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Part 2A of Form ADV: *Firm Brochure*

3/30/20

This brochure provides information about the qualifications and business practices of Penbrook Management LLC. If you have any questions about the contents of this brochure, please contact us at 212-792-6952 or bdicostanzo@penbrookllc.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.

Penbrook Management is registered with the SEC as an investment adviser. Registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training. Additional information about Penbrook Management LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 127269.

Item 2 Material Changes

The SEC requires that all advisors file an update of their Form ADV each year by filing an annual updating amendment within 90 days of the end of the fiscal year. In addition, amendments must be made promptly if certain material changes occur in the advisors business practices, location or structure.

We have no material changes to report since the filing of our last brochure.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

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Item 4 Advisory Business

Penbrook Management LLC (“Penbrook”), a Delaware limited liability company, is an independent, SEC-registered investment adviser with its principal place of business located in New York. Robert S. Anderson and Barbara Burke DiCostanzo are principal owners and co-founded Penbrook with the late Ralph Kaplan in 2004.

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

Penbrook provides Investment Supervisory Services, defined as giving continuous advice to a client or making investments for a client based on the individual needs of the client. Through personal discussions with the client, Penbrook identifies goals and objectives of the client based on their particular circumstances, and creates and manages a portfolio based on stated objectives. Penbrook provides this service to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, pooled investment vehicles, corporations and other business entities. Penbrook will manage advisory accounts on a discretionary and non-discretionary basis. Account supervision is guided by the client’s stated objectives.

Penbrook will create a portfolio consisting primarily of individual equities, and additionally we may invest in one or all of the following: bonds, other investment products, and no-load, load-waived, and front-load mutual funds. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client’s behalf. Clients will retain individual ownership of all securities.

Each Penbrook portfolio manager has his or her own investment philosophy and focus; consequently, portfolio construction will vary among the portfolio managers. Upon being assigned to a client, the portfolio manager will explain his or her own strategies to that client. Penbrook will take each client’s personal situation into account. However, Penbrook also will stress that, while each manager has her or his own style, all current managers invest mostly in common stocks with an objective of capital appreciation.

When appropriate to the needs of the client, Penbrook may recommend the use of margin transactions or option writing. Because these investment strategies involve certain additional degrees of risk, they will only be recommended when consistent with the client’s stated tolerance for risk.

Penbrook also provides investment management services to AnKap Partners, L.P. (“AnKap Fund”), a private investment fund or hedge fund holding predominantly small and mid-cap stocks in which Penbrook’s clients may invest, subject to investment suitability requirements. Penbrook manages the AnKap Fund on a discretionary basis in accordance with the terms and conditions of the Fund’s offering and organizational documents. Penbrook does not participate in any wrap fee programs.

AMOUNT OF MANAGED ASSETS

As of 2/15/20, we were actively managing \$133,560,390 of clients' assets on a discretionary basis. Although we may in the future, Penbrook Management does not manage any accounts on a non-discretionary basis at this time.

Item 5 Fees and Compensation

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT FEES

The annualized fee for Investment Supervisory Services will typically range from 0.50% and 1.5% of the client's assets under management. Fees may vary among Penbrook's portfolio managers. The two primary fee schedules used by Penbrook's managers are:

<i>Assets Under Management</i>	<i>Annual Fee (%)</i>
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Up to \$1,000,000	1.50%
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\$1,000,000 to \$20,000,000	1.00%
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<i>Assets Under Management</i>	<i>Annual Fee (%)</i>
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Up to \$10,000,000	1.00%
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\$10,000,000 to \$20,000,000	0.50%
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A minimum of \$100,000 of assets under management is required for Investment Supervisory Services. This account size may be negotiable under certain circumstances. Penbrook may have existing relationships with clients who are billed quarterly in arrears. However, all new Penbrook clients will be billed quarterly in advance in an amount equal to 1/4 of the annual fee and shall be based upon the net asset value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance) on the last business day of the preceding calendar quarter as indicated on the custodian statements for that account.

