

Cambridge Square Capital, LP

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This brochure provides information about the qualifications and business practices of Cambridge Square Capital, LP (“Cambridge Square” or the “Adviser”). If you have any questions about the contents of this brochure, please contact us at 857-400-9910 or compliance@cam2cap.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.

Registration with the SEC does not imply any level of skill or training.

Additional information about Cambridge Square Capital, LP is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2: Material Changes

Cambridge Square last filed its ADV Part 2A (the “Brochure”) during an Annual Amendment filed on March 30, 2018. This brochure replaces the previous brochure, and contains the following changes:

- Effective April 27, 2018, Cambridge Square changed its office address to One Boston Place, Suite 4040, Boston, MA 02108.

We encourage all recipients of this Brochure to read it carefully in its entirety.

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Item 4: Advisory Business

Firm Description

Cambridge Square is a Delaware limited partnership which was founded by Marco Barrozo (“Mr. Barrozo”) in August 2016 to provide investment advice on a discretionary basis to privately offered pooled investment vehicles (“Funds”). Cambridge Square is managed and controlled by its general partner, Cambridge Square Holdings, LLC, a Delaware limited liability company managed and controlled by Mr. Barrozo, its sole managing member.

Outside of Mr. Barrozo, no limited partner of Cambridge Square is entitled to receive 25% or more of Cambridge Square’s capital in the event of Cambridge Square’s dissolution. In addition to Cambridge Square, Mr. Barrozo also controls Cambridge Square Fund GP, LLC, a Delaware limited liability company formed in December 2016 to serve as general partner to certain of the Funds managed by Cambridge Square.

Cambridge Square provides discretionary investment advice to three private investment funds (each a “**Fund**” and collectively the “**Funds**”) operating under a master-feeder arrangement. In addition to the Funds, Cambridge Square provides discretionary advice to an institutional client under a separate account arrangement operating under the name Cambridge Square Institutional Fund, LP (the “**CSIF Account**” and, together with the Funds, each a “**Client**” and collectively “**Clients**”). The CSIF Account has substantially the same investment objectives and strategy as, and trades on a pari passu basis to, the Funds. Cambridge Square does not offer advice on a non-discretionary basis, and does not currently provide investment advice to registered investment companies or directly to individuals. Interests in the Funds are offered to individuals and entities that are “accredited investors” and “qualified purchasers”, and the interest in the CSIF Account was also subject to those parameters (investors in all Clients are referred to as “**Investors**”). Investors in the Clients may include, but are not limited to, high net worth individuals, pension plans (corporate, state and foreign), sovereign wealth funds, endowments, foundations, banks, pooled investment vehicles (e.g., funds-of-funds), trusts, estates or charitable organizations, and corporate or business entities.

The Funds are currently organized as a master-feeder structure whereby Cambridge Square Offshore Fund, Ltd., a Cayman Islands exempted company (the “**Offshore Fund**”) is designed for investments primarily by non-U.S. Investors and certain U.S. tax-exempt Investors, Cambridge Square Fund, LP, a Delaware limited partnership (the “**Domestic Fund**”), is designed for investments primarily by U.S. taxable Investors. The Offshore Fund and the Domestic Fund (each also a “**Fund**”) invest all of their Investable Assets (assets other than cash and short-term investments awaiting or otherwise pending contribution to the Master Fund) in the Cambridge Square Master Fund, LP, a Cayman Islands exempted limited partnership (the “**Master Fund**”). The Master Fund has been established to transact in global financial markets (particularly Rates and Foreign Exchange, and also including Commodities and Equities). The Master Fund effects its strategy by purchasing or selling short financial instruments including, but not limited to, interest-bearing or interest rate sensitive instruments (including those issued or guaranteed by the U.S. Government or agencies), interest rate swaps, currencies, futures contracts, forward contracts, credit default and other swaps, common and preferred stock, depository receipts, warrants, rights, debt securities, put and call options on the foregoing, other derivatives and volatility products and instruments of U.S. and non-U.S. issuers and other securities and investments, in each case and every kind and character, traded or not traded on U.S. and non-U.S. markets (including over-the-counter markets) and exchanges.

Cambridge Square Fund GP, LLC, a Delaware limited liability company, serves as the general partner (the “**General Partner**”) of the Domestic Fund and the Master Fund. The Master Fund’s investment program is managed by the Adviser, which is an affiliate of the General Partner.

Cambridge Square has full discretionary authority with respect to the investment decisions for its Clients, and its advice is made in accordance with the investment objectives and guidelines as set forth in the Governing Documents (as defined below) of each Client.

Information about the Clients included in this brochure is qualified in its entirety by the information in the Clients’ Governing Documents, for example, confidential private placement memorandums, investment management agreements, limited partnership agreements, and other governing documents (the “**Governing Documents**”). Investors and prospective Investors should refer to each Client’s Governing Documents for complete information on the investment objectives and investment restrictions of the respective Clients.

As of December 31, 2017, Cambridge Square manages approximately \$1,116,512,169 of “**Regulatory Assets Under Management**” (as defined by the SEC), all on a discretionary basis.

Item 5: Fees and Compensation

All Investors and potential Investors should review the Governing Documents for the Funds in conjunction with this brochure for more complete information on the fees and compensation payable with respect to the Funds.

Fund Fees

Cambridge Square and/or the General Partner is entitled to receive an annual management fee equal to or up to 1.75% of the net asset value of each investor’s capital balance (a “**Management Fee**”) and performance-based fees equal to or up to 20% of net profits (an “**Incentive Allocation**”). Management Fees are generally calculated and payable quarterly in advance as of the beginning of each quarter, while Incentive Allocations are generally assessed annually. An early redemption fee of 3% payable to the Master Fund may apply to investments redeemed prior to the end of lock-up periods defined in the Governing Documents of the Funds.

The Management Fee and Incentive Allocation with respect to certain Investors, including, without limitation, affiliates of the Investment Manager and/or the General Partner, and certain other strategic Investors, may be waived, reduced or otherwise modified by the Investment Manager and/or General Partner in its sole discretion. Cambridge Square has discretion to waive, reduce or rebate the Management Fee and Incentive Allocation with respect to the investment of one or more Investors without notifying the other Investors in the applicable Fund, provided that no such waiver or reduction will adversely impact any other Investor or cause an increase in the Management Fee or Incentive Allocation borne by an Investor as a result of such waiver, reduction or modification.

