

**General Equity Holdings LP**

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**This brochure provides information about the qualifications and business practices of General Equity Holdings LP (“GE Holdings”). If you have any questions about the contents of this brochure, please contact us at (646) 813-9212 and/or email: [EKostolansky@geholdings.com](mailto:EKostolansky@geholdings.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Additional information about GE Holdings also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**GE Holdings is registered as an investment adviser with the SEC. Registration with the SEC does not imply a certain level of skill or training.**

**Item 2. Material Changes**

This Brochure, dated March 27, 2018 updates assets under management for GE Holdings since its filing made on January 31, 2018. Before becoming registered as an investment adviser, effective March 1, 2018, GE Holdings was an exempt reporting adviser.

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#### **Item 4. Advisory Business**

GE Holdings is a limited partnership organized under the laws of the State of Delaware and has been providing investment advisory services since 2017. General Equity Holdings GP LLC, a Delaware limited liability company, serves as the general partner of GE Holdings. Andrew Bellas, Principal, Managing Partner and Portfolio Manager (the “Principal”), is the managing member of General Equity Holdings GP LLC.

Currently, GE Holdings manages and provides discretionary investment advisory services to the General Equity Funds (as defined below in this Item 4).

As of December 31, 2017, GE Holdings had \$242 million in regulatory assets under management. GE Holdings does not currently manage any client assets on a non-discretionary basis and does not participate in any wrap fee programs.

As of the date of this Brochure, GE Holdings serves as investment manager of General Equity Partners LP, a Delaware limited partnership (the “Domestic Feeder Fund”), General Equity Partners Offshore Ltd., a Cayman Islands exempted company (the “Offshore Feeder Fund” and, together with the Domestic Feeder Fund, the “Feeder Funds” or the “Funds”) and General Equity Partners Master Fund LP, a Cayman Islands exempted limited partnership (the “Master Fund” and, together with the Feeder Funds, the “General Equity Funds” or the “Fund”). Each Feeder Fund invests substantially all of its assets in the Master Fund. In each case, GE Holdings makes all trading and investment decisions on behalf of the Funds. GE Holdings does not tailor its investment advice to the needs of any investor in a Fund. Investors in a Fund cannot impose restrictions or limitations on a Fund’s investments. The General Equity Funds offer two classes of interests or shares (“Interests”), Class A Interests (which closed at One Hundred Fifteen Million Dollars (\$115,000,000) in assets) and Class B Interests which may be issued up to the target size of the Funds, which is Five Hundred Million Dollars (\$500,000,000) (excluding any Interests issued to the Principal and employees and their affiliates) (the “Cap”).

Further information regarding GE Holdings’ management of the General Equity Funds, including regarding methods of analysis and investment strategies, is provided below in Item 8.

#### **Item 5. Fees and Compensation**

##### **Funds**

Each Feeder Fund pays GE Holdings a management fee (the “Management Fee”) with respect to the Class A and Class B Interests equal to one and one quarter percent (1.25%) on an annualized basis of the net asset value of such Class A or Class B Interests. If at the end of any fiscal quarter, the aggregate net asset value of fee paying Interests exceeds Two Hundred Million Dollars (\$200,000,000), then the Management Fee with respect to the Class A Interests for the following fiscal quarter will be reduced to six hundred twenty-five thousandths of one percent (0.625%) on an annualized basis of the net asset value of the Class A Interests, and if at the end of any fiscal quarter, the aggregate net asset value of fee paying Interests exceeds Three Hundred Million Dollars (\$300,000,000), then the Management Fee with respect to the Class A Interests

for the following fiscal quarter will be reduced to zero percent (0%) on an annualized basis of the net asset value of the Class A Interests.

General Equity Partners GP, LP (“General Equity Partners”), receives an annual incentive allocation (“Incentive Allocation”) from the Domestic Feeder Fund, or the Offshore Feeder Fund, as applicable, in an amount equal to (i) fifteen percent (15%) of the new realized and unrealized gains allocated to those holding Class A Interests, or Capital Accounts of the Master Fund corresponding to the Class A Interests; and (ii) seventeen and one-half percent (17.5%) of the new realized and unrealized income and gains allocated to those holding Class B Interests, or Capital Accounts of the Master Fund corresponding to the Class B Interests. An Incentive Allocation will only be paid with respect to Interests that have shown a net gain over time.

Management Fees and Incentive Allocations are generally deducted directly from Fund accounts.

See Item 6 below for more information concerning Incentive Allocations.

