client holds a short position. Our investment program may use such investment techniques as leverage, margin transactions, put and call options and other derivatives, and short sales, which practices can involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which the Client may be subject. The risk management techniques that may be used by us do not provide any assurance that the Client will not be exposed to a risk of significant investment losses. No guarantee or representation is made that the Client's investment program will be successful, that the Client will achieve its targeted returns or that there will be any return of capital invested to investors. In addition, investment results may vary substantially over time.

Sector Risks. We generally focus on the equities of companies in the global technology, media and telecommunications subsectors. These sectors are characterized by increasing competition

and regulation. Companies in these sectors may encounter distressed cash flows due to the need to commit substantial capital to meet increasing competition, particularly in formulating new products and services using new technology. Technological innovations may make the products and services of companies in these sectors obsolete. Any such events may adversely affect a Client's investments in a company in such sectors. In addition, these sectors are highly dependent upon intellectual property, a field that has encountered increasing litigation in recent years. If any of the companies in which the Client account invests are alleged to infringe on the intellectual property rights of a third party, any litigation to defend the claim could be costly and would divert the time and resources of management, regardless of the merits of the claim. There can be no assurance that a company would prevail in any such litigation. If a company were to lose a litigation relating to intellectual property, the company could be forced to pay monetary damages and to cease the sale of certain products or the use of certain technology or other intellectual property. Any of the foregoing may adversely affect the Client account's performance.

Investing in Technology Companies. Investing in securities and other instruments of technology companies involves substantial risks. These risks include: the fact that certain companies in the Client account may have limited operating histories; rapidly changing technologies and products which may quickly become obsolete; cyclical patterns in information technology spending which may result in inventory write-offs, cancellation of orders and operating losses; scarcity of management, engineering and marketing personnel with appropriate technological training; the possibility of lawsuits related to technological patents; changing investors' sentiments and preferences with regard to technology sector investments (which are generally perceived as risky) with their resultant effect on the price of underlying securities; and volatility in the U.S. stock markets affecting the prices of technology company securities, which may cause the performance of the Client account to experience substantial volatility.

Industrial Sector Risk. Investing in the industrial sector involves substantial risk that may not exist, or exist at lesser levels, in other sectors. Industrial companies are affected by supply and demand both for their specific product or service and for industrial sector products in general. Government regulation, world events, exchange rates and economic conditions, technological developments and liabilities for environmental damage and general civil liabilities will likely affect the performance of these companies. Specifically, aerospace and defense companies, a significant component of the industrial sector, can be significantly affected by government spending policies because companies involved in this industry rely, to a significant extent, on U.S. and foreign government demand for their products and services. In addition, transportation and agriculture companies, major components of the industrial sector, are cyclical and have occasional sharp price movements which may result from changes in the economy and climate, fuel prices, labor agreements and insurance costs.

Changes in Investment Strategy. We have considerable discretion in choosing the securities that may be acquired and have the right to modify the investment strategy, selection criteria, or hedging techniques used by a Fund without the consent of the Fund's investors. Any of these new investment techniques may not be thoroughly tested in the market before being employed and may have operational or theoretical shortcomings, which could result in unsuccessful investments and, ultimately, losses to the Fund. In addition, any new investment strategy or hedging technique developed may be more speculative than earlier techniques and may increase the risk of an investment in the Fund.

Concentration of Investments. As described above, it is anticipated that Clients' assets will generally be concentrated in positions in companies in the global technology, media and

telecommunications industry sectors. Although the Investment Manager will generally seek to diversify a Client's investments, it is possible that a significant amount of a Client's capital could be invested in the securities of only a few companies. The concentration of a Client's portfolio in a small number of issuers or industries would subject the Client to a greater degree of risk with respect to the failure of one or a few issuers or with respect to economic downturns in relation to such industries. In particular, losses incurred in investments in the technology, media and/or telecommunications industry sectors could have a material adverse effect on the Client's overall financial condition and could significantly reduce the Client's capital.

Equity Securities. The Investment Manager will invest Client assets 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, 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 trades made by the Client.

Small to Medium Capitalization Companies. Although the Investment Manager tends to focus its investments in stocks of companies with medium- to large-sized market capitalizations, the Investment Manager may invest a portion of a Client's assets in the stocks of companies with small- to medium-sized market capitalizations. While the Investment Manager believes these investments often provide significant potential for appreciation, those stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of such stocks are often more volatile than prices of large-capitalization stocks. In addition, due to thin trading in some such stocks, an investment in these stocks may be more illiquid than that of larger capitalization stocks.