Other Fund Fees and Expenses

In addition to Management Fees and Incentive Allocations, the Funds pay, or reimburse Cambridge Square for all costs, fees and expenses incurred in connection with the organization of a Fund and the initial offering of shares or partnership interests, including, without limitation, legal, accounting, administration and travel expenses, filing fees (including any “blue sky” filing fees) and other out-of-pocket expenses (“**Organizational Expenses**”). Each Fund bears its pro rata portion of such expenses.

Each Fund pays, or reimburses the General Partner and/or the Adviser, as applicable, for all costs, fees and expenses related to its investments or prospective investments (whether or not consummated), including, without limitation, acquisition, holding and disposition thereof and all third-party expenses in connection therewith (including, without limitation, expenses relating to brokerage commissions, price validation, dealer spreads, interest on, and fees and expenses arising out of, debit balances or borrowings, dividends payable with respect to securities sold short, exchange, clearing, give-up and intermediation fees, clearing and settlement charges, proxies, and costs of middle office exchanges (whether paid or via administrator), as well as transaction fees and expenses relating to the foregoing, custodial fees, investment related travel expenses in connection with investment activity, legal fees and expenses incurred in connection with investment activity, asset verification, appraisal and valuation fees and expenses, and consultants, finders and service companies, each Fund’s proportionate share of an order management system and portfolio management system, information and information service subscriptions utilized with respect to each Fund’s investment program, including phone and internet charges, each Fund’s costs and expenses relating to regulatory compliance (e.g., Form D, Form PF and Form CPO-PQR) (but excluding, for the avoidance of doubt, any legal, regulatory or compliance fees and expenses which relate primarily to the business of the General Partner, the Adviser and any of their respective affiliates (e.g., Form ADV)), any tax-related structuring or legal fees and expenses incurred, any withholding, transfer or other taxes imposed on a Fund or any of its Investors, and each Fund’s pro rata share of expenses related to organizing any investment subsidiaries through which investments may be made and other execution and transaction costs, to the extent that such costs, fees and expenses are not reimbursed by a third-party.

Each Fund also pays, or reimburse the General Partner and/or the Adviser, as applicable, for all other operating fees and expenses or out-of-pocket costs of the administration and operation of each Fund, including, without limitation, ongoing offering fees and expenses, accounting (including expenses associated with the preparation of the Fund’s financial statements and tax returns, costs associated with FATCA and AEOI compliance and any other tax information relating to the Fund), audit, administration (including fees and reimbursable expenses of the Administrator, Advisory Committee and the Board of Directors) and legal expenses, costs of any litigation or investigation involving Fund activities, indemnification payments, costs associated with meetings of Investors, reporting, providing and mailing information to existing and prospective investor, costs associated with maintaining insurance to protect each Fund, from liabilities to third persons in connection with a Fund’s affairs (including liability premiums), taxes and other governmental charges, fees and duties payable by a Fund, damages incurred by a Fund or any covered person (as defined in the Governing Documents), extraordinary fees and expenses, if any, and costs of winding up and liquidating a Fund. Each Fund is responsible for its pro rata portion of all relevant expenses.

The Funds do not have their own separate employees or offices. The Adviser is responsible for its own general operating and overhead costs (except as otherwise set forth above).

CSIF Account Fees and Expenses

The CSIF Account fee and expense arrangement was separately negotiated with the CSIF Account Investor. The CSIF Account is subject to fees and expenses similar to those incurred by the Funds, including, but not limited to, asset based management fees, performance based fees, and without limitation, other operating expenses such as Organizational Costs, legal, accounting, administration, filing fees and other out-of-pocket expenses. In relation to expenses shared with the Funds, the CSIF Account bears its pro rata share of any relevant fees and expenses.

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

See discussion of the Incentive Allocation in the *Fees and Compensation* section above.

Side-by-Side Management

Cambridge Square has four Clients, two of which are trading entities that trade on a *pari passu* basis (the two clients that are trading entities, the Master Fund and the CSIF Account, are referred to in this section, as “**Trading Entities**” when the designation is helpful, while each is still individually a Client and, together with other Clients, the Clients).

Part 5 above describes performance-based compensation or allocations that are charged by Cambridge Square to its Clients. As a result, Cambridge Square and its affiliates do not face the conflicts of interest that may arise when an investment adviser receives performance-based compensation from some Clients and not from others. Nevertheless, side-by-side management of the Trading Entities may create conflicts of interest in that in certain circumstances Cambridge Square may be incented to favor one Client versus another with regard to allocation of investment opportunities. For example, because the assets of employees and affiliates of Cambridge Square are disproportionately invested with certain Clients, Cambridge Square may be seen to have an incentive to favor these Clients.

The Funds currently invest through a “master-feeder” structure. To the extent that multiple Funds’ assets are invested in the Master Fund, certain conflicts of interest in managing the Master Fund portfolio may exist due to differing tax and other considerations applicable to each Fund. These considerations may cause the Master Fund to structure or dispose of particular investments in a manner that is more advantageous to one Fund than to another Fund. Because the formula for calculating compensation Cambridge Square receives from the Clients may be different, Cambridge Square may have an incentive to favor one Client over another depending on market conditions when making allocations of expenses and investment opportunities.

Cambridge Square may also have an incentive to favor a specific Client in order to build a favorable track record for future marketing opportunities to potential Investors. In any event, the Clients may transact in the same or similar securities at different times and therefore may receive different prices for such securities. To mitigate such conflicts, Cambridge Square has adopted investment allocation policies and procedures to provide for fair and equitable allocation of investments and trades among the Trading Entities. Under such policies, new investments are generally allocated to each Trading Entity in a manner to provide each Client with equivalent exposure to such new investment, subject to modification on account of regulatory, tax and other considerations as determined by Cambridge Square, to the extent consistent with Cambridge Square's investment strategy and restrictions.

