

Dorchester Advisors, LLC

Firm Brochure - Form ADV Part 2A

This Brochure provides information about the qualifications and business practices of Dorchester Advisors, LLC ("**Dorchester**"). If you have any questions about the contents of this brochure, please contact us at +61 7 -3121-3374 or by email at: gerald.bogart@dorchesteradvisor.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. Dorchester is a registered investment adviser with the Securities and Exchange Commission; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

Additional information about Dorchester Advisors, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Dorchester's CRD number is: 284085.

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Item 2: Material Changes

Dorchester Advisors, LLC has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore there are no material changes to report.

Pursuant to SEC Rules, Clients will receive a summary of any material changes to the Brochure, and any subsequent versions of the Brochure within 120 days of the close of our fiscal year, which is December 31. Additionally, as Dorchester experiences material changes in the future, we will send you a summary of our “Material Changes”, along with an offer to provide the Brochure under separate cover. We may further provide other ongoing disclosure information about material changes as necessary. We will provide you with a new version of the Brochure as necessary based on changes or new information, at any time, without charge.

You may request the Brochure by contacting Mr. Gerald W. Bogart at +61 7 -3121-3374 or by email at Gerald.bogart@dorchesteradvisor.com.

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Item 4: Advisory Business

A. Description of the Advisory Firm

Dorchester Advisors, LLC (hereinafter “**Dorchester**”) is a Limited Liability Company organized in the State of Delaware. Dorchester was formed in October 2014 and its principal owner is Gerald W. Bogart. From the date of organization and as of the date of this brochure, Dorchester has not formally commenced operations. Therefore Dorchester does not have any third-party assets under management as of the date of this Brochure.

B. Types of Advisory Services

Dorchester offers interests (“**Interests**”) in a Pooled Investment Vehicle, Dorchester REIT Preferred Security Fund, LP (“**Partnership**”). The Partnership was organized as a Delaware limited partnership on August 25, 2014 to operate as a private investment partnership. The General Partner of the Partnership is Dorchester Advisors, LLC, a Delaware limited liability company. Under the Partnership Agreement, Dorchester is primarily responsible for the management of the Partnership. Interests in the Partnership are being offered under the 3(c)(1) exemption of the Investment Company Act of 1940 for investment by up to 100 persons who are “accredited investors” as defined in Rule 501(a) of Regulation D under the Securities Act who have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of an investment in the Partnership. Dorchester intends to solicit and advertise interests in the Partnership to the public under Section 506(c) of Regulation D of the Securities Act. Limited Partners will be required to verify their status as accredited investors through the provision of two years of tax or wage statements, brokerage or bank statements, confirmation by certain third parties, or certain other methods deemed acceptable by

Dorchester.

The Partnership was formed to operate as a private investment partnership. The investment objective of the Partnership is to preserve capital and achieve current income. To this end, the Partnership will solely invest in publicly traded real estate investment trust preferred stock ("REITs"). The Partnership pool investment funds of its investors (each a "**Limited Partner**" and, collectively, "**Limited Partners**," and together with Dorchester, "**Partners**"). As the investment adviser (and General Partner) of the Partnership, Dorchester is responsible for the day-to-day administration of the Partnership's affairs. The investment objective of the Partnership is to preserve capital and achieve current income. To this end, the Partnership will solely invest in publicly traded real estate investment trust preferred stock ("REITs").

C. Client Tailored Services and Client Imposed Restrictions

Dorchester has complete discretionary investment authority over the Partnership's assets and the Partnership has given complete discretion to Dorchester to manage the Partnership's assets in accordance with the Partnership's Confidential Private Placement Memorandum, Limited Partnership Agreement and Subscription Agreement ("**Offering Documents**"). Each potential investor in the Partnership receives a complete set of Offering Documents prior to investing in the Partnership. Dorchester makes investment decisions in accordance with the fiduciary duties owed to the Partnership and without consideration of its own economic, investment or other financial interests. To meet its fiduciary obligations, Dorchester attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage the Partnership.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. Dorchester does not currently sponsor nor provide management services pursuant to any wrap fee program, as that term is defined the instructions to Form ADV Part 2.