Short Sales. A short sale involves the sale of a security that the Client 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 Client must borrow the security and the Client is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the Client. When a Client makes a short sale in the United States, it must leave the proceeds thereof with the broker and it must also deposit with the broker an amount of cash or U.S. government or other securities sufficient under current margin regulations to collateralize its 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 Client. The extent to which the Investment Manager will engage in short sales on behalf of a Client will depend upon the Investment Manager's investment strategy and perception of market direction and the value of individual securities. The Investment Manager may engage in short sales on behalf of a Client as a hedge against potential market declines and/or as an investment strategy based on its analysis of the subject issuers.

Leverage. The Investment Manager intends to use leverage as part of its investment program and the amount of leverage which a Client may have outstanding at any time may be substantial in relation to its capital. Leverage may be obtained by borrowing funds to make trades or by purchasing or entering into derivative instruments that are inherently leveraged, such as swaps, options, futures and forward contracts.

If the interest expense on borrowings were to exceed the net return on the positions acquired with borrowed funds, the use of leverage would result in a lower rate of return than if the account were not leveraged. If the amount of borrowings which a Client may have outstanding at any one time is large in relation to its capital, fluctuations in the market value of the Client's portfolio will have a disproportionately large effect in relation to its capital and the possibilities for profit and the risk of loss will therefore be increased. Any gains made with the additional monies borrowed will generally cause the value of the Client's assets to rise more rapidly than would otherwise be the case. Conversely, if the investment performance of the additional monies fails to cover their cost to the Client, the value of the Client's assets will generally decline faster than would otherwise be the case. The amount of any borrowing may also be limited by regulations imposed by the Federal Reserve Board or by the availability and cost of credit, as well as due to overall market conditions. If, due to market fluctuations or other reasons, the value of a Client's assets should fall below required regulatory or counterparty imposed levels, the Client will be required to reduce its debt by selling securities in its long portfolio. The Investment Manager may also be unable to carry-out its investment program on behalf of a Client if it is not able to obtain leverage on reasonable terms.

In the case of derivative instruments, because many derivatives are "leveraged," such instruments provide significantly more market exposure than the money paid or deposited when the transaction is entered into and, thus, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose a Client to the possibility of a loss exceeding the original amount invested.

In addition, in transactions involving derivative instruments, counterparties and lenders will likely require the applicable Client to post collateral to support its obligations. Should the securities and other assets pledged as collateral decline in value, or should brokers increase their maintenance margin requirements (i.e., reduce the percentage of a position that can be financed), the Client could be subject to a "margin call" pursuant to which it must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged assets to compensate for the decline in value. In the event of a precipitous drop in the value of pledged securities, the Client might not be able to liquidate assets quickly enough to pay off the margin debt or provide additional collateral and may suffer mandatory liquidation of positions in a declining market at relatively low prices, thereby incurring substantial losses. Furthermore, secured counterparties and lenders will generally have the right to sell, pledge, rehypothecate, assign, use or otherwise dispose of collateral posted by a Client. This could increase exposure to the risk of a counterparty default since, under such circumstances, the Client may be unable to recover the posted collateral promptly or may be unable to recover all of the posted collateral.

Hedging Transactions. The Investment Manager 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 a Client's portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) to protect a Client's unrealized gains in the value of the Client's portfolio; (iii) to facilitate the sale of any such investments; (iv) to enhance or preserve returns, spreads or gains on any investment in a Client's portfolio; (v) to hedge the interest rate or currency exchange rate on any of a Client's liabilities or assets; (vi) to protect against any increase in the price of any securities the Investment Manager anticipates purchasing for a Client at a later date; or (vii) for any other reason that the Investment Manager deems appropriate.

The success of the Investment Manager's hedging strategy will depend, in part, upon the Investment Manager'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 Investment Manager's hedging strategy will also be subject to the Investment Manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Investment Manager may enter into hedging transactions on behalf of Clients to seek to reduce risk, such transactions may result in a poorer overall performance for the Clients than if the Investment Manager had not engaged in such hedging transactions. For a variety of reasons, the Investment Manager 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 Investment Manager from achieving the intended hedge or expose the Client to risk of loss. The Investment Manager 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, appropriate hedges are unavailable or unfavorably priced, 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 a Client's portfolio holdings.

Currency Risks. To the extent the Investment Manager invests a Client's account 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 Client's portfolio and the unrealized appreciation or depreciation of investments. Further, the Client 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 a Client at one rate, while offering a lesser rate of exchange should the Client desire immediately to resell that currency to the dealer. The Investment Manager will conduct its currency exchange transactions on behalf of Clients 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.