Item 7: Types of Clients

Cambridge Square provides discretionary management and advisory services to Clients directly, subject to the direction and control of the General Partner or Directors of each Client, and not individually to the Investors. Furthermore, the opportunity to invest in a Fund is only open to an Investor. Details concerning applicable Investor suitability criteria are set forth in the Governing Documents of each Fund. Generally, Investors must invest a minimum dollar amount of \$5,000,000, however certain classes or series or additional funds or managed accounts may be subject to higher minimums in Cambridge Square's or the General Partner's sole discretion. Also, Investors are required to make certain representations when investing, including, but not limited to that (i) they are acquiring an interest for their own account, (ii) they received or had access to all information they deem relevant to evaluate the merits and risks of the prospective investment and that (iii) they have the ability to bear the economic risk of an investment in the Fund.

The Clients have the absolute discretion to agree with any Investor to waive or modify the application of any provision of the investment terms in the Governing Documents with respect to such Investor (including, but not limited to, those relating to Management Fees, Incentive Allocations, transparency and liquidity) without obtaining the consent of any other Investor or notifying such Investor of any waiver or modification (other than an investor whose rights under the Governing Documents would be materially and adversely changed by such waiver or modification).

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

Investment Universe

The Clients' investment objective is to generate superior returns that are generally uncorrelated to market direction. The Clients are relative value entities focused on volatility arbitrage and relative value strategies. These Clients transact in global financial markets, including (particularly rates, and foreign exchange, and also commodities, and equities), purchasing or selling short financial instruments including, but not limited to, interest-bearing or interest rate sensitive instruments (including those issued or guaranteed by the U.S. Government or agencies), interest rate swaps, currencies, futures contracts, forward contracts, credit default and other swaps, common and preferred stock, depository receipts, warrants, rights, debt securities, put and call options on the foregoing, other derivatives and volatility products and instruments of U.S. and non-U.S. issuers and other securities and investments, in each case and every kind and character, traded or not traded on U.S. and non-U.S. markets (including over-the-counter markets) and exchanges.

Investment Process

Cambridge Square uses data, signals, proprietary models, and other toolkits to detect investment opportunities in various markets. The Adviser performs research and analysis on market microstructure, risk concentration and other factors to seek to fully understand market dynamics, supply-demand issues, dealer risk and intermediation and other issues driving the investment opportunities. The Adviser then develops trade packages and portfolios to seek to best capture such investment opportunities in the marketplace. These processes require extensive knowledge of financial markets and the use of sophisticated trading models to carefully evaluate investment opportunities. When constructing a trade package, numerous factors are considered, typically including annualized return on risk capital, the risk versus reward profile of the trade, the diversification benefits to the overall portfolio, liquidity characteristics, how crowded the position is, the initial and expected variation margin and the expected holding period of the position.

Portfolio Construction and Risk Management

The goal of the Adviser is to optimize the Clients' portfolio by engaging in active trade and position management, monitoring cash utilization and exposures to macro risk factors, undertaking comprehensive risk monitoring, and employing stress testing and VaR analysis. Detailed risk reports are generated on a daily basis, and the Chief Risk Officer meets with the Adviser's Investment Team on a regular basis.

The Adviser also has a "**Risk Committee**" which meets monthly, and on an as needed basis, to review market, liquidity, counterparty and operational risk for the Clients. In addition, the Clients also operate under a drawdown framework as further detailed in the Governing Documents.

The Adviser seeks to construct and maintain a diversified portfolio for the Clients in certain respects. However, there is no assurance that a Client's portfolio will be adequately diversified in all market conditions.

Other Investment Considerations

The Clients may buy securities on margin, borrow from brokers, banks and others on a secured or unsecured basis, and employ derivative instruments in order to provide leverage as the Adviser deems appropriate. The Clients may also achieve leverage in certain transactions through the use of structured products which may include the use of recourse and non-recourse borrowings to the Clients. The Clients may be subject to limitations on margin borrowing under applicable federal margin regulations.

The Clients hold or invest any cash balances it may accumulate for investment, reinvestment, or distribution to investors in securities subject to repurchase agreements, money market mutual funds, interest-bearing bank accounts or other fixed-income securities/instruments. The cash balances of the Clients vary as the Adviser may deem advisable. The Adviser may also deem it advisable to hold no cash balances whatsoever from time-to-time.

Associated Risk Factors

Client investments are speculative and involves certain risks. Certain of these risks are summarized below. This type of investment may not be suitable for all investors, and is intended for sophisticated Investors who can accept the risks associated with its investments. Investors do not and will not have recourse except with respect to the assets of their accounts.

A description of these risks can also be found in the Governing Documents. Investors and prospective Investors should review the Governing Documents to understand additional risks related to investments, as well as potential conflicts of interests. Investors should be aware that it is impossible to predict the full range of situations in which actual or potential conflicts of interest may arise. Accordingly, this discussion cannot be, and is not intended to be, exhaustive.

Investors should review the Governing Documents for definition of capitalized terms used in this section.

Risks Related to Investments in a Client (or Fund, as noted)

General Investment Risks. All Client investments risk the loss of capital. The Adviser believes that a Client's investment program and research may moderate this risk. However, there can be no assurance that a Client's investment program will be successful or that investments made by a Client will increase in value. An Investor could lose its entire investment. All Investors should consult their own legal and/or tax providers.

Incentive Allocation. The allocation of a percentage of the Client's net profits to the General Partner may create an incentive for the Adviser, an affiliate of the General Partner, to make investments on behalf of a Client that are riskier or more speculative than would be the case if this allocation was not made. Since the allocation is calculated on a basis which generally includes unrealized appreciation of assets, such allocation may be greater than if it were based solely on realized gains.

Limited Operating History. Each Client was formed within the past year and thus has limited operating history of its own for prospective Investors to evaluate prior to making an investment. Although key personnel of the Adviser have extensive experience in investment analysis and investment management, the past performance of any investment or investment funds managed by the Adviser, its predecessors or its principals cannot be construed as any indication of the future results of an investment. Each Client's investment program should be evaluated on the basis that there can be no assurance that any of the Adviser's strategies will be executed in whole or in part, or that a Client will achieve its investment objective.

Dependence on Key Management Personnel. The success of the Clients will be highly dependent on the financial and managerial expertise and skill of the Adviser's team of investment professionals. There is no assurance that the managers, principals or other key members of the management of the Adviser will continue to be employed by the Adviser for any period. The loss of one or more key individuals of the Adviser, particularly Mr. Barrozo, could have a material adverse effect on the performance of the Clients. Although the Adviser will commit a significant amount of its business efforts to the Clients, it is not required to devote all of its time to the affairs of the Clients and may engage in a broad spectrum of activities, including financial advisory services, brokerage services and principal investments.