With the exception of the initial fee, which will be payable at or about the time the account is opened and will be pro-rated to cover the period from the account opening date through the end of the next full calendar quarter, the fees are due on the first business day of each calendar quarter. Additional assets received into the account after it is opened may be charged in our discretion a prorated fee based upon the number of days remaining in the fee period. No fee adjustments will be made for partial withdrawals or for account appreciation or depreciation within a billing period. The investment advisory fee for any billing period, which is less than a full quarter, will be prorated for that portion of the calendar quarter during which the assets are under the management of Penbrook. Accordingly, Penbrook will promptly reimburse a client for prorated prepaid unearned fees upon termination of a client's advisory agreement. Penbrook will fully refund all prepaid fees to any client who terminates an investment management agreement within five business days after signing the agreement. *See also Termination of the Advisory Relationship under General Information below in this item.*

Management personnel and other related persons of our firm are licensed as registered representatives of Beech Hill Securities, Inc. As such, these individuals are able to effect securities transactions for advisory clients for separate and typical brokerage commissions. *Please refer to Item 10 - Other Financial Activities and Affiliations for more information.*

As noted above, Penbrook's fees are due quarterly. Penbrook advises the client's custodian of the fee due. Clients provide a standing instruction to their custodian to pay these fees to Penbrook. These clients will receive an advice from Penbrook that details the period end account balance and fees charged for the period. *See also Item 15 of this Part 2A regarding*

Custody. Some clients elect to receive an invoice and pay their fee by check.

Neither Penbrook nor its supervised persons accepts compensation for the sale of securities or other investment products, other than what is disclosed in Item #12 - Brokerage Practices.

Limited Negotiability of Advisory Fees: Although Penbrook Management LLC has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client needs, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts or investment advisory fee waivers, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm. As further described below, Penbrook Management's advisory fees are payable quarterly in advance. Penbrook's clients instruct custodians of the client's accounts to pay Penbrook its fees from the funds held in such account by the custodian. Some clients elect to receive an invoice and pay their fee by check.

The management persons of Penbrook Management indirectly earn performance based fees - that is, fees based on a share of capital gains on or capital appreciation of the assets of these funds – since the general partners of the AnKap Fund and the Bayberry-West Fund earn performance based fees. *See Item 6 – Performance-Based Fees and Side-By-Side Management for additional information.*

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, without penalty for any reason upon receipt of written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

Mutual Fund Fees: All fees paid to Penbrook Management LLC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). *Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV Part 2 for additional information.*

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

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

The management persons of Penbrook Management indirectly earn performance based fees - that is, fees based on a share of capital gains on or capital appreciation of the assets of these funds – since the general partners of the AnKap Fund and the Bayberry-West Fund earn performance based fees. This creates a conflict of interest for the management persons of Penbrook Management because it creates an incentive for these individuals to favor the accounts of these funds, for which a performance based fee is available, over the accounts of Penbrook clients. In addition, because the management persons of Penbrook Management indirectly earn management fees and performance based fees on account of these funds, a conflict of interest arises when they offer Penbrook Management clients an opportunity to invest in these funds.

Penbrook Management addresses these conflicts as follows. First, because investment in these funds may involve additional degrees of risk, Penbrook's management persons will only recommend these investment vehicles to Penbrook clients when such investment would be consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability and the client would be qualified to invest in the applicable fund. Second, since there are times when Penbrook Management trades the same or similar securities in client portfolios as are traded by the AnKap Fund, Penbrook Management may aggregate these trades when Penbrook believes that aggregation is consistent with its duty to seek best execution for its clients and is consistent with the terms of the Penbrook's investment advisory agreement with each client for which trades are being aggregated. Penbrook will seek to allocate aggregated trades in a way that treats all Penbrook clients fairly and in a way that does not favor any client account or the AnKap account over the account of a Penbrook client. *Please also see Item #12 of this Part 2A (Brokerage Practices) for how Penbrook aggregates and allocates trades.*

Item 7 Types of Clients

Penbrook Management LLC provides advisory services to individuals, high net worth individuals, pooled investment vehicles, pension and profit sharing plans, trusts, estates, corporations, other business entities, and charitable organizations. As previously disclosed in Item 5 of this Part 2A, our firm has established certain initial minimum account requirements (i.e. generally \$100,000), based on the nature of the service(s) being provided. This minimum account size may be negotiable under certain circumstances and we may group certain related client accounts for the purpose of achieving the minimum account size requirement.