Price Risk. For reasons not necessarily attributable to any of the risks set forth herein (for example, supply/demand imbalances or other market forces), the prices of the securities in which a Client invests may decline or rise substantially. In particular, purchasing assets at prices that may appear to be "undervalued" is no guarantee that such assets will not be trading at even more "undervalued" levels at the time of valuation or at the time of sale. Similarly, shorting assets at prices that may appear to be "overvalued" is no guarantee that such assets will not be trading at even more "overvalued" levels at the time of valuation or at the time of sale.

Derivatives Generally. Derivative instruments, or "derivatives," include options, futures, 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, financial assets, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark, financial asset, currency or index at a fraction of the cost of investing in the underlying asset. The Investment Manager may seek to acquire derivatives for Client accounts for these or other reasons, however, there is no assurance that derivatives that the Investment Manager wishes to acquire will be available at any particular times upon satisfactory terms or at all.

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 trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. 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 a Client to the possibility of a loss exceeding the original amount invested. Over-the-counter (“OTC”) 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 OTC market for derivatives is relatively illiquid. In the case of OTC derivatives contracts, a Client is subject to the credit risk of the counterparty.

The Investment Manager 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 objective of the applicable Client and legally permissible. Special risks may apply to instruments that are invested in by the Investment Manager in the future that cannot be determined at this time or until such instruments are developed or invested in by the Investment Manager.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) enables the Commodity Futures Trading Commission (“CFTC”) and the SEC to enact new regulations on certain OTC derivatives. Under the Dodd-Frank Act, certain OTC derivatives contracts will be required to be traded on regulated trading platforms and cleared through registered clearing organizations subject to regulation by the SEC and the CFTC. Once this occurs, such contracts will be traded more like futures and options contracts and parties to such transactions will trade standardized contracts and will face clearing organizations as contractual counterparties, rather than facing the credit risk of counterparties under individually negotiated bilateral OTC agreements.

In addition, swap dealers and major swap participants (entities that are not swap dealers, but are subject to rules governing dealers due to their levels of activity) are subject to regulatory oversight and requirements with respect to OTC derivatives, which will include business conduct requirements, such as know-your-customer rules, increased risk disclosure and rules requiring trades to be documented and confirmed within certain timeframes. Derivative contracts, whether cleared or uncleared, will have to be reported to the CFTC and/or the SEC.

While the CFTC has finalized the majority of its required rulemakings under the Dodd Frank Act, there are still a number of rules that have not been finalized by the SEC. As a result, the effect that the foregoing regulatory changes will have on the price of derivative contracts, liquidity and administrative costs, among other things, still remains unclear.

Call Options. 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.

Put Options. 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.

Forward Trading. The Investment Manager may engage in forward trading on behalf of a Client. 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 Client.

Foreign Currency Counterparty Risk. Contracts in the foreign exchange market have typically not been regulated by a regulatory agency, and such contracts are generally not guaranteed by an exchange or its clearing house. Consequently, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer funds or positions. In contrast to exchange-traded futures contracts, interbank-traded instruments rely on the dealer or counterparty being contracted with to fulfill its contract. As a result, trading in interbank foreign exchange contracts may be subject to more risks than futures or options trading on regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which a Client has a forward contract. Although the Investment Manager intends to trade on behalf of Clients with responsible counterparties, failure by a counterparty to fulfill its contractual obligations could expose Clients to unanticipated losses.

Pursuant to rules promulgated under the Dodd-Frank Act, many foreign exchange contracts will be deemed “swaps” under the U.S. Commodity Exchange Act, as amended, and therefore will be subject to comprehensive regulation by the CFTC. CFTC rules will govern certain terms of such contracts, such as minimum margin requirements, among others, and dealers of such products will be subject to business conduct and reporting obligations. Foreign currency options (unless traded on a securities exchange), non-deliverable foreign exchange forwards, currency swaps and cross-currency swaps will be included in such regulation. The U.S. Treasury Department (the “Treasury”) has exercised its authority to exempt foreign exchange forwards and swaps from most CFTC regulation, although such

transactions remain subject to certain CFTC reporting and business conduct requirements. As a result, foreign exchange forwards and swaps are not guaranteed by an exchange or clearing house and consequently, there are no requirements with respect to financial responsibility or segregation of customer funds or positions, which could expose Clients to unanticipated losses.

Counterparty Risk. Some of the markets in which the Investment Manager may effect transactions on behalf of Clients are “over-the-counter” or “interdealer” markets. The participants in such markets typically are not subject to the same credit evaluation and regulatory oversight as are members of “exchange-based” markets. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, might not be available in connection with such “over-the-counter” transactions. This exposes a Client to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Client to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Client has concentrated its transactions with a single or small group of counterparties. The Investment Manager is not restricted from dealing with any particular counterparty or from concentrating any or all of a Client’s transactions with one counterparty. The ability of the Investment Manager to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Clients.