Start-Up Operations. The Adviser commenced operations in March 2017 and, therefore, is subject to all the risks associated with being a start-up operation. Were the Adviser to discontinue operations prematurely, the result could be adverse to the Clients, which likely would be required to unwind, possibly in unfavorable market conditions and before Clients have had a reasonable opportunity to realize their investment objectives.

Counterparty Risk. A Client may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions which are generally backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. While the Adviser attempts to mitigate known counterparty risk, such risk is unpredictable and, given recent market events, may not be anticipated or otherwise adequately addressed. Recent events in the global capital markets illustrate that the current environment is one of extraordinary uncertainty for financial services companies and other market participants, including a Client, and that such uncertainty has had, and could continue to have, a material adverse effect on the functioning of capital markets, and on the business and operations of a Client.

Futures Commission Merchants. A Client enters into transactions to purchase, hold, sell, clear and settle investments, with or through futures commission merchants (“FCMs”). In connection with their role accepting and soliciting orders for futures contracts, options for futures contracts and swaps, FCMs are required to be registered with the CFTC and are subject to CFTC rules and regulations, including with respect to minimum capital requirements, segregation of customer accounts, margin lending rules, customer disclosure requirements and filing requirements. FCMs are also subject to the rules and regulations of the various clearinghouses and exchanges of which they are members. A Client’s investments may also be adversely affected if an FCM with which a Client transacts decides to terminate its relationship with a Fund or call in any margin loans extended to a Client. As active participants in the financial markets, FCMs are also subject to systemic risk as well as significant counterparty risk. A political or economic event affecting other participants in U.S. or global financial and commodities markets could have an adverse effect on the FCM’s financial viability and/or ability to successfully complete and execute transactions on behalf of a Client.

Bankruptcy of Broker-Dealers. Any cash and securities maintained by a Client at a U.S. broker-dealer are registered with the SEC and FINRA and are protected to a limited degree by the U.S. Securities Investor Protection Corporation (the “SIPC”). In the event of the bankruptcy of a broker-dealer, if sufficient funds are not available in the broker-dealer’s customer accounts to satisfy claims (including a claim of a Client), it is expected that the reserve funds of the SIPC will be used to supplement the distribution. Therefore, a Client could be at risk of loss for any amounts in excess of the SIPC limit to the extent that the broker-dealer does not maintain insurance sufficient to cover any amounts owed. Assets held outside the U.S. may be subject to different and/or diminished protection in the event of a counterparty failure located in such jurisdiction. There is no guarantee that any protection provided by the SIPC will continue to be available in the future. Certain assets may not fall within the classes of securities or assets protected by the SIPC, or may be re-hypothecated and not be subject to SIPC protection.

Master-Feeder Structure. The Domestic Fund and Offshore Fund generally invest through a “master-feeder” structure. Although a common investment fund structure, the “master-feeder” fund structure presents certain unique risks to Investors. For example, a smaller feeder fund investing in the Master Fund may be materially affected by the actions of a larger feeder fund investing in the Master Fund. If a larger feeder fund withdraws from the Master Fund, the remaining feeder fund may experience higher *pro rata* operating expenses, thereby producing lower returns. The Master Fund may become less diverse due to a withdrawal by a larger feeder fund, resulting in increased portfolio risk.

Cybersecurity Risk. With the increased use of technologies such as the Internet to conduct business, Clients are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption (“**Cyber-attacks**”). Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber-attacks affecting the Adviser’s and other service providers (including, but not limited to, Client’s administrator, accountants, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with a Client’s ability to value its securities or other investments, impediments to trading, the inability of the Adviser to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from Cyber-attacks affecting issuers of securities in which a Client invests, counterparties with which a Client engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for Investors) and other parties. In addition, substantial costs may be incurred in order to prevent any Cyber-attacks in the future. While a Client’s service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, a Client cannot control the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect a Client or its Investors. A Client and its Investors could be negatively impacted as a result.

Risks Relating to Clients’ Investment Program

Nature of Investments. The Adviser has broad discretion in making investments for a Client. Investments generally consist of equity securities and other instruments and assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that the Adviser will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of a Client’s activities and the value of its investments. No guarantee or representation is made that a Client’s investment objective will be achieved, or that a Client will be able to generate any return for Investors.

Discretion of the Adviser. The Adviser seeks to engage in the investment activities that have been discussed in the Governing Documents. Nonetheless, a Client's portfolio may be altered at any time in the sole and absolute discretion of the Adviser and without the approval of any Investor, subject to any guidelines set forth in the Governing Documents.

Non-U.S. Securities. Each Client invests a portion of its assets in the equity or other securities and instruments of issuers located outside the United States. In addition to the business uncertainties, such investments may be affected by political, social and economic uncertainty affecting a country or region. A Client will be subject to fiscal and taxation policies, regulatory regimes, including securities regulations, market and settlement practices and sovereign and political risks of the countries in which a Client invests. As a result, liquidity may be reduced and price volatility may be higher. The legal and regulatory environment may also be different, particularly as to bankruptcy and reorganization. Financial accounting standards and practices may differ, and there may be less publicly available information in respect of such companies.

A Client may be subject to additional risks which include possible adverse political and economic developments, possible seizure or nationalization of non-U.S. deposits and possible adoption of governmental restrictions which might adversely affect the payment of principal and interest to Investors located outside the country of the issuer, whether from currency blockage or otherwise. Furthermore, some of the securities or investments may be subject to brokerage taxes levied by governments, which has the effect of increasing the cost of such investment and reducing the realized gain or increasing the realized loss on such securities or investments at the time of sale. Laws, regulations and conditions in foreign countries may impose restrictions or risks that would not exist in the U.S. and may require financing and structuring alternatives that differ significantly from those customarily used in the U.S. Income received by a Client from sources within some countries may be reduced by withholding and other taxes imposed by such countries. Any such taxes paid by a Client will reduce its net income or return from such investments. While the Adviser takes these factors into consideration in making investment decisions for a Client, no assurance can be given that it will be able to fully avoid these risks.