E. Assets under Management

Dorchester, recently formed, has the following assets under management:

	Date Calculated:
\$0	July 1, 2016

Item 5: Fees and Compensation

A. Fee Schedule

Dorchester receives a management fee ("**Management Fee**") from the Partnership paid quarterly in advance equal to 0.25% (1% per annum) of the beginning Capital Account balance of each Limited Partner for such quarter. A pro rata portion of the Management Fee will be paid out of any initial or additional capital contributions to the Partnership on any date that does not fall on the first day of a calendar quarter, based on the number of days remaining in such partial quarter. No portion of the Management Fee will be refunded in connection with any withdrawals from a Limited Partner's Capital Account occurring prior to a Withdrawal Date. Dorchester may, in its sole discretion, enter into arrangements with Limited Partners under which the Management Fee is reduced waived or calculated differently with respect to such Limited Partners, including, without limitation, Limited Partners that are members, affiliates or employees of Dorchester, members of the immediate families of such persons and trusts or other entities for their benefit, or Limited Partners that make a substantial investment or otherwise are determined by Dorchester in its sole discretion to represent a strategic relationship. Although Dorchester believes its fees are competitive, Dorchester is required to disclose that Limited Partners should be aware that lower fees for comparable services may be available from other sources.

B. Payment of Fees

Dorchester receives the Management Fee from the Partnership paid quarterly in advance equal to 0.25% (1% per annum) of the beginning Capital Account balance of each Limited Partner for such quarter. A pro rata portion of the Management Fee will be paid out of any initial or additional capital contributions to the Partnership on any date that does not fall on the first day of a calendar quarter, based on the number of days remaining in such partial quarter.

C. Client Responsibility for Third Party Fees & Expenses

Organizational Expenses. All expenses of the Offering and organization of the Partnership (including legal and other expenses) ("**Organizational Expenses**") will be paid by the Partnership and/or reimbursed by the Partnership to the extent paid by Dorchester or its affiliates. The Organizational Expenses will be amortized and charged to the Partners' Capital Accounts on a monthly basis over a period of six years commencing from the launch of the Partnership's investment activities. GAAP require that organizational costs be treated as an expense when incurred. Dorchester believes that the impact on the Partnership's results from this departure from GAAP will result in a fairer apportionment of such expenses among Limited Partners. This departure from GAAP may also result in a qualified audit opinion from the Partnership's auditors. If the Partnership is terminated

within six years of the commencement of investment activities, any unamortized expenses will be recognized.

Operating Expenses. The Partnership shall pay (or reimburse Dorchester of its affiliates) for all ordinary and reasonable operating and other expenses, including, but not limited to, investment-related expenses (e.g., brokerage commissions, clearing and settlement charges, custodial fees, interest expenses, and expenses relating to consultants, brokers or other professionals or advisors who provide research, advice or due diligence services with regard to investments; research costs and expenses (including fees for news, quotation and similar information and pricing services); registered agent fees; legal expenses (including, without limitation, the costs of on-going legal advice and services, blue sky filings and all costs and expenses related to or incurred in connection with Dorchester's compliance obligations under applicable federal and/or state securities and investment adviser laws arising out of its relationship to the Partnership, as well as extraordinary legal expenses, such as those related to litigation or regulatory investigations or proceedings); the Management Fee; accounting fees and audit expenses; administrative fees; tax preparation expenses and any applicable tax liabilities (including transfer taxes and withholding taxes); other governmental charges or fees payable by the Partnership; director and officer and/or errors and omissions liability insurance premiums or fiduciary liability insurance premiums for directors, officers and personnel of Dorchester; costs of printing and mailing reports and notices; and other similar expenses related to the Partnership, as Dorchester determines in its sole discretion.

Dorchester's Expenses. Dorchester and/or Mr. Bogart will pay their own general operating and overhead type expenses associated with providing the administrative services and the investment management services required under the Partnership Agreement. These expenses include all expenses incurred by Dorchester in providing for its normal operating overhead, including but not limited to, the cost of providing relevant support and administrative services (e.g., employee compensation and benefits, rent, office equipment, insurance, utilities, telephone, secretarial and bookkeeping services.), but not including any Partnership operating expenses described above.

D. Prepayment of Fees

Dorchester collects its fees in Dorchester receives the Management Fee from the Partnership paid quarterly in advance equal to 0.25% (1% per annum) of the beginning Capital Account balance of each Limited Partner for such quarter.