The Investment Manager’s investment strategy may involve transactions that expose a Client to the credit of its counterparties, and vice versa. For example, a Client may seek to borrow against long positions, to borrow securities intending to sell them short and to enter into long and short derivative positions. All of these transactions, and transactions similar to them, are governed by documents, industry standards, market customs and practices, the parties’ prior course of dealing and by the covenants of good faith and fair dealing. At times, and especially in times of market stress, these credit exposures may come under stress, normal business conduct may be interrupted and normal legal protections may prove inadequate or may fail to provide timely relief. Furthermore, the prime brokerage agreement between the Client and its prime broker may be terminated at any time upon notice from the prime broker without penalty. Should it become necessary to remove or reduce credit exposure to a particular counterparty, or in the event that the prime broker elects to terminate the prime brokerage agreement, there can be no guarantee that a satisfactory alternative will be available, or even if one is available, that the Client will be able to avail itself of that alternative. As a consequence, it is possible that positions may be unwound at a disadvantageous time and any unwinding and/or porting of positions to another counterparty may prove costly and thereby damage the Client.

Credit Default Swaps. The Investment Manager may purchase and sell credit derivatives contracts – primarily credit default swaps – on behalf of a Client both for hedging and other purposes. The typical credit default contract requires the seller to pay to the buyer, in the event that a particular reference entity experiences specified credit events, the difference between the notional amount of the contract and the value of a portfolio of securities issued by the reference entity that the buyer delivers to the seller. In return, the buyer agrees to make periodic payments equal to a fixed percentage of the notional amount of the contract.

In addition, the parties may be required to post collateral to secure their obligations, which can reduce the amount of collateral or funds available for other purposes.

The Investment Manager may also purchase and sell credit default swaps on a basket of reference entities on behalf of a Client as part of a synthetic collateralized debt obligation transaction.

As a buyer of credit default swaps, the Client is subject to certain risks. In circumstances in which the Client does not own the debt securities that are deliverable under a credit default swap, the Client is exposed to the risk that deliverable securities will not be available in the market, or will be available only at unfavorable prices, as would be the case in a so-called “short squeeze.” In certain instances of issuer defaults or restructurings, it has been unclear under the standard industry documentation for credit default swaps whether or not a “credit event” triggering the seller’s payment obligation had occurred. In either of these cases, the Client would not be able to realize the full value of the credit default swap upon a default by the reference entity.

As a seller of credit default swaps, the Client incurs leveraged exposure to the credit of the reference entity and is subject to many of the same risks it would incur if it were holding debt securities issued by the reference entity. However, the Client will not have any legal recourse against the reference entity and will not benefit from any collateral securing the reference entity’s debt obligations. In addition, the credit default swap buyer will have broad discretion to select which of the reference entity’s debt obligations to deliver to the Client following a credit event and will likely choose the obligations with the lowest market value in order to maximize the payment obligations of the Client.

Non-U.S. Investments. The Investment Manager may trade non-U.S. securities and other instruments denominated in non-U.S. currencies and/or traded outside of the U.S. for Client accounts. Investments in securities of non-U.S. issuers (including non-U.S. governments) and securities denominated in, or the prices of which are quoted in, non-U.S. currencies pose, to the extent not hedged, currency exchange risks (including blockage, devaluation and non-exchangeability), as well as a range of other potential 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.

Transaction costs of investing in non-U.S. securities markets are generally higher than in the United States. There is generally less government supervision and regulation of exchanges, brokers and issuers outside the United States than there is in the United States. A Client might have greater difficulty taking appropriate legal action in non-U.S. courts. Non-U.S. markets also have different clearance and settlement procedures which, in some markets, could at times fail to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect the Client’s performance.

Special Situations. The Investment Manager may invest on behalf of Clients 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 Client 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, the Client 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 a Client may invest, there is a potential risk of loss by the Client of its entire investment in such companies.

Significant Positions; Shareholder Activism. The Investment Manager may take significant positions in portfolio companies on behalf of a Client that result in the Client acquiring (i) more than five percent (5%) of a class of securities of a single issuer which would require the filing of a Schedule 13D or 13G statement with the SEC, or (ii) more than ten percent (10%) of a class of securities of a single issuer (which would impose certain limitations on the Client's ability to trade in such securities, including the restrictions of Section 16 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act")).