Currency Risks. A Client may invest a significant portion of its assets in securities denominated in non-U.S. currency and in other financial instruments, the price of which will be determined by reference to those currencies, whereas the Shares are denominated and valued in U.S. dollars. Direct and indirect Client investments that are denominated in non-U.S. currency are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Dramatic fluctuations in the value of a country's currency could have an adverse impact on the profitability of a Client. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation, and political developments. To the extent that the U.S. Dollar appreciates relative to these currencies, the U.S. Dollar value of these investments is likely to be adversely affected. In addition, if the currency in which a Client receives dividends, interest or other types of payments (such as liquidating payments) declines in value against the U.S. Dollar before such payments are distributed, the U.S. Dollar value of these payments could be adversely affected if not sufficiently hedged. Furthermore, the ability of a Client and companies in which it invests to convert freely between the U.S. Dollar and other currencies may be restricted or limited and, in a number of instances, exchange rates and currency conversion are controlled directly or indirectly by governments or related entities. Many of the currencies of emerging markets have been subject to large fluctuations in value in recent years and may be subject to significant fluctuations in the future. The economies of many emerging markets have been characterized by high inflation rates. Inflation in the countries where a Client makes investments may adversely affect a Client's results and value.

The Adviser may employ at times, but is under no obligation, to employ hedging techniques to minimize these risks, but there can be no assurance that such strategies will be effective. In particular, a Client may seek to offset the risks associated with such exposure, in part, through foreign exchange transactions. The markets in which foreign exchange transactions are effected are highly volatile, highly specialized and highly technical. Significant changes, including changes in liquidity and prices, can occur in such markets within very short periods of time, often within minutes. Foreign exchange trading risks include, but are not limited to, exchange rate risk, interest rate risk and potential interference by foreign governments through regulation of local exchange markets, foreign investment, or particular transactions in foreign currency.

Public Market Illiquidity; Illiquidity of Investments Made by a Client. A Client may invest in instruments issued, as well as assets of, privately held companies and individuals in emerging markets. A high proportion of the instruments issued by, and most of the debt owed by, many companies in emerging markets may be held by a limited number of persons. A limited number of issuers in many emerging capital markets may represent a disproportionately large percentage of market capitalization and trading value. The small size and the limited volume of trading in the capital markets in certain of such countries, coupled with a general shortage of local capital and the absence of a developed merger and acquisition market, and the limited volume of trading in instruments in those countries may make a Client's investments in such countries more illiquid than investments in more established markets, and a Client may be required to establish special custodial or other arrangements before making certain investments in those countries. Such illiquidity may continue even if the underlying companies obtain listings on their respective home country exchanges.

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

Investments in Undervalued Assets. A Client may invest in undervalued assets. The identification of investment opportunities in undervalued assets is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired. While investments in undervalued assets offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from a Client's investments may not adequately compensate Investors for the business and financial risks assumed. An Investor should be aware that it may lose all or part of its investment.

Derivative Instruments. A Client uses various derivative instruments which may be volatile and speculative, and which may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. For example, a Client may enter into interest rate swaps and similar transactions primarily as a means of hedging its own borrowing against fluctuations in interest rates or preserving or enhancing a return or spread on a particular investment or portion of its portfolio. A Client may enter into interest rate swaps on either an asset-based or liability-based basis, depending on whether it is hedging its assets or its liabilities. A Client may also enter into credit default swaps and may either buy protection or sell protection from losses caused by the occurrence of a negotiated default event (a "**Credit Event**"). The parties with which a Client enters into such derivatives are expected to be banks, broker dealers and other financial institutions.

A Client may enter into other derivatives transactions, including total return swaps, broad index swaps, basket swaps, caps, floors and collars, involving payment terms based upon payments received on, or changes in the value of, specified assets or a recognized index of investments. There is no assurance that such hedging transactions will be effective to manage portfolio risk.

Use of derivative instruments presents various risks, including the following:

- *Tracking* – When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the Adviser from achieving the intended hedging effect or expose a Client to the risk of loss.

- *Liquidity* – Derivative instruments, especially when traded in large amounts, may not be liquid in all circumstances, so that in volatile markets the Adviser may not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative positions limits on exchanges on which the Adviser may conduct its transactions in certain derivative instruments may prevent prompt liquidation of positions, subjecting a Client to the potential of greater losses.
- *Leverage* – Trading in derivative instruments can result in large amounts of synthetic leverage. Thus, the leverage offered by trading in derivative instruments may magnify the gains and losses experienced by a Client and could cause a Client's net asset value to be subject to wider fluctuations than would be the case if the Adviser did not use derivative instruments that provide leverage.
- *Over-the-Counter-Trading* – Derivative instruments that may be purchased or sold by the Adviser include instruments not traded on an exchange. Over-the-counter options, unlike exchanged-traded options, are bilateral contracts with price and other terms negotiated by the buyer and seller. The risk of nonperformance by the obligor on such an instrument may be greater and the ease with which the Adviser can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange-traded instrument. In addition, significant disparities may exist between "bid" and "asked" prices for derivative instruments that are not traded on an exchange. Derivative instruments not traded on exchanges are also not subject to the same type of government regulation as exchange traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with such transactions.

Futures Trading Is Speculative. A Client may engage in futures trading. A principal risk in trading futures is the traditional volatility and rapid fluctuation in the market prices. The profitability of such futures trading will depend primarily on the prediction of fluctuations in market prices. Price movements for futures are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; weather and climate conditions; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the psychological emotions of the market place. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument and currency markets, and such intervention (as well as other factors) may cause these markets to move rapidly. Investments in futures are also subject to the risk of the failure of any of the exchanges on which a Client's positions trade or of its clearinghouses or futures commission merchants. Futures positions may be illiquid because certain exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits." Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a Client from promptly liquidating unfavorable positions and subject a Client to substantial losses or could prevent a Client from entering into desired trades. In extraordinary circumstances, a futures exchange, the CFTC or another similar non-U.S. regulatory body or agency could suspend trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract.

Futures Trading Is Highly Leveraged. The low margin deposits normally required in futures trading permit an extremely high degree of leverage. Accordingly, a relatively small price movement in a futures contract may result in immediate and substantial loss or gain to the Clients. For example, if at the time of purchase ten percent (10%) of the price of a futures contract is deposited as margin, a ten percent (10%) decrease in the price of the futures contract would, if the contract were then closed out, result in a total loss of the margin deposit before any deduction for brokerage commissions. Thus, like other leveraged investments, any futures trade may result in losses in excess of the amount invested. Any increase in the amount of leverage applied in trading will increase the risk of loss by the amount of additional leverage applied.