#### Additional Expenses

In addition to the Management Fees and Incentive Allocations described above, the Funds (and, indirectly, the investors therein) will pay such additional expenses as are disclosed in the Funds’ applicable offering documents. The expenses to be paid by each Fund vary and may include, among others, the following: including, without limitation, all fees, costs and expenses associated (directly or indirectly) with the negotiation, financing, sourcing, acquiring, holding, monitoring, hedging, settling and disposing of investments or proposed investments; other transaction costs, including, without limitation, transaction fees, custodial fees, brokerage fees, commissions, consulting, advisory, due diligence, investment banking, legal, financial, auditing, accounting, research, third-party consulting and other professional fees and expenses related to investments and proposed investments, as well as all fees, expenses, interest payments and principal payments due to any lenders, investment banks and/or other financing sources in connection with the financing, sourcing, acquiring, holding, monitoring, hedging and disposing of investments or proposed investments; custodial fees, appraisal fees and expenses; all investment-related travel expenses and travel expenses related to the purchase, sale or transmittal or monitoring of Fund and/or Master Fund assets; all entity-level taxes, fees and other governmental charges; the costs of any insurance (including, without limitation, general partner liability insurance, errors and omissions insurance, directors and officers insurance, if any, and other insurance policies with respect to the Fund’s business and affairs); directors’ fees; expenses incurred in the collection of monies owed to the Fund (or to the Master Fund, as applicable); Management Fees; expenses related to mixed-use hardware and software and other technology and services, including, without limitation, any order management system or similar software package; legal, regulatory, compliance, auditing, research and accounting fees and expenses (including, without limitation, fees and expenses of any administrator of the Fund and the Master Fund; expenses associated with the preparation and delivery of financial statements and tax returns, if any; extraordinary expenses (including, without limitation, litigation-related and indemnification expenses, whether payable in connection with a proceeding involving the Fund

or otherwise, and including the amount of any judgment or settlement paid in connection therewith); the costs of any reporting to shareholders or limited partners, as applicable; reasonable expenses incurred in connection with any meetings of Shareholders and reasonable expenses of the members and meetings of any committee of a Fund; any “broken deal” or failed transaction expenses; expenses incurred in connection with the dissolution, liquidation and termination of the Fund; and expenses incurred in connection with the preparation of amendments to relevant agreements.

To the extent that there is a shared expense among any of the Funds, on the one hand, and GE Holdings, on the other hand, GE Holdings will allocate the expense among such Fund(s) and itself in a manner that it determines is fair and equitable under the circumstances to all parties. All Feeder Fund fees, allocations and expenses are ultimately paid on a *pro rata* basis by the investors in such Feeder Fund.

Please see Item 12 below for a discussion of GE Holdings’ brokerage practices.

#### Additional Information About Fees, Allocations and Expenses

Management Fees, if any, are generally paid quarterly in advance. Allocations, if any, are paid at the end of the financial year to which the allocation pertains. Upon termination of the advisory relationship, GE Holdings will refund fees and/or charge that client only for the actual period of time that GE Holdings provided advisory services.

GE Holdings and/or its affiliates may negotiate, reduce, rebate or waive the Management Fees and Incentive Allocations, grant participations in or otherwise share or modify the Management Fees and Incentive Allocations payable with respect to any Investor (which may include employees of GE Holdings and other persons that are affiliated with GE Holdings or its affiliates) without the consent of or notice to any shareholder or limited partner, as applicable, in certain circumstances.

The General Equity Funds may enter into arrangements or side letters, typically with large or strategic investors or prospective investors, which provide for various terms that may differ or supplement those described in the Fund’s governing and offering documentation and may include terms that are more favorable than those given to other investors. Terms addressed in such arrangements may include but are not limited to a reduced Management Fee (subject to a minimum investment amount), a most favored nations clause with respect to fees, liquidity and information rights (subject to a minimum investment amount and other requirements), a provision permitting the disclosure of fund information to an investor’s beneficial owners and their advisors, enhanced reporting and such other provisions as may be required by law or regulation applicable to such investors. These arrangements are solely at the discretion of the Funds and the Funds will only enter into such arrangements as permitted by the applicable Fund’s operating documents.

## **Item 6. Performance-Based Fees and Side-By-Side Management**

Currently, GE Holdings' clients are generally charged a Management Fee and allocation, as described above in Item 5. The performance fees and allocations are structured to comply with Section 205 of the Investment Advisers Act of 1940, as amended (the "Advisers Act").

Performance-based compensation arrangements may create an incentive for GE Holdings to make investments that are riskier or more speculative than would be the case in the absence of a financial incentive based on the performance of a client's account. Performance-based compensation arrangements may also create an incentive for GE Holdings to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. GE Holdings does not discriminate on an impermissible basis against one client or group of clients. When GE Holdings transacts securities for more than one client account, if applicable, the investment opportunities and trades must be allocated in a manner consistent with GE Holdings' fiduciary duties.

## **Item 7. Types of Clients**

GE Holdings currently provides investment advice only to the Funds. However, GE Holdings may advise additional or different types of clients in the future.

Each GE Holdings Fund is not registered under the Investment Company Act of 1940, as amended (the "1940 Act"), in reliance on the exemption provided by Section 3(c)(7) of the 1940 Act. In addition, each GE Holdings Fund's interests or shares (as applicable) are not registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state "blue-sky" laws. An investor in our Funds generally must be an "accredited investor" as defined in Regulation D under the Securities Act and a qualified purchaser under the 1940 Act. Certain employees of GE Holdings who qualify as "knowledgeable employees" under Rule 3c-5 of the 1940 Act may be permitted to invest directly or indirectly in the Funds.

There is a minimum initial investment amount for investing in our private funds. Generally, a minimum of Five Million Dollars (\$5,000,000) subject to waiver, is required to invest in the Fund. The general partner of our Domestic Feeder Fund and the boards of directors of our Offshore Feeder Fund, at our recommendation, may in their discretion adjust initial investment amount minimums as they deem appropriate.

## **Item 8. Methods of Analysis, Investment Strategies and Risk of Loss**

The methods of analysis and investment strategies used by GE Holdings in managing Fund assets are summarized below.