At times the Investment Manager may engage on behalf of Clients in proxy contests, takeover bids, shareholder class actions or other litigation, or other activity which may place the applicable Clients in a high-profile position which is adverse to issuer management and/or other security holders. The Clients may, as a result of such techniques or otherwise, obtain a controlling or other substantial position in any public or private company. Clients may become subject to regulatory proceedings or other litigation.

At various times, the Investment Manager may agree with unrelated third parties to coordinate investments in activist positions. If any such third parties suffer damage to their reputation, the applicable Clients may also incur damage to their reputations as a result of the group association. The Investment Manager may agree with such parties not to purchase and/or sell the applicable securities or related securities without the consent of such parties and may agree with such parties to vote or not to vote such securities in a certain manner. This may result in the applicable Clients being unable to engage in certain transactions when the Investment Manager would otherwise deem it desirable. Under U.S. law, the formation of a "group" may result in a Client being deemed to own in excess of ten percent (10%) of an issuer's securities even when the Client's position itself is less than ten percent (10%) thereby resulting in "short-swing" transaction reporting and potential forfeiture obligations.

The Investment Manager's ability to realize value from certain of a Client's positions may depend upon the ability of the Investment Manager to influence the management of a portfolio company to take certain actions, including, for example, a recapitalization, restructuring, spin-off, sale of the business or change in management. If the Investment Manager is incorrect in its assessment of the impact such action will have on the value of the portfolio company, or if it is unsuccessful in persuading the portfolio company's management to take the desired action, the applicable Clients may sustain losses on their positions.

Litigation Risk. In some cases, the Investment Manager's investment program may result in the Investment Manager taking an activist position with respect to an issuer on behalf of a Client. For example, the Investment Manager may challenge action sought to be taken by an issuer that the Investment Manager believes will have an adverse impact upon the value of a

class of such issuer's securities. In such case, either the issuer itself, or other market participants with positions adverse to that of the Client, may institute litigation against the Client challenging its activist conduct. Alternatively, the Investment Manager 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 applicable Clients.

Purchasing Securities of Initial Public Offerings. The Investment Manager may purchase securities of companies during their initial public offerings or shortly thereafter on behalf of a Client. Special risks associated with these securities may include a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the companies and limited operating histories. These factors may contribute to substantial price volatility for the shares of these companies. The limited number of shares available for trading in some initial public offerings may make it more difficult for the Investment Manager to buy or sell significant amounts of shares for a Client's account without an unfavorable impact on prevailing market prices. In addition, some companies engaged in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.

Item 9 - Disciplinary Information

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

Item 10 - Other Financial Industry Activities and Affiliations

The Advisor and the General Partner are principally owned and controlled by the Founders.

The management of the Funds and SMAs may result in conflicts of interests when we and our related persons allocate time and investment opportunities among our Clients. In addition, the terms of the performance-based fees and allocations may differ among our Clients. This may result in a conflict of interest when we allocate opportunities among our Clients because we have an incentive to favor Clients that have higher performance-based fees and allocations. To avoid such conflicts of interest we generally follow documented procedures in allocating opportunities among such accounts, which do not take into account the performance-based fees and allocations to which such clients are subject.

Subject to applicable law, we may effect transactions between certain of our clients in which a client will purchase securities from another client (including a private fund or account in which we, our affiliates, principals or employees may have a significant interest). Such transactions (*i.e.*, cross trades) shall be effected only when we believe that such transactions are in the best interest of the applicable clients.

We may determine, in our discretion, to participate in investments with persons not affiliated with our Clients. In addition, we may offer to certain Clients, or to any third party, the opportunity to co-invest in opportunities in which a Client has invested or that become available to a Client. We may offer such opportunities to investors that we select in our discretion without notice to or the consent of any other Client.

The investment management agreements do not require the Investment Manager or its principals or affiliates to devote all or any specified portion of their time to managing the Clients' affairs. Such agreements require them to devote only so much of their time to such affairs as they, in their discretion, deem necessary in good faith. The Investment Manager and its principals or affiliates are not prohibited from engaging in any other existing or future business and they are not prohibited from investing on their own behalf or for the accounts of others as long as each of them acts in good faith with respect to the Clients at all times.

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

We have adopted a Code of Ethics (the "Code of Ethics") which provides that we are committed to conducting our business in accordance with all applicable laws and regulations and in an ethical and professional manner. In addition, we recognize that we have a fiduciary duty to the investors in the Funds and other accounts we manage, and that our employees must conduct their business on our behalf in a manner that enables us to fulfill this fiduciary duty. In this regard, we have developed policies and procedures in our Code of Ethics that are premised on fundamental principles of openness, integrity, honesty and trust. Among other things, our Code of Ethics governs all personal investment transactions by our employees, our policies with respect to gifts and entertainment, compliance with applicable securities laws (including insider trading), the manner in which violations of our Code of Ethics are to be reported, and certain other outside activities of our employees. Our Code of Ethics is available for inspection by any client or prospective client upon request.