E. Outside Compensation for the Sale of Securities to Clients

Neither Dorchester nor Mr. Bogart, its supervised person, accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees.

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

Dorchester does not charge performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of the Partnership.

Item 7: Types of Clients

The sole client of Dorchester is the Partnership.

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

A. Methods of Analysis and Investment Strategies

The Partnership will solely invest in publicly traded real estate investment trust preferred stock REITs. The Partnership's investment strategy is long only, and the Partnership's use of leverage may not exceed 50% of gross asset value of the Partnership. Investments will be bought and sold on the prominent exchanges and Dorchester plans to employ a narrow focus strategy. Investments of the Partnership will be in solely in publicly traded real estate investment trust preferred stock. The Partnership may periodically maintain all or a portion of its assets in money market instruments and other cash equivalents and may not be fully invested at all times.

The Partnership seeks to achieve its objective by entering into long positions in REIT preferred shares that are inefficiently priced compared to the rest of the market. The Partnership's general philosophy is to identify REITs that it projects can meet preferred dividend obligations over the long run with a high degree of confidence. In addition the Partnership identifies REITs by analyzing individual assets, management teams, and corporate capital structure and other special situations. The Partnership will employ a top-down overview of the economy and the REIT sector with an eye on interest rates. Valuation as measured by company-specific fundamentals and credit risk analysis. The Dorchester Model takes into account over 300 data points to determine solvency and profitability. Dorchester then constructs a diversified portfolio that balances individual security yield, with overall portfolio volatility. The portfolio holds a mix of exposure with an emphasis on diversification by Stocks with weak correlations.

Leverage. The Partnership may utilize leverage (including, without limitation, borrowing cash (as described below under "Borrowing and Lending") and enter into derivative transactions that have the effect of leveraging its portfolio), and may engage in securities lending transactions. The use of leverage may, in certain circumstances, maximized the adverse impact to which the Partnership's investment portfolio may be subject. The Partnership's investment strategy is long only and the Partnership's use of leverage may not exceed 50% of gross asset value of the Partnership.

Portfolio Concentration. Dorchester has complete flexibility in determining the instruments and markets in which the Partnership may invest and the investment techniques the Partnership may use to achieve their investment objectives. Dorchester has wide latitude to invest or trade the Partnership's assets, to pursue any particular strategy or tactic, or to change the emphasis without obtaining the approval of the Limited Partners, although Dorchester will only cause a material change to the Partnership's investment strategy with the consent of a majority in interest of Limited Partners. The investment program imposes no significant limits on the types of instruments in which Dorchester may take positions, the type of positions it may take, its ability to borrow money, or the concentration of investments.

Uninvested Assets. Assets not invested in securities or deposited as margin or paid as premiums generally will be invested in money market instruments, including, without limitation, Treasury notes and bills, certificates of deposit, commercial paper, broker balances, bankers' acceptances, repurchase agreements or mutual Partnerships that invest in such securities. For temporary defensive purposes, the Partnership may hold part or all of its assets in cash or other money market instruments.

B. Material Risks Involved

Dependence upon Mr. Gerald W. Bogart. The Partnership's success will depend on the management of Dorchester and on the skill and acumen of Mr. Gerald W. Bogart, who is Dorchester's portfolio manager.

No Operating History. The Partnership is recently formed and has no operating history upon which prospective investors may evaluate the Partnership's future performance.

Lack of Registration. The Interests are not being offered pursuant to a registration statement under the Securities Act nor under the securities or "blue sky" laws of any state and, thus, are subject to transfer restrictions.

Limitations on Withdrawals. Dorchester, in its discretion, may suspend or postpone the payment of any withdrawals from capital accounts.

No Distributions. Dorchester does not intend to make distributions to the Limited Partners, but intends instead to reinvest substantially all Partnership income and gain, if any.

Performance Allocation. Dorchester does not charge performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of the Partnership.

Competition. The securities industry and the varied strategies and techniques to be engaged in by Dorchester are extremely competitive and each involves a degree of risk.