### **Methods of Analysis and Investment Strategies**

Investors and prospective investors in a Fund should review the offering memorandum of the Funds in which they are invested (or are seeking to invest) for additional information about

the strategies and risks associated with an investment in such Fund. For further information, please refer to the confidential offering memorandum of the applicable Fund.

The principal objective of General Equity Funds, through its investment in the Master Fund, is to generate superior, risk-adjusted returns by employing a focused long/short value investing strategy focused principally on long and short positions in public equity securities globally. The Master Fund's strategy involves the concentration of its portfolio in a limited number of positions of high conviction, and accordingly the Master Fund may be highly concentrated across a small number of positions.

Although capital will be predominately allocated to long and short positions in public equity securities globally, GE Holdings may also invest the Master Fund's assets in long and short positions in fixed income securities and other debt instruments, purchase securities on margin, trade in exchange-traded and over-the-counter derivatives including equity-linked options, invest in preferred stock, warrants and convertible debt, trade in credit default swaps, equity swaps, contract for differences ("CFDs"), foreign exchange hedges and commodity hedges and engage in hedging and other securities investment strategies not listed above.

The investment strategies described herein are those that GE Holdings expects to employ on behalf of General Equity Funds and the Master Fund. Notwithstanding the foregoing, while General Equity Funds expects to focus its investment strategy on investing in long/short public equity securities and not to materially deviate from such strategy, GE Holdings may cause General Equity Funds to make other complementary investments opportunistically to respond to, or to take advantage of, changing market conditions and new investment opportunities.

The following is a general overview of some of the material risks that typically may be associated with the Funds, as well as the purchase and holding of Interests therein. Such risk factors are not meant to be an exhaustive listing of all potential risks associated with an investment in the Funds.

### Trading Risks

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



- *Investment Judgment.* The profitability of a significant portion of the Funds' and/or the Master Fund's investment program depends to a great extent upon correctly assessing the future profitability of the price movements of securities and other investments. There can be no assurance that GE Holdings will be able to accurately predict the long term results of any security or other investment.

- *General Economic Conditions.* The success of the Funds' and the Master Fund's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Funds' and/or the Master Fund's investments), trade barriers, currency exchange controls and national and international political circumstances (including wars, terrorist acts and security operations). These factors may affect the level and volatility of the prices and liquidity of the Funds' and/or the Master Fund's investments and could impair the Funds' and/or the Master Fund's profitability or result in losses. The Funds could incur material losses even if GE Holdings reacts quickly to difficult market conditions, and there can be no assurance that the Funds and/or the Master Fund will not suffer material losses and other adverse effects from broad and rapid changes in market conditions in the future. Shareholders or limited partners, as applicable, should realize that markets for the financial instruments in which the Master Fund will seek to invest can correlate strongly with each other at times or in ways that are difficult for GE Holdings to predict. Even a well-analyzed approach may not protect the Funds or the Master Fund from significant losses under certain market conditions.

- *The Financial Crisis and its Continued Effect on Global Financial Markets.* In the recent past, world financial markets experienced extraordinary market conditions, including, among other things, extreme losses and volatility in securities markets and the failure of credit markets to function. In reaction to these events, regulators in the U.S. and several other countries undertook unprecedented regulatory actions. The U.S. government and securities regulators of many other jurisdictions continue to consider and implement rules and regulations for the U.S. and global financial markets. However, global financial markets may remain volatile, and it is uncertain whether regulatory actions will be able to prevent further losses and volatility in securities markets. It is possible that regulatory actions might increase the possibility of future volatility. Regulations may increase market fragmentation and decrease the global flow of capital as it may be too difficult for the Funds and other market participants to comply with multiple regulatory regimes. There may be significant new regulations that could limit the Funds' activities and investment opportunities or change the functioning of capital markets, and there is the possibility of another worldwide economic downturn. Consequently, the Funds may not be capable of, or successful at, preserving the value of its assets, generating positive investment returns or effectively managing its risks.

- *Availability of Suitable Investments.* The success of the Funds' and the Master Fund's investment and trading activities depend on the ability of GE Holdings to identify overvalued and undervalued investment opportunities and to manage market exposure risk. Identification and exploitation of the investment strategies to be pursued by the Funds involve a high degree of uncertainty. No assurance can be given that GE Holdings will be able to identify suitable investment opportunities in which to deploy all of the Master Fund's capital. A reduction

in overall market volatility and liquidity, as well as other market factors, may reduce the pool of profitable investments for the Master Fund. Certain of the investment strategies employed by the Funds and/or the Master Fund may be based on historical relationships among equity prices, exchange rates, interest rates and bond prices. There can be no assurance that these historical relationships will continue and no representation made by GE Holdings as to what results the Funds and/or the Master Fund will or is likely to achieve based on these trends and relationships.

- *Available Information.* GE Holdings will select investments, in part, on the basis of information and data filed by the issuers of securities with various government regulators or made directly available to GE Holdings by such issuers, or through sources other than the issuers. Although GE Holdings evaluates all such information and data, and seeks independent corroboration when GE Holdings considers it appropriate and when it is reasonably available, GE Holdings is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases complete and accurate information is not readily available.