Under our Code of Ethics, we place certain restrictions on the personal trading activities of our employees and their immediate family members. Our employees are required to disclose their personal securities holdings on an initial and annual basis, and their personal securities transactions quarterly. Employees may also participate in limited offerings such as hedge funds, private equity funds, or other types of private offerings, subject to pre-clearance procedures.

Item 12 - Brokerage Practices

A. Selection of Brokers (i.e., broker-dealers)

In placing portfolio transactions for our clients, we seek to obtain the best execution for clients' accounts, taking into account the following factors: the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution; the financial strength, integrity and stability of the broker; the firm's risk in positioning a block of securities; the quality, comprehensiveness and frequency of available research services considered to be of value; and the competitiveness of commission rates in comparison with other brokers satisfying our selection criteria. It is not our practice to negotiate "execution only" commission rates, thus a client may be deemed to be paying for research, brokerage or other services provided by a broker which are included in the commission rate.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. We will not commit to provide any level of brokerage business to any broker, and actual brokerage business received by any broker may be less than the suggested

allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above.

Our trading approach may emphasize active management of the Client's account. Consequently, portfolio turnover and brokerage commission expenses may from time to time be greater than for other types of investment vehicles.

Our Brokerage Committee (which includes the portfolio manager, analysts, trader and Chief Compliance Officer) meet periodically to evaluate the broker-dealers used by the Adviser to execute client trades using the foregoing factors. The Brokerage Committee also evaluates, and seeks to resolve, any conflicts of interest that we may have in selecting brokers to execute client transactions.

Research and Other Soft Dollar Benefits

We enter into soft dollar arrangements with brokers. Soft dollar arrangements arise when an investment adviser obtains products and services, other than securities execution, from a broker in return for directing client securities transactions to the broker. Soft dollar arrangements pose a conflict of interest for us in that such arrangements allow us to pay with client commissions expenses that would otherwise be borne by us. When we use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, we receive a benefit because we do not have to produce or pay for the research, products or services. We believe that this conflict is mitigated because our clients will generally pay for research as a "hard dollar" expense pursuant to their respective investment management agreements. We may have an incentive to select a broker based on our interest in receiving the research or other products or services offered by such broker, rather than on our clients' interests in receiving most favorable execution.

When engaging in soft dollar transactions, we comply with the safe harbor requirements of Section 28(e) of the Securities Exchange Act of 1934, as amended. Under this provision, in exercising our discretionary authority to select or arrange for the selection of brokers for execution of transactions for our clients, and, subject to our duty to obtain best execution, we may consider the value of research and brokerage products and services (collectively, "Research") provided by such brokers. Research may include, among other things, proprietary research from brokers, which may be written or oral. Research products may include, among other things, databases and quotation services. Research services may include, among other things, research concerning market, economic and financial data, a particular aspect of economics or on the economy in general, statistical information, pricing data and availability of securities, financial publications, electronic market quotations, performance measurement services, analyses concerning specific securities, companies, industries or sectors, market, economic and financial studies and forecasts, appraisal services, and invitations to attend conferences or meetings with management or industry consultants. Research services may also include software providing analysis of securities portfolios; corporate governance research and rating services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an investment manager and a broker-dealer and between a broker-dealer and other relevant parties such as custodians and administrators); trading software operated by a broker-dealer to route orders; software that provides algorithmic trading strategies; message services used to transmit orders; software used to transmit or route orders; short-term custody relating to effecting particular transactions in relation to clearance and settlement of trades; clearance and settlement in connection with a trade; electronic communication of allocation

instructions; routing settlement instructions; other exchanges of messages among trade parties; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

Accordingly, if we determine in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and products or services provided by such broker, a client may pay commissions to such broker in an amount greater than the amount another broker might charge.

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

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

Our prime broker(s) provide us with front and back office services, including trading, securities lending, clearing, reporting, and settlement for equities, fixed income, foreign currency and options, and consulting and talent recruiting, among others. Subject to applicable law, our prime brokers may also provide us with capital introduction services.

We execute securities transactions on behalf of Client accounts with broker-dealers that provide us with access to proprietary research reports (such as standard investment research and credit reports). To our knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. These bundled services are made available to us on an unsolicited basis and without regard to the rates of commissions charged or paid by Client accounts or the volume of business that we direct to such broker-dealers.