Leverage. The Partnership will have access to and intends to utilize a significant amount of leverage in its investment program,

Advisory Services to Others. Dorchester and/or its managers, members, officers, affiliates and employees provide investment advice to other parties and may manage other accounts and private investment vehicles similar to the Partnership. In connection with such other investment management activities, Dorchester and/or its managers, members, officers, affiliates and employees may decide to invest the funds of one or more other accounts or clients or recommend the investment of funds by other parties, rather than the Partnership's funds, in a particular security or strategy. In addition, Dorchester and such other persons will determine the allocation of funds from the Partnership and such other accounts or clients to investment strategies and techniques on whatever basis they consider appropriate or desirable in their sole and absolute discretion.

No Obligation of Full-Time Service. Neither Dorchester and/or Mr. Gerald W. Bogart have any obligation to devote their full time attention to the business of the Partnership. They are only required to devote such time and attention to the affairs of the Partnership as they decide is necessary for the Partnership's operations and they may engage in other activities or ventures, including competing ventures and/or unrelated employment, which may result in various conflicts of interest between such persons and the Partnership.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither Dorchester nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither Dorchester nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither Dorchester nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

Dorchester does not utilize nor select third-party investment advisers. All assets are managed by Dorchester directly.

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

A. Code of Ethics

Dorchester has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Dorchester's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

Dorchester may recommend that the Partnership buy or sell a security in which a related person to Dorchester or Dorchester has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of Dorchester may make trades and investments for their own accounts. In these accounts, they may use trading and investment methods that

are similar to, or substantially different from, the methods used by them to direct Client accounts. The records of these personal accounts will not be made available to Clients.

D. Trading Securities At/Around the Same Time as Clients' Securities

Mr. Bogart monitors his personal securities transactions and reports them to Dorchester quarterly. Currently Mr. Gerald W. Bogart is the only person associated with Dorchester so he is responsible to adhere to the foregoing policies and to police his own personal trading.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Interactive Brokers, LLC (“**Custodian**”) will provide brokerage and custodian services for the Partnership, and will generally execute (on the basis of payment against delivery) the securities transactions of the Partnership. Accordingly, the Broker may receive substantial brokerage commissions and/or margin interest related to the securities transactions of the Partnership. The Partnership reserves the right to use other and/or additional firms for brokerage and custodial services.

1. Research and Other Soft-Dollar Benefits

While Dorchester has no formal soft dollars program in which soft dollars are used to pay for third party services, Dorchester may be offered non-monetary benefits or “soft dollars” arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, by brokers to induce Dorchester to engage such brokers to execute securities transactions on behalf of the Partnership. These soft dollars may take the form of research and other related services regarding securities investments and may be available for use by Dorchester or their affiliates in connection with transactions in which the Partnership does not participate. Brokers may also solicit or refer investors to invest in the Partnership. The availability of these benefits may influence Dorchester to select one broker rather than another to perform services for the Partnership. Dorchester intends to use its best efforts to assure either that the fees and costs for services provided to the Partnership by such brokers are reasonable in relation to the fees and costs charged by other equally capable brokers not offering such services or that the Partnership also will benefit from the services.

2. Brokerage for Client Referrals

Dorchester receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

Dorchester may also direct some Partnership brokerage business to brokers who refer prospective investors to the Partnership. If such referrals occur, they are likely to benefit

Dorchester while, at the same time, provide little, if any, benefit to the Limited Partners. Consequently, Dorchester will have a conflict of interest with the Partnership when allocating Partnership brokerage business to a broker who has referred investors to the Partnership. To prevent Partnership brokerage commissions from being used to pay investor referral fees, Dorchester will not allocate Partnership brokerage business to a referring broker unless Dorchester determines in good faith that the commissions payable to such broker are reasonable in relation to those available from non-referring brokers offering services of substantially equal value to the Partnership.

B. Aggregating (Block) Trading for Multiple Client Accounts

Dorchester may aggregate purchase and sale orders of securities held by the Partnership with similar orders being made simultaneously for other accounts or entities if, in Dorchester's reasonable judgment, such aggregation is reasonably likely to result in an overall economic benefit to such portfolio based on an evaluation that the portfolio will be benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions, or a combination of these and other factors. In many instances, the purchase or sale of securities for The Partnership will be affected simultaneously with the purchase or sale of like securities for other accounts or entities. Such transactions may be made at slightly different prices, due to the volume of securities purchased or sold. In such event, the average price of all securities purchased or sold in such transactions may be determined, at Dorchester's sole discretion, and the Partnership may be charged or credited, as the case may be, with the average transaction price.