- *Concentration of Investments.* The investment program of the Master Fund and the Funds entails substantial emphasis on the concentration of investments in a few higher quality ideas. This entails substantial risks that are not present in investment products that are more highly diversified. The Master Fund expects to hold relatively few investments and to be more concentrated in a limited number of investments, industries or geographies. As a result of the Master Fund's lack of diversification, a significant loss in any one position may have a material adverse effect on the net asset value of the Master Fund and the Funds' rate of return. Diversification of Master Fund assets among different industries is not a primary goal of GE Holdings. Therefore, any fluctuation in the overall value of securities in a specific sector likely will have a material effect on the performance of the Master Fund. GE Holdings' specialized investment strategy and lack of diversification may be more vulnerable to changes in the economy or those industries or other factors than a broad based portfolio, and, as a result, performance results may be highly volatile and may result in the Master Fund significantly outperforming, or under-performing, the market as a whole.

- *Long Investment Horizon.* GE Holdings' specialized investment strategy focuses on the long term value and profitability of its long positions without regard to their short term volatility or results, accordingly, the Master Fund and the Funds' performance returns may be highly volatile over a short investment horizon. This long term focus may have consequences for investors seeking to redeem from the Funds or realize returns over a shorter investment horizon than would be the case with an investment strategy that focuses on short term gains or the minimization of volatility. Furthermore, if shareholders or limited partners, as applicable, elected to redeem a substantial amount of their shares or interests, the Master Fund might be forced to close out existing positions at a time when it was disadvantageous to do so.

- *Equity Securities.* The Master Fund may invest in equity and equity-related securities, including, without limitation, equity investments acquired in connection with restructured debt securities or instruments, or in connection with reorganizations and/or restructurings of debt securities, equity securities or other obligations and assets of undervalued,

operationally challenged and/or financially troubled companies or institutions. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete, industry market conditions, interest rates and general economic environments.

- *Short Sales.* The Master Fund may engage in short selling. Short selling involves selling securities that may or may not be owned by the seller, and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in the value of securities. However, such practice can, in certain circumstances, substantially increase the impact of adverse price movements on the Master Fund's portfolio. A short sale of a debt instrument, such as a bond, involves the theoretical risk of an increase in the market price plus accrued interest. A short sale of equity securities involves the theoretical risk of an unlimited increase in the market price of the securities sold short. Moreover, short selling is limited to securities that can be borrowed, and it may be necessary to cover short positions at an undesirable time and at undesirable prices if the lender recalls the securities or the securities can no longer be borrowed.

- *Hedging.* The Master Fund may engage in a variety of hedging transactions, including derivatives, options and swaps. Hedges can be more difficult to implement than many other types of transactions, and the possibilities for errors may be greater than for other transactions. Additionally, there is no guarantee that these hedging transactions will prevent losses to the Funds and/or the Master Fund. The success of the Master Fund's hedging strategy will be subject to GE Holdings' ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Master Fund's hedging strategy will also be subject to GE Holdings' ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. In addition, hedging transactions may result in poorer overall performance for the Funds and the Master Fund than if no such hedging transactions were executed. Moreover, GE Holdings may determine not to hedge against, or may not anticipate, certain risks. Finally, the Funds and the Master Fund may be exposed to certain risks that cannot be hedged, such as credit risk (relating both to particular investments and counterparties).

- *Options.* The Master Fund may engage in the trading of options when appropriate. Such trading involves risks substantially similar to those involved in trading margined securities in that options are speculative and highly leveraged. Specific market movements of the securities underlying an option cannot accurately be predicted. The purchaser of an option is subject to the risk of losing the entire purchase price of the option. The writer of an option is subject to the risk of loss resulting from the difference between the premium received for the option and the price of the security underlying the option which the writer must purchase or deliver upon exercise of the option.

- *Derivatives.* The Master Fund may invest in derivative financial instruments. In addition, the Master Fund may, from time to time, utilize both exchange-traded and over-the-counter futures, options and contracts for differences, for hedging purposes, as well as other

derivatives. Regulatory restraints may restrict the instruments that the Master Fund may trade. Such derivative instruments are highly volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a gain or a loss which is high in proportion to the amount of funds actually placed as initial margin, and may result in unquantifiable further losses exceeding any margin deposited. Further, when used for hedging purposes, there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

- *Leverage.* While the Funds and/or the Master Fund intend to only make use of leverage in the form of margin borrowing from securities brokers and dealers, the Funds and/or the Master Fund may also employ other forms of leverage, including, without limitation, in connection with privately offered deals and purchasing companies that are levered, or for any other purpose deemed necessary, desirable, or appropriate at such times, in such amounts, and subject to such terms and conditions as GE Holdings, in consultation with the Directors, may determine. The use of leverage increases both the possibility for gain and the risk of loss. Leverage typically will be secured by the Master Fund's and/or the Funds' securities and other assets. Under certain circumstances, a lender may demand an increase in the collateral that secures such obligations, and if the Master Fund or the Funds is unable to provide additional collateral, the lender could liquidate assets held in the account to satisfy such obligations. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the Master Fund's and/or the Funds' borrowing and the interest rates on that borrowing, both of which will fluctuate, may have an effect on the Master Fund's and the Funds' profitability. In addition, the use of leverage may cause a U.S. tax-exempt investor to realize UBTI.

- *Securities Lending and Borrowing.* The Master Fund may lend securities to securities brokers and other institutions as a means of earning additional income, or may borrow securities from securities brokers or other institutions to cover short positions. If the other party to such transaction becomes insolvent or bankrupt, the Master Fund could experience delays and extra costs in recovering payment or the securities. To the extent that, in the meantime, the value of securities changes, the Master Fund could experience further losses. Security loans must be fully collateralized, and GE Holdings must be satisfied with the creditworthiness of the other party to the transaction.