During our last fiscal year, we acquired with client brokerage commissions (or markups or markdowns) (i) research, such as proprietary research from brokers, which may have been written and/or oral; (ii) research products, such as databases and quotation services; and (iii) research services, such as research concerning market, economic and financial data; a particular aspect of economics or on the economy in general; statistical information; pricing data and availability of securities; financial publications; electronic market quotations; performance measurement services; analyses concerning specific securities, companies, industries or sectors; market, economic and financial studies and forecasts; appraisal services; and invitations to attend conferences or meetings with management or industry consultants.

During our last fiscal year, we have taken into account the quality, comprehensiveness and frequency of available research services and products considered to be of value provided by brokers when directing client transactions to a particular broker. We directed transactions to such brokers only consistent with best execution. Brokers sometimes suggest a level of business they would like to receive in return for the research services and products they provide, however we have not committed to provide any level of brokerage business to any broker. Actual brokerage business received by any broker may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above. A broker is not excluded from receiving business because it has not been identified as providing research services.

Brokerage for Client Referrals

Subject to applicable law, we may direct some client brokerage business to brokers who refer prospective investors to the private investment funds we manage, consistent with best execution. Because such referrals, if any, are likely to benefit us but will provide an insignificant (if any) benefit to our clients, we have a conflict of interest with our clients when allocating client brokerage business to a broker who has referred investors to us. To prevent client brokerage commissions from being used to pay investor referral fees, we will not allocate client brokerage business to a referring broker unless we determine in good faith that the commissions payable to such broker are not materially higher than those available from non-referring brokers offering services of substantially equal value to the Client account.

Directed Brokerage

The Investment Manager does not recommend, request or require that a client direct the Investment Manager to execute transactions through a specified broker.

Allocation of Investment Opportunities

We generally allocate investment opportunities so that each security held by the Client accounts we manage is held on a pari passu basis. In certain circumstances, we may allocate securities among Client accounts on a different basis. In such cases, the factors that we may consider when determining which securities to allocate to each Client account include, but are not limited to, the investment objectives and restrictions of each Client account; the overall portfolio composition of the Client accounts; relative capital available for investment in the applicable Client account; liquidity of the security; market capitalization and/or enterprise value of the underlying credit; position size; industry exposure; market exposure; gross, net, long and short exposure; and applicable tax considerations. New issues (as defined by FINRA rule 5130) are allocated to Client accounts in accordance with the criteria set forth above.

Trade Error Policy and Cross Trades

Trade and other clerical errors resulting in gains will be for the benefit of the applicable Client account(s) and will not be retained by us. Likewise, we will not absorb the cost of any trade or other clerical error as such items are considered by us to be a cost of doing business. Subject to applicable law, we will reimburse the applicable Client account(s) for net losses that occur as a result of trade errors resulting from our gross negligence or willful misconduct.

We may correct misallocations of trades among Client accounts by re-allocating the applicable trade using the intended allocation methodology prior to the trade's settlement date. If an erroneous allocation cannot be corrected prior to or after settlement, we may, if appropriate and subject to applicable law, correct such erroneous allocation by effecting a cross trade between Client accounts at the price at which the initial trade was effected. Other than in the case of the foregoing, we generally do not transact cross trades.

B. Order Aggregation

We will generally aggregate client trades, subject to best execution. Aggregation, or "bunching," describes a procedure whereby an investment adviser combines the orders of two or more clients into a single order for the purpose of obtaining better prices and lower execution costs. Aggregation opportunities for us generally arise when more than one client is capable of

purchasing or selling a particular security based on investment objectives, available cash and other factors. In such event, securities purchased or sold will generally be allocated among Client accounts on an average price basis. When an aggregated order is only partially filled, we will allocate the investment opportunity as described in Item 12 above - Allocation of Investment Opportunities.

We may also aggregate subsequent orders for the same security entered during the same day with any previously filled orders. This determination may take into consideration changes in the market price of the security and differences in allocations among accounts.

Third Party Trading

We may use a third-party trader to execute certain trades. The third-party trader is a registered broker-dealer and is capable (depending on our instructions and/or the exercise of its own discretion) of directly executing trades for our clients or instructing another broker to do so on its behalf. When using a third-party trader, we may select a specific broker that the third party trader must use to execute the trade in question. Our decision to instruct the third party trader to use a specific broker (or otherwise) is subject to the broker selection criteria described above.

Item 13 - Review of Accounts

Client positions and investments are regularly reviewed by our investment professionals for conformity with the objectives and risk criteria applicable to such Clients and compliance with any applicable risk and/or operating guidelines.