Options. The successful use of options depends on the ability of the Adviser to forecast interest rate and market movements correctly. In addition, when it purchases an option, a Client runs the risk that it will lose its entire investment in the option in a relatively short period of time, unless a Client exercises the option or enters into a closing transaction with respect to the option during the life of the option. If the price of the underlying security does not rise (in the case of a call) or fall (in the case of a put) to an extent sufficient to cover the option premium and transaction costs, a Client will lose part or all of its investment in the option. Although a Client will take an option position only if the Adviser believes there is a liquid secondary market for the option, there is no assurance that a Client will be able to affect closing transactions at any particular time or at any acceptable price. In the event of the bankruptcy of a broker through which a Client engages in transactions in options, a Client could experience delays and/or losses in liquidating open positions purchased or sold through the broker.

Forward Trading. A Client may enter into forward contracts with counterparties. Forward 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. Forward and “cash” trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies and commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by a Client due to unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward (and futures) trading to less than that which the Adviser would otherwise recommend, to the possible detriment of a Client. Market illiquidity or disruption could result in major losses to a Client.

Short Sales. The Adviser may engage in short sales as part of hedging transactions or when it believes securities are overvalued. Short sales are sales of securities a Client borrows but does not actually own, usually made with the anticipation that the prices of the securities will decrease and a Client will be able to make a profit by purchasing the securities at a later date at the lower prices. A Client will incur a potentially unlimited loss on a short sale if the price of the security increases prior to the time it purchases the security to replace the borrowed security. A short sale presents greater risk than purchasing a security outright since there is no ceiling on the possible cost of replacing the borrowed security, whereas the risk of loss on a “long” position is limited to the purchase price of the security. Closing out a short position may cause the security to rise further in value creating a greater loss. A Client’s ability to execute a short selling strategy may be materially adversely impacted by temporary and/or new permanent rules, interpretations, prohibitions, and restrictions adopted in response to adverse market events. Furthermore, regulatory authorities may impose restrictions that adversely affect a Client’s ability to borrow certain securities in connection with short sale transactions. In addition, traditional lenders of securities might be less likely to lend securities under certain market conditions. As a result, a Client may not be able to effectively pursue a short selling strategy due to a limited supply of securities available for borrowing. A Client may also incur additional costs in connection with short sale transactions, including in the event that it is required to enter into a borrowing arrangement in advance of any short sales. Moreover, the ability to continue to borrow a security is not guaranteed and a Client is subject to strict delivery requirements. The inability of a Client to deliver securities within the required time frame may subject a Client to mandatory close out by the executing broker-dealer. A mandatory close out may subject a Client to unintended costs and losses. Certain action or inaction by third-parties, such as executing broker-dealers or clearing broker-dealers, may materially impact a Client’s ability to effect short sale transactions. Such action or inaction may include a failure to deliver securities in a timely manner in connection with a short sale effected by a third-party unrelated to a Client.

Foreign Exchange. Spot and forward prices are highly volatile. Price movements for spot and forward contracts may be influenced by, among other things, changing supply and demand relationships, trade, fiscal, monetary, and exchange control programs and policies of governments, domestic and foreign political and economic events, changes in domestic and foreign interest rates and rates of inflation, currency devaluations and revaluations and emotions of the marketplace. In addition, governments from time to time intervene directly and by regulation in certain markets, particularly those currencies in gold. Such intervention is often intended to influence prices directly. None of these factors can be controlled by the Adviser, and no assurance can be given that the Adviser’s advice will result in profitable trades for a Client or that a Client will not incur substantial losses. Spot and forward contracts are not traded on exchanges. Rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Neither the CFTC nor banking authorities currently regulate trading in forward contracts on currencies, nor is there a limitation on the daily price movements of forward contracts. Speculative position limits are not applicable to forward trading. A Client is subject to the risk of the inability or refusal to perform on the part of the principals or agents or through whom such forward contracts are traded.

Availability of Suitable Investment Opportunities. A Client may compete with others to acquire interests in its targeted investments. Certain of a Client’s competitors may have greater financial and other resources and may have better access to suitable investment opportunities. There can be no assurance that a Client will be able to locate and complete suitable investments that satisfy a Client’s objectives. Whether or not suitable investment opportunities are available to a Client, Clients bear the Management Fees and other expenses described herein.

Non-Controlling Investments. If a Client makes non-controlling investments, a Client may have a limited ability to protect its investments.

Lack of Diversification. A Client's portfolio may not be as diversified among a wide range of types of securities as other investment vehicles. Accordingly, the investment portfolio of a Client may be subject to more rapid change in value than would be the case if a Client were required to maintain a wider diversification among types of securities and other instruments.

Hedging. A Client may attempt to hedge some of the market and credit risks inherent in its strategy, and will generally seek to utilize various hedging strategies to protect the U.S. dollar value of its investments. There is, however, no assurance that such strategies, when utilized, will always be successful. Furthermore, when a Client desires to hedge a position in its portfolio, it might not be able to do so because a hedge may not be available; it may be too costly in light of the likelihood of the possible risk actually occurring or the risk simply could not be reasonably anticipated.

Leverage. A Client may buy securities on margin, borrow from brokers, banks and others on a secured or unsecured basis, and employ derivative instruments in order to provide leverage as the Adviser deems appropriate. A Client may also achieve leverage in certain transactions through the use of structured products which may include the use of recourse and non-recourse borrowings to a Client. While such borrowing will increase the investment opportunities available to a Client, it will also increase the risk of loss on such investments. The amount of financial leverage will vary and may at times be important in relation to a Client's capital.

While leverage can potentially increase the returns of the Clients, conversely, it also has the potential to magnify losses, and therefore the overall losses the Clients may incur will be greater than if the Clients had not obtained financial leverage.

Market Disruptions; Governmental Intervention; Dodd-Frank Wall Street Reform and Consumer Protection Act. The global financial markets have in recent years gone through pervasive and fundamental disruptions that have led to extensive governmental intervention. Such intervention was in certain cases implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, certain of these interventions have been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which aims to reform various aspects of the U.S. financial markets, covers a broad range of market participants including investment advisers (registered and unregistered) such as the Adviser.