- *Price and Liquidity Fluctuations of Investments.* It is expected that the Master Fund's investments will generally be in public securities. However, the market value of the Master Fund's investments may fluctuate with, among other things, changes in prevailing interest rates, general economic conditions, the condition of financial markets, developments or trends in the securities markets and the financial condition of the issuers of the securities in which the Master Fund invests. During periods of limited liquidity and higher price volatility, the Master Fund's ability to acquire or dispose of its investments at a price and time that the Master Fund deems advantageous may be impaired. As a result, in periods of rising market prices, the Master Fund may be unable to participate in price increases fully to the extent that it is unable to acquire the desired positions quickly; the Master Fund's inability to dispose fully and promptly of positions

in declining markets will conversely cause its net asset value to decline as the value of unsold positions is marked to lower prices.

- *Competition.* The securities industry is extremely competitive. GE Holdings will compete for investment opportunities against various other investors, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staffs. Competitive investment activity by other firms may reduce the Master Fund's and the Funds' opportunity for profit by reducing the availability of or increasing the price of what the Master Fund and the Funds believe to be, based on their investment criteria, exceptional investment opportunities.

- *Stock Market Volatility.* Stock markets are volatile and may decline significantly in response to adverse issuer, political, regulatory, market or economic developments. Different parts of the market and different types of equity securities may react differently to these developments. For example, small cap stocks may react differently than large cap stocks. Issuer, political or economic developments may affect a single issuer, issuers within an industry, sector or geographic region, or the market as a whole.

- *Risk of Operations/Liquidity Risks.* Although the securities that the Master Fund may acquire will be traded on public exchanges, each exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension could render it difficult or impossible for the Master Fund to liquidate its positions and would thereby expose it to losses. In addition, some of the securities in which the Master Fund may invest may be thinly traded, potentially making it difficult for the Master Fund to dispose of a position at the time or price desired. Moreover, in periods of extreme market volatility, the bid/ask spreads for some securities that ordinarily are liquid may widen, making it difficult or undesirable to sell the securities. Furthermore, if shareholders or limited partners, as applicable, elected to redeem a substantial amount of their shares or interests as of the end of a given fiscal year, the Master Fund might be forced to close out existing positions at a time when it was disadvantageous to do so. There can be no assurance that the trading markets will remain liquid enough for management to close out existing positions at any time there is a need to do so.

- *Risks of Foreign Investments.* The Master Fund may invest in securities of foreign companies, governments and government agencies. Investing in such securities, which are generally denominated in foreign currencies, and the use of forward foreign currency exchange contracts, involves unusual risk not typically associated with investing in securities issued by U.S. companies or by the U.S. government or its agencies or instrumentalities. Investing in emerging markets poses greater risks and a greater potential for returns than investing in developed countries. Securities of companies in these emerging markets are generally more volatile and may be much more volatile than securities issued by companies located in developed countries. The Master Fund may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rate between such currencies and the U.S. dollar. Moreover, individual foreign economies may compare unfavorably with the U.S. economy in growth of gross national product, rate of inflation, rate of savings and capital reinvestment, resource self-sufficiency, balance-of-payment positions and in other respects. Some of the

countries in which the Master Fund may invest have laws and regulations that currently preclude or severely restrict direct foreign investment in securities of their companies. Securities of some foreign companies are less liquid and their prices are more volatile than securities of comparable U.S. companies. Investing in foreign securities creates a greater risk of securities clearance and settlement problems. Further, some of the securities in which the Master Fund may invest may be thinly traded and relatively illiquid or may cease to be traded after the Master Fund invests in them. In addition to being illiquid, such securities may be issued by unseasoned companies and may be highly speculative. In addition, the Master Fund occasionally may acquire relatively large positions in a few securities. In such cases, and in the event of extreme market activity, the Master Fund may not be able to liquidate investments promptly, if the need should arise, which could materially and adversely affect the results of such investments.

- *Small and Medium Capitalization Companies.* The Master Fund may invest in the equity and other securities of companies with small to medium-sized market capitalizations where such companies meet the investment criteria described herein. While such companies may provide significant potential for appreciation, such investments, particularly small-capitalization securities, involve higher risks in some respects than do investments in securities of larger companies. The prices of small capitalization and even medium-capitalization securities are often more volatile than prices of large capitalization securities and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to long investors) is higher than for larger, “blue-chip” companies. In addition, due to thin trading in some medium or small-capitalization securities, an investment in those securities may be illiquid. The small to medium-sized market capitalization securities may, at times, significantly underperform the large capitalization securities and may do so in the future. A related concern for short sale risk is that smaller companies tend to be more readily acquired.

- *Securities of Sub-Investment Grade Companies.* Special risks may arise if the Master Fund invests in the securities of sub-investment grade and highly leveraged companies. Although such investments may result in significant returns to the Master Fund, they involve a substantial degree of risk. If the “natural leverage” created by a company’s high level of borrowing should work against a Master Fund short position, the Master Fund’s losses would be heightened. Although the Master Fund may not do so frequently, should the Master Fund purchase distressed and/or non-performing debt securities, and subsequent to purchasing them find that they are no longer readily traded by broker-dealers, these securities may not show any return for a considerable period of time. Many distressed and/or non-performing securities ordinarily remain unpaid while the company is in bankruptcy and may not ultimately be paid unless and until the company reorganizes and/or emerges from bankruptcy proceedings. As a result, if they are no longer readily traded by broker-dealers, such securities may have to be held for an extended period of time. There is no assurance that GE Holdings will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a company in which the Master Fund invests, the Master Fund and the Funds, may lose its entire investment. Under such circumstances, the returns generated from the Master Fund’s investments may not compensate the shareholders or limited partners, as applicable, adequately for the risks assumed.