C. Allocation of Trades

Dorchester may at times determine that certain securities will be suitable for acquisition by the Partnership and by other accounts managed by Dorchester, possibly including Dorchester's own accounts, or accounts of an affiliate. If that occurs, and Dorchester is not able to acquire the desired aggregate amount of such securities on terms and conditions which Dorchester deems advisable, Dorchester will endeavor to allocate, in good faith, the limited amount of such securities acquired among the various accounts for which Dorchester considers them to be suitable. Dorchester may make such allocations among the accounts in any manner which it considers to be equitable under the circumstances including, but not limited to, allocations based on relative account sizes, the degree of risk involved in the securities acquired, and the extent to which a position in such securities is consistent with the investment policies and strategies of the various accounts involved.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

The investments of the Partnership are continuously reviewed by Dorchester. This review includes ongoing analysis of portfolio investments and an assessment of the risks inherent in the portfolio.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

The investments of the Partnership are continuously reviewed by Dorchester.

C. Content and Frequency of Regular Reports Provided to Clients

The Partnership's books of account will be audited at the end of each fiscal year by a firm of certified public accountants selected by Dorchester. Books of account will generally be kept by the Partnership, in accordance with GAAP. Dorchester will furnish audited financial statements to all Limited Partners within 90 days, or as soon thereafter as is reasonably practicable, following the conclusion of each fiscal year, although Dorchester may elect to postpone the first audit of the Partnership's annual financial statements until the completion of the Partnership's first full fiscal year, in which case the initial audit will cover the applicable fiscal year as well as the partial "stub" year in which the Partnership commenced operation. In addition, all Limited Partners will receive the information necessary to prepare federal and state income tax returns following the conclusion of such fiscal year as soon thereafter as is reasonably practical. Each Limited Partner will also receive unaudited reports of Partnership activity on a quarterly basis (including all gains and losses in each Limited Partner's Capital Account and the Net Asset Value of such Capital Account) and such other information as Dorchester determines. Dorchester will not be required to provide information with regard to specific investment transactions of the Partnership.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

Dorchester may also direct some Partnership brokerage business to brokers who refer prospective investors to the Partnership. Because such referrals, if any, are likely to benefit Dorchester but will provide an insignificant (if any) benefit to Limited Partners, Dorchester will have a conflict of interest with the Partnership when allocating

Partnership brokerage business to a broker who has referred investors to the Partnership. To prevent Partnership brokerage commissions from being used to pay investor referral fees, Dorchester will not allocate Partnership brokerage business to a referring broker unless Dorchester determines in good faith that the commissions payable to such broker are reasonable in relation to those available from non-referring brokers offering services of substantially equal value to the Partnership.

B. Compensation to Non - Advisory Personnel for Client Referrals

Dorchester may sell Interests through broker-dealers, placement agents and other persons and pay a marketing fee or commission in connection with such activities, including ongoing payments, at Dorchester's own expense (except in circumstances involving directed brokerage). In certain cases, Dorchester reserves the right to pay a one-time fee or sales charge, on a fully disclosed basis, to a broker-dealer or placement agent based upon the capital contribution of the investor introduced to the Partnership by such broker dealer or agent. Any such sales charge would be assessed against the referred investor and would reduce the amount actually invested by the investor in the Partnership.

Item 15: Custody

When advisory fees are deducted directly from the Partnership accounts at the Partnership's Custodian, Dorchester will be deemed to have limited custody of the Partnership's assets and has written authorization from the Partnership to do so.

Item 16: Investment Discretion

Dorchester has discretionary authority to manage funds and securities on behalf of the Partnership as described in its Offering Documents. Dorchester has the authority to determine the type of securities and the amount of securities that can be bought or sold for the Partnership's portfolio without obtaining the Limited Partner's consent for each transaction.

Item 17: Voting Client Securities (Proxy Voting)

Dorchester has voting authority for Partnership securities. Dorchester will vote proxies received by the Partnership in accordance with its own discretion.

Item 18: Financial Information

A. Balance Sheet

Dorchester receives the Management Fee from the Partnership which is paid quarterly in advance equal to 0.25% (1% per annum) of the beginning Capital Account balance of each Limited Partner for such quarter.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither Dorchester nor its management has any financial condition that is likely to reasonably impair its ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

Dorchester has not been the subject of a bankruptcy petition in the last ten years.