The Dodd-Frank Act may directly affect the Adviser by mandating additional new reporting requirements, including, but not limited to, position information, use of leverage and counterparty and credit risk exposure. Until the SEC implements the new reporting requirements, it is unknown how burdensome such new reporting requirements will be.

The Dodd-Frank Act may also affect a Client in a number of other ways. Pursuant to the Dodd-Frank Act, banks and other financial firms (like a Client and the Adviser) may be designated as “Systemically Important Financial Institutions” or SIFIs. Any bank or financial firm so designated will be subject to regulation by the Federal Reserve Board. In the area of derivatives, the Dodd-Frank Act provides for the registration and comprehensive regulation of “major swap participants.” Although the General Partner and the Adviser believe they are unlikely to be classified as SIFIs and are not subject to the requirements for “major swap participants,” the consequences of being so classified could be substantial and adverse. In addition, the cost of derivative transactions may substantially increase as result of the Dodd-Frank Act as additional margin, capital and collateral obligations are implemented.

A Client may incur major losses in the event of disrupted markets and other extraordinary events in which historical pricing relationships become materially distorted. The risk of loss from pricing distortions is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving. The financing available to a Client from its banks, dealers and other counterparties will typically be reduced in disrupted markets. Such a reduction may result in substantial losses to a Client. Market disruptions may from time to time cause dramatic losses for a Client, and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk.

Projections. A Client may make investments relying upon projections developed by the Adviser or a portfolio company concerning such portfolio company’s future performance and cash flow. Projections are inherently uncertain and subject to factors beyond the control of the Adviser and the portfolio company in question. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of unforeseen events could impair the ability of a portfolio company to realize projected values and/or cash flow.

Contingent Liabilities. From time to time a Client may incur contingent liabilities in connection with an investment. For example, a Client may purchase from a lender a revolving credit facility that has not yet been fully drawn. If the borrower subsequently draws down on the facility, a Client would be obligated to Client the amounts due. A Client may also enter into agreements pursuant to which it agrees to assume responsibility for default risk presented by a third party, and may, on the other hand, enter into agreements through which third parties offer default protection to a Client.

Also, a Client may issue guarantees of indebtedness for (or provide a supplemental indemnity with respect to) special purpose vehicles or other entities in connection with investments made by a Client.

Limited Liquidity of a Client’s Assets / Uncertain Exit Strategies. The Adviser intends generally to invest the assets of a Client in liquid securities. A Client’s assets may, however, at any given time, include securities and other financial instruments or obligations which are thinly-traded or for which no market exists and/or which are restricted as to their transferability under applicable securities laws. The liquidation of all or a portion of a Client’s portfolio at distressed prices could result in significant losses to a Client.

Additionally, due to the illiquid nature of some of the positions which a Client may acquire, as well as the uncertainties of the reorganization and active management process, the Adviser will be unable to predict with confidence what the exit strategy will ultimately be for any given position, or that one will definitely be available. Exit strategies, which appear to be viable when an investment is initiated, may be precluded by the time the investment is ready to be realized due to economic, legal, political or other factors.

Increased Regulatory Oversight. The financial services industry generally, and the activities of hedge funds and their managers in particular, have been subject to intense and increasing regulatory scrutiny. Such scrutiny may increase a Client's and the Adviser's exposure to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight can also impose administrative burdens on the Adviser, including, without limitation, responding to investigations and implementing new policies and procedures. Such burdens may divert the Adviser's time, attention and resources from portfolio management activities.

It is anticipated that, in the normal course of business, the Adviser's officers will have contact with governmental authorities, and/or be subjected to responding to questionnaires or examinations. A Client may also be subject to regulatory inquiries concerning its positions and trading.

In addition, a Client may be subject to foreign regulatory authorities, the rules of which cannot be accurately predicted and which may also include inquiries concerning its positions and trading.

Transactions with Affiliates. From time to time the Adviser may determine that a sale of positions from one Client to another is in the best interests of both Clients. For example, a Client may acquire investments from unrelated sellers and may re-offer a portion of such investments to affiliated investment vehicles that were subject to legal, fiscal or other restrictions on participating in the original transaction. Alternatively, an affiliate may acquire an investment from an unrelated seller in anticipation of offering it to a Client at a future date if a Client does not have available capital to make the investment when it is being marketed by the unrelated seller. In the future, a Client may acquire investments from an affiliate of the Adviser, that is in the business of originating and syndicating loans and other transactions. This may also arise, for example, if one account is being wholly or partially liquidated to fund redemptions, while another account has cash available for investment. While these transactions with related parties are expected to expand the universe of opportunities that are available to a Client and other clients of the Adviser, a Client will not necessarily derive a benefit from each such transaction, and a Client and the other party to a particular transaction may have divergent interests. Moreover, there may be uncertainties regarding the valuation of investments that are subject to these transactions. Investors will have no opportunity to participate in the evaluation of the terms or merits or valuation of any such transactions. Affiliates may earn commissions, spreads or other compensation from a Client.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a Client's or Investor's evaluation of the Adviser or the integrity of the Adviser's management. Neither Cambridge Square nor any of its officers, directors, employees or other management persons, have been involved in any legal or disciplinary events in the past 10 years that would require disclosure in response to this Item.

Item 10: Other Financial Industry Activities and Affiliations

Registered Broker-Dealers

No one at Cambridge Square is registered as a broker-dealer or a registered representative of a broker-dealer.

Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor

The Clients trade futures, options on futures and swaps as part of its investment strategy. Therefore, the Clients are deemed to be commodity pools under the U.S. Commodity Exchange Act, as amended (the “CEA”), the operator of which must comply with regulations applicable to a commodity pool operator (a “CPO”) registered with the U.S. Commodity Futures Trading Commission (the “CFTC”) or qualify for an exemption from such regulation. Cambridge Square is registered as a CPO under the CEA. In connection with acting as the CPO of the Clients, the Adviser files a notice of claim of exemption pursuant to CFTC Reg. § 4.7 for each Client it advises.