- *Special Situation Investments.* The Master Fund may invest in companies involved in, or the target of, acquisition attempts or tender offers or in companies involved in or undergoing work-outs, liquidations, spin-offs, reorganizations, bankruptcies or other catalytic changes or similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Master Fund of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Master Fund may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of the transactions involving financially troubled companies in which the Master Fund may invest, there is a potential risk of loss by the Master Fund of its entire investment in such companies.

- *Borrowing; Interest Rates; Margin.* The General Equity Partners and/or GE Holdings may borrow funds from brokerage firms and banks on behalf of the Funds and/or the Master Fund in order to be able to increase the amount of capital available for marketable securities investments. The rates at which the Funds or the Master Fund can borrow, in particular, will affect the operating results of the Funds and the Master Fund. Even if the Master Fund makes a profit on a trade, the interest expense incurred in carrying the position may exceed the profit generated by the trade. Any use of short-term borrowings or repurchase agreements will result in certain additional risks to the Master Fund and/or the Funds. For example, should the securities pledged to brokers to secure the Master Fund's margin accounts or repurchase obligation decline in value, the Master Fund could be subject to a "margin call," pursuant to which the Master Fund must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden precipitous drop in the value of the Master Fund's assets, the Master Fund might not be able to liquidate assets quickly enough to pay off its margin debt.

- *Institutional Risks; Counterparty Risk.* Institutions will have custody of the assets of the Funds and/or the Master Fund. Certain assets of the Funds and/or the Master Fund will be exposed to the credit risk of the dealers, brokers and exchanges through which GE Holdings deals, whether GE Holdings engages in exchange-traded or off-exchange transactions. These firms and/or financial institutions, regardless of how large or well-capitalized, may encounter financial difficulties that impair the operating capabilities or the capital position of the Funds. If any broker-dealer or other financial institution holding the Funds' and/or the Master Fund's assets were to become bankrupt or insolvent, it is possible that the Funds and/or the Master Fund would be able to recover only a portion, or in certain circumstances, none of its assets held by such bankrupt or insolvent entity.

- *Discretion and Changes in Investment Strategy.* While the Funds expect to focus its investment strategy on investing in long/short public equity securities and not to materially deviate from such strategy, GE Holdings has discretion to cause the Funds to make other complementary investments opportunistically to respond to, or to take advantage of, changing market conditions and new investment opportunities without the consent of the shareholders or limited partners, as applicable.

- *Reliance on GE Holdings.* The success of the General Equity Funds will be dependent on the judgment and abilities of GE Holdings in making trading, investment and allocation decisions for its clients. As GE Holdings' Principal, Andrew Bellas will have responsibility for investment decisions made by GE Holdings with respect to its clients. The loss of the services of Andrew Bellas may have a material adverse effect on the operations of GE Holdings and on its clients.

- *Cybersecurity Risk.* With the increased use of technologies such as the Internet to conduct business, the Funds 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 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 incidents affecting GE Holdings and other service providers (including, but not limited to, the Funds' accountants, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Funds' ability to value their securities or other investments, impediments to trading, the inability of investors 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 incidents affecting issuers of securities in which the Funds invest, counterparties with which the Funds engage 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 incidents in the future. While the Funds' 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, the Funds cannot control the cyber security plans and systems put in place by their service providers or any other third parties whose operations may affect the Funds or their investors. The Funds and their investors could be negatively impacted as a result.

## **Item 9. Disciplinary Information**

There are no material legal or disciplinary events that have occurred with respect to GE Holdings or management persons within the past 10 years.



## **Item 10. Other Financial Industry Activities and Affiliations**

As described above in Item 4, GE Holdings serves as investment manager to the Domestic Feeder Fund, the Offshore Feeder Fund and the Master Fund. Each Feeder Fund invests substantially all of its assets in the Master Fund. GE Holdings and its affiliates are controlled by Andrew Bellas. Thus, GE Holdings and its management personnel and employees may have conflicts of interest in (i) allocating their time and activity between and among, (ii) allocating investments among and (iii) effecting transactions for, the General Equity Funds, including in such instances where GE Holdings or its management personnel, employees or affiliates may have a greater financial interest. As described above in Item 6, GE Holdings does not discriminate on an impermissible basis against one client or group of clients.

As described above in Items 5 and 6, GE Holdings receives asset-based and performance-based compensation from the Funds. The amounts payable to GE Holdings are based directly on the net asset value of the Funds. To the extent that valuation of assets is determined based upon information provided by GE Holdings, because there is, for example, no public market price available, there may be a conflict of interest. GE Holdings will value such assets in accordance with its valuation policies and procedures.

GE Holdings' Principal and other professionals of GE Holdings, who have made a capital contribution to one or more of the Funds (and/or General Equity Partners), therefore, may be viewed as having an incentive to favor such Funds over other clients, including pooled investment vehicles in which GE Holdings or such persons are not invested (which may include other General Equity Funds). GE Holdings waives the applicable Management Fees and performance fees or allocation for GE Holdings-affiliated investors. As described above in Item 6, GE Holdings does not discriminate on an impermissible basis against one client or group of clients.