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

METHODS OF ANALYSIS

Guided by each client's investment objective, tax considerations, risk tolerance, and time horizons, Penbrook uses the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Qualitative Analysis. We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data. Penbrook managers meet or talk extensively to members of the management of many of the firms that Penbrook is considering investing client assets in as part of its method of analyzing investment opportunities.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. Please note that investing in securities involves risk of significant loss that clients should be prepared to bear. We ask that you work with us to help us understand your tolerance for risk.

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class, and/or
- we find the expected dividend and/or distribution to be attractive.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Clients should note that short-term transactions may result in increased transaction costs and short-term gains and losses for federal and state tax purposes. Clients should review the consequences of such trading with their tax advisers.

Margin transactions. We may on occasion purchase stocks for client's portfolios with money borrowed from their brokerage account. This allows us to purchase more stock than we would be able to with your available cash, and allows us to purchase stock without selling other holdings. We will only purchase on margin where consistent with your overall investment objective and risk tolerance.

Option writing. We may on occasion use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we determine that the stock is likely increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

Clients should be advised that trading options is not one of Penbrook's primary investment strategies and will only trade options in instances where it is consistent with your overall investment objective and risk tolerance.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Robert Anderson, Barbara Burke DiCostanzo, and Barbara Chacour of Penbrook Management LLC are separately licensed as registered representatives of Beech Hill Securities, Inc. ("Beech Hill") an unaffiliated broker-dealer, and member of the Financial Regulatory Authority. These individuals, in their separate capacity as registered representatives of Beech Hill, can effect securities transactions for their advisory clients through Beech Hill and they will receive separate, yet customary brokerage compensation for such transactions.

While Penbrook Management LLC and these individuals endeavor at all times to put the interest of Penbrook's clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

For example, the receipt of brokerage commissions from client transactions may encourage Penbrook Management and its management persons to affect a greater number of trades in client accounts. To address this conflict, Penbrook clients may, at any time and without penalty, direct Penbrook Management to use a different broker by sending Penbrook Management written notice designating the new directed broker for the client's account. In addition, Penbrook periodically evaluates and compares the execution performance of Beech Hill and other brokers selected by Penbrook clients.

Neither Penbrook nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing person.

Mr. Anderson is the sole proprietor of Fairfield Data Systems, which provides consulting services to non-Penbrook clients.

Other pooled investment vehicle(s):

Robert S. Anderson and Barbara Burke DiCostanzo, managing members of Penbrook Management, are also managing members of AnKap, LLC which acts as the general partner of AnKap Partners, L.P. (the "AnKap Fund"), a private investment fund or hedge fund holding predominantly small and mid-cap stocks in which Penbrook's clients may invest, subject to investment suitability requirements. Penbrook Management serves as investment adviser for the AnKap Fund, and in return receives an advisory fee. In addition, Robert S. Anderson, one of Penbrook Management's managing members, is also a non-managing member of Private Capital Strategies, LLC, an SEC Registered investment adviser, which acts as the general partner of Bayberry-West Partners, L.P., a private investment fund which invests in other funds (a fund of funds) in which Penbrook's clients may invest, subject to suitability requirements. Accordingly, the management persons of Penbrook Management devote a significant amount, but not all, of their time to the accounts of Penbrook Management's clients and will devote as much time as they deem necessary and appropriate to manage the business of these funds. Penbrook Management and its affiliates are not restricted from forming additional investment funds, entering into other investment advisory relationships or engaging in other business activities, even though such activities may involve substantial time and resources of Penbrook and its affiliates. Potentially, such activities could be viewed as creating a conflict of interest in that the time and effort of Penbrook's management personnel and employees will not be devoted exclusively to the business of Penbrook's clients but could be allocated among the business of Penbrook clients, the AnKap Fund, the Bayberry-West Fund and any other business activities of Penbrook and its affiliates. Penbrook Management and its management personnel, however, will devote as much time as they deem necessary and appropriate to manage the accounts of Penbrook clients and this will comprise a significant amount of their time.

In addition to Robert S. Anderson as non-managing member, Private Capital Advisors Inc., an SEC registered investment adviser based in New York, NY and Matthew Andrews, are managing members of Private Capital Strategies, LLC, the general partner of the Bayberry-West Fund. There are no referral agreements between our firm and Private Capital Strategies, LLC or Private Capital Advisors Inc. No