Pooled Investment Vehicles

Cambridge Square organizes and sponsors the Funds, which are private investment companies, and the CSIF Account, which is a Separately Managed Account. These pooled investment vehicles managed by Cambridge Square are controlled, respectively, by an affiliated General Partner entity. Cambridge Square or the General Partner are responsible for all decisions regarding portfolio transactions of the Funds and have full discretion over the management of the Funds’ investment activities. While the General Partner is not separately registered as an investment adviser with the SEC, all of its investment advisory activities are subject to the Advisers Act and the rules thereunder.

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

Pursuant to Rule 204A-1 of the Advisers Act, Cambridge Square has adopted a written Code of Ethics (the “Code”) predicated on the principal that the Adviser owes a fiduciary duty to the Clients and its Investors. The Code is designed to address and avoid potential conflicts of interest and is applicable to all officers, directors, members, partners or employees of Cambridge Square (the “Employees”), each Employee’s spouse, minor children and other family members living in his or her household (the “Related Persons”), as well as each other individual designated in writing by a compliance officer as being subject to all or a portion of the compliance procedures or policies adopted by the Adviser. Cambridge Square requires its Employees to act in the Clients’ best interests, abide by all applicable regulations and avoid any action that is, or could even appear to be, legally or ethically improper.

The Code contains policies and procedures with respect to personal securities transactions by employees and related accounts that are designed to prevent front-running, scalping, the misuse of any material non-public inside information, and other improper activities. Employees generally may not conduct personal securities transactions in single name equity and debt securities, or options, and must report all personal transactions to the CCO on at least a quarterly basis. The CCO monitors all transactions by employees in order to identify any pattern of conduct that may evidence conflicts or potential conflicts with the principles and objectives of the Code, or other inappropriate behavior.

The Code will be made available to any Investor or prospective Investor upon request.

Item 12: Brokerage Practices

Cambridge Square uses various broker-dealers to execute, settle and clear securities transactions for the Clients. As part of its fiduciary duty to Clients and Investors, Cambridge Square has an obligation to seek the best price and execution of transactions. Best execution generally means the execution of trades at the best net price considering all relevant circumstances.

In selecting broker-dealers to effect portfolio transactions, Cambridge Square considers such factors as best execution, the ability of the broker-dealers to effect the transaction, as well as the broker-dealer's operational, financial, and regulatory status. More specifically, when determining which trading venue to use for portfolio transactions, Cambridge Square may consider, among other things, listed bids and asks, the opportunity for price improvements, transaction costs, anonymity, liquidity, speed of execution, quality of research, expertise with the type of security, trading style and strategy, geographic location, and frequency of errors.

Cambridge Square does not engage in the use of "soft dollars."

Item 13: Review of Accounts

The "Risk Committee" formally conducts monthly meetings to review market, counterparty and operational risk for the Clients. The Risk Committee consists of the Chief Investment Officer, Chief Risk Officer, Chief Executive Officer, and Chief Operating Officer. In addition, the Chief Risk Officer meets with the Investment Team weekly to discuss each Client's current portfolio construction and associated inherent risks. The Adviser evaluates potential market risk concentration by reviewing daily, comprehensive reports and undertaking historical and hypothetical scenario analysis. There are liquidity and cash control policies in place for in-and-out cash transfers and the Clients seek to optimize margin posting through counterparty selection and cross-netting. The Adviser furnishes to the Investors in the Clients, as soon as practicable after the end of each fiscal year, audited annual reports containing financial statements examined by the Client's independent auditors, as well as unaudited monthly reports showing the value of their account balance, periodic reports providing Client and market commentary and certain other reports on the operations of the Client as the Adviser may determine in its sole and absolute discretion. Unless otherwise restricted by law, all reports, financial statements and other information may be delivered to Investors electronically.

Item 14: Client Referrals and Other Compensation

Cambridge Square may periodically engage third party placement agents (i.e., solicitors) to introduce prospective Investors to the Funds. Placement Agents may charge the Investors who purchase shares or interests through them additional upfront and/or ongoing placement fees. The amount of the additional upfront placement fee, if any, must be added to a prospective Investor's subscription amount and will not be applied towards the shares or interests issued to that Investor. The Adviser and/or the General Partner may also pay compensation to a Placement Agent, which will not be paid by the Funds. Alternatively, the Adviser may elect to reduce its Management Fees to the extent of any placement fees borne by the Funds.

Item 15: Custody

Cambridge Square has access to Client financial accounts since it or an affiliate serves as the General Partner of the Clients. Investors in the Clients do not receive statements from any custodians. Instead, the Clients are subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the audited financial statements are distributed to each Investor. The audited financial statements are prepared in accordance with generally accepted accounting principles and distributed to Investors within 120 days of each Client's fiscal year end.

Item 16: Investment Discretion

In accordance with the terms and conditions of the Governing Documents, the Adviser generally has discretionary authority to determine, without obtaining specific consent from the Clients or its Investors, the securities and the amounts to be bought or sold on behalf of the Clients, and to perform the day-to-day investment operations of the Clients.

Item 17: Voting Client Securities

Cambridge Square has authority to vote the securities of the Clients. In accordance with its fiduciary duty to Clients and Rule 206(4)-6 of the Advisers Act, Cambridge Square has adopted and implemented written policies and procedures governing the voting of Client securities.

It is the Adviser's policy to exercise the proxy vote in the best interest of its Clients, taking into consideration all relevant factors, including without limitation, acting in a manner that Cambridge Square believes will (i) maximize the economic benefits to the relevant Client and (ii) promote sound corporate governance by the issuer.

Cambridge Square seeks to avoid material conflicts of interest between its own interests on the one hand, and the interests of its Clients on the other. All conflicts of interest will be resolved in the interests of the Clients. In situations where Cambridge Square perceives a material conflict of interest, Cambridge Square may defer to the voting recommendation of an independent third party provider of proxy services, or take such other action in good faith which would protect the interests of the Clients.

All proxies that Cambridge Square receives will be treated in accordance with these policies and procedures. A copy of Cambridge Square's written proxy voting policies and procedures, as well as a record of how Cambridge Square votes proxies, is maintained and available for review upon written request.

Item 18: Financial Information

A balance sheet is not required to be provided as Cambridge Square (i) does not require or solicit fees more than six months in advance, (ii) does not have a financial condition that is likely to impair its ability to meet contractual commitments to Clients or (iii) has not been subject to any bankruptcy proceeding during the past 10 years.