Certain of the above conflicts may also be generally addressed through adherence to GE Holdings' compliance policies and procedures and its Code of Ethics.

## **Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

GE Holdings has adopted a Code of Ethics pursuant to Rule 204A-1 under the Advisers Act (the "Code of Ethics"). All "access persons" (including employees) of GE Holdings must comply with the Code of Ethics. The Code of Ethics states that GE Holdings personnel must always place the interests of GE Holdings' Clients first. The Code of Ethics sets forth standards of conduct expected of GE Holdings' personnel, which reflect the fiduciary obligations of GE Holdings and its personnel to its Clients, and requires GE Holdings' personnel to comply with applicable federal securities laws. The Code of Ethics also requires each employee of GE Holdings to report potential violations of the Code of Ethics promptly to GE Holdings' Chief Compliance Officer (the "CCO"). GE Holdings provides each employee with a copy of the Code of Ethics and any amendments, and employees are required to provide a written acknowledgement that they have received the Code of Ethics, including any amendments.

GE Holdings' CCO receives copies of quarterly account statements with respect to reportable securities for all of its access persons who maintain brokerage accounts. In addition, each access person must submit to the CCO an annual acknowledgement and certification stating that the access person will comply with the Code of Ethics. The Code of Ethics further requires access persons to submit quarterly transaction reports (or duplicate brokerage statements) that detail the access person's securities transactions for the quarter, and for the CCO to review those reports. Finally, the Code of Ethics also contains restrictions on the use of insider information and non-public information regarding clients.

GE Holdings keeps records of reports and other information that access persons are required to submit under the Code of Ethics. The CCO reports on issues that arise under the Code of Ethics to GE Holdings' Principal at least annually. Clients and prospective Clients can obtain a copy of the Code of Ethics upon request by contacting GE Holdings by telephone at (646) 813-9212 or by email to EKostolansky@geholdings.com.

As described above in Item 10, GE Holdings and certain of its management personnel, employees or affiliates will have a financial interest in investments made by one or more of the Funds through their participation in such Funds as a managing member, investment manager, administrative member, director or investor, as applicable. GE Holdings and such persons may, therefore, be viewed as having an incentive to favor such Funds over other clients, including Funds in which such persons are not invested. As described above in Items 6 and 10, GE Holdings does not discriminate on an impermissible basis against one client or group of clients.

In addition, GE Holdings may solicit clients to invest in Funds for which GE Holdings and certain of its management personnel, employees or affiliates serve as managing member, administrative member, investment manager or director, as applicable, and/or have a financial interest.

Certain of the above conflicts are generally addressed through adherence to GE Holdings' compliance policies and procedures and its Code of Ethics.

## **Item 12. Brokerage Practices**

GE Holdings is responsible for determining what securities will be purchased and sold for each client and selecting the broker-dealer to execute transactions on behalf of clients. Purchases and sales of securities for a client must be made in accordance with the investment objectives, strategies and policies of such client.

It is GE Holdings' policy to seek best execution on behalf of its clients – that is, GE Holdings seeks to achieve the best overall qualitative execution for a client in a particular circumstance. Best execution is not synonymous with the lowest brokerage commission. GE Holdings may cause a client to pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction if it determines that the commission paid was reasonable in relation to the value of the services provided by the broker.

In seeking to achieve best execution, GE Holdings considers the full range and quality of services a broker may provide, including (among other things), the experience and skill of the broker's securities traders; the broker's accessibility to primary markets and quotation services; for NASDAQ securities, whether a broker makes a market in that security; a broker's past history of successful, prompt and reliable execution of client trades; the financial strength and stability of the broker; the broker's administrative efficiency; commission rates; the overall net economic result to a client (involving both price paid or received and any commissions and other costs paid); the security price and its volatility; the size of the transaction, including the ability to effect the transaction at all where a large block is involved; the broker's availability to execute possibly difficult transactions in the future; and the receipt of research services.

GE Holdings generally does not utilize "soft dollars" or "pay-up" for research. "Soft dollars" refers to GE Holdings' receipt of research or other products or services other than execution from brokers. GE Holdings may receive, without cost and unrelated to the execution of securities transactions, a broad range of research services from broker-dealers, including information on the economy, industries, groups of securities and individual companies, statistical information, market data, accounting and legal interpretations, political developments, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis and other information which may affect the economy and/or security prices. GE Holdings may also pay broker-dealers and their affiliates for certain specialized data and services, such as benchmark information, that are also unrelated to the execution of securities transactions.

In the event that GE Holdings were to receive any "soft dollar" benefits, however, GE Holdings expects that they would qualify under the safe harbor provided for under Section 28(e) of the Securities Exchange Act of 1934, as amended. If GE Holdings were to use client brokerage commissions (or markups or markdowns) to obtain "soft dollar" benefits, such as research or other products or services, it would receive a benefit because it does not have to produce or pay for the research, products or services. Consequently, GE Holdings would have an incentive to select or recommend a broker-dealer based on its interest in receiving "soft dollar" benefits, rather than on its clients' interest in receiving most favorable execution.

GE Holdings does not consider, in selecting or recommending broker-dealers, any client referrals it may receive from a broker-dealer or third party. GE Holdings does not recommend, request or require that a client direct the execution of transactions through a specified broker-dealer, nor does it have any arrangement in which it permits a client to direct transactions to a specific broker-dealer.