Investors in the Funds generally receive monthly unaudited reports regarding the performance of the Fund(s) in which they invest. In addition, we distribute copies of the Funds' audited financial statements at least annually to investors, generally within 120 days after the end of the period to which the audit relates. We also distribute tax reports to investors in the Funds.

Pursuant to "side letters" or other agreements, we may provide particular investors with more frequent and/or more detailed information regarding a Fund's positions, performance, finances, and management and/or other information about such Fund or us (including, notification of senior employee departures, the commencement of disciplinary actions, legal proceedings, investigations or similar matters, or redemptions from the Funds by us, our affiliates and/or our respective personnel), possibly enabling such investors to better assess the prospects and performance of the Funds. In addition, the Funds or we may give certain investors, including those who are provided with enhanced transparency (as described above), the right to redeem their investment on shorter notice and/or with more frequency than the terms applicable to other investors. As a result, certain investors may be able to redeem their investment at times when other investors may not, and based on information that may not be available to all investors. Subject to the applicable law, we do not intend to disclose the terms of side letter agreements or other arrangements or the identities of the investors that have entered into such agreements.

We may provide certain additional information to an investor, or prospective investor, in a Fund or separately managed account who requests it. This information may be provided in response to questions and due diligence requests, but will not be distributed to other investors and prospective investors who do not request it. Such information may affect a prospective investor's decision to invest, and investors (which may include our personnel and affiliates) may be able to act on such additional information and redeem their investments potentially at higher values than other investors. Any such redemptions may result in reduced liquidity for other investors and, in order

to meet larger or more frequent redemptions, the relevant Fund may need to maintain a greater amount of cash than it would otherwise maintain, which may reduce its overall performance. Each investor is responsible for asking such questions that it believes are necessary in order to make its own investment decisions, must decide for itself whether the limited information provided by us is sufficient for it.

We may provide the owners of the separately managed accounts we manage with periodic unaudited reports at such times as the owners of such accounts and we agree. The custodians, and, if applicable, the administrator(s), of such accounts send account statements to the owners of such accounts no less frequently than monthly. In addition, since a managed account investor directly owns the positions in its separately managed account, such investor may have full, real-time transparency as to all transactions and holdings in such account, and may be better able to assess the future prospects of a portfolio that is substantially similar to the portfolios of the private investment funds managed by us. The investors in such separately managed accounts may have the right to withdraw all or a portion of their capital from such managed accounts on shorter notice and/or with more frequency than the terms applicable to an investment in the private investment funds we manage.

Item 14 - Client Referrals and Other Compensation

Other than the circumstances described in the *Brokerage Practices* section above, we do not receive any economic benefits from non-clients in connection with the provision of investment advice to our Clients.

If a Client or an investor in a Fund is introduced to us by a third party solicitor, we and/or our affiliates may pay that solicitor a referral fee in accordance with the requirements of the Advisers Act. Any referral fee will be paid solely by us or our affiliates, and will not result in any additional charge to the Client or investor.

Item 15 - Custody

Client funds and securities are held in custody by qualified custodians. However, for purposes of the Advisers Act, we may also be deemed to have custody of certain client assets.

As noted above in Item 13, owners of the separately managed accounts we manage will receive account statements no less frequently than monthly from the custodians of such accounts. Clients should carefully review these statements that are received from the custodians of such accounts.

Item 16 - Investment Discretion

We have discretionary authority to manage our Clients' accounts. Fund investors generally may not place any limits on our authority beyond those set forth in the Fund's offering and governing documents. Under certain circumstances, we will contract with a Client to adhere to limited risk and/or operating guidelines imposed by the Client. We negotiate such arrangements on a case by case basis.

Item 17 - Voting Client Securities

We generally have voting discretion over securities held in our Clients' accounts, subject to the terms of the applicable investment management agreement. We adhere to our proxy voting policies and procedures that are designed to ensure that, such proxies are voted in the best interest of the Clients on a case-by-case basis. The investors in the Clients may not directly vote proxies. Oribel votes proxies as it deems necessary or appropriate, on a case-by-case basis.

Although not presently intended to be used on a regular basis, we may use and/or retain the services of an independent third party to vote proxies (including situations where a material conflict of interest is identified).

Clients who wish to understand our proxy voting rationale and process may contact the Chief Compliance Officer at the address on the cover page of this brochure.

Item 18 - Financial Information

The Investment Manager is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to Clients, and since its inception has not been the subject of a bankruptcy petition.

Item 19 - Requirements for State-Registered Advisers

The Investment Manager is not a State-Registered Adviser.