Despite the highly customized nature of its advice, GE Holdings may on occasion purchase or sell the same securities for more than one client account at the same time or same day, and in so doing will allocate investment opportunities and trades fairly. "Fair" treatment does not mean identical treatment of all clients. Rather, it means that GE Holdings does not discriminate on an impermissible basis against one client or group of clients. When GE Holdings transacts securities for more than one client account, to the extent applicable, the investment opportunities and trades must be allocated in a manner consistent with GE Holdings' fiduciary duties.

As of the date of this Brochure, trading activities on behalf of the Funds are conducted only at the Master Fund level. Therefore, at this time, GE Holdings does not aggregate orders for client accounts.

### **Item 13. Review of Accounts**

The Principal reviews positions in Fund accounts on an ongoing basis to monitor the Funds' compliance with the investment objectives and guidelines described in the Funds' offering documents. The accounts of Fund investors are valued monthly by the administrator, who forwards an account statement to Fund investors on a monthly basis. Investors in the Funds may receive other periodic and annual written reports as set forth in the applicable Fund's offering documents. GE Holdings also conducts meetings with clients and investors in the Funds upon request.

### **Item 14. Client Referrals and Other Compensation**

GE Holdings does not receive an economic benefit from any person who is not a client for providing investment advice or other advisory services.

The Funds do not intend to enter into arrangements with third parties for marketing and solicitation activities. If GE Holdings pays a cash fee to anyone for soliciting separate account clients on its behalf, GE Holdings will comply with the requirements of the SEC's cash solicitation rule (Rule 206(4)-3 under the Advisers Act) to the extent applicable. This rule requires, among other things, a written agreement between the investment adviser and the person soliciting clients on its behalf, and that the soliciting person provide a disclosure document to the potential client at the time that the solicitation is made. GE Holdings may pay a portion or percentage of the compensation that it receives from clients for investment advisory services to a third-party, but this will not result in any client being charged fees at a rate in excess of the rate of fees that GE Holdings customarily charges for similar services to comparable accounts, nor will GE Holdings charge any client any other amount for the purpose of offsetting the cost of obtaining an account through a third-party referral.

### **Item 15. Custody**

Although we do not have physical possession of our clients' cash and securities, we or an affiliate may act as general partner to the Funds. Such powers may cause GE Holdings to be deemed to have custody of the General Equity Funds' assets for purposes of the SEC's custody rule. Accordingly, to meet the requirements of the custody rule, the General Equity Funds are subject to an annual audit in accordance with generally accepted accounting principles conducted by an independent public accountant registered with the Public Company Accounting Oversight Board and the audited financial statements are distributed to investors in the Feeder Funds within 120 days of the Feeder Funds' fiscal year.

## **Item 16. Investment Discretion**

GE Holdings has discretionary authority over the investment activities of its clients. In the case of the Funds, this discretionary authority is generally granted to GE Holdings pursuant to the organizational documents of each Fund and/or pursuant to GE Holdings' investment advisory agreement with such Fund. GE Holdings is obligated to exercise its investment discretion in a manner consistent with the stated investment objectives, policies, guidelines and restrictions/limitations for a particular Fund, if applicable.

## **Item 17. Voting Client Securities**

GE Holdings has the authority to vote all proxy proposals and corporate actions (collectively, "proxies") on behalf of the Funds it advises. To the extent that GE Holdings invests in a security for a client for which a proxy vote may arise and GE Holdings receives timely notice of such proxy from the client's prime broker under the terms of the applicable prime broker agreement, GE Holdings is guided by general fiduciary principles and will seek to treat proxies in a manner intended to enhance the overall economic value of the applicable client's assets. GE Holdings may refrain from voting a client proxy under certain circumstances, including, but not limited to, when (i) the economic effect on shareholder's interests or the value of the portfolio holding is indeterminable or insignificant; (ii) voting the proxy would unduly impair the investment management process; or (iii) the cost of voting the proxies outweighs the benefits or is otherwise impractical. In addition, GE Holdings may refrain from voting a proxy on behalf of its clients' accounts due to (1) *de minimis* holdings; (2) *de minimis* impact on the portfolio; (3) items relating to non-U.S. issuers (such as those described below); (4) contractual arrangements with Clients; and/or (5) their authorized delegates or the failure of a proxy to provide sufficient information to allow for informed decision making. For example, GE Holdings may refrain from voting a proxy of a non-U.S. issuer due to logistical considerations that may have a detrimental effect on the GE Holdings' ability to vote the proxy. These issues may include, but are not limited to: (a) proxy statements and ballots being written in a foreign language; (b) untimely notice of a shareholder meeting; (c) requirements to vote proxies in person; (d) restrictions on non-U.S. person's ability to exercise votes; (e) restrictions on the sale of securities for a period of time in proximity to the shareholder meeting (*e.g.*, share blocking); or (f) requirements to provide local agents with power of attorney to facilitate the voting instructions. Any actual or apparent conflict of interest between the interests of GE Holdings and its clients is resolved in a manner that is consistent with the best interests of clients and in a manner not affected by such actual or apparent conflict of interest.

A client may obtain a copy of GE Holdings' voting policy and obtain information about how GE Holdings has voted the client's securities by calling (646) 813-9212.

## **Item 18. Financial Information**

This item requires disclosure of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Currently, there is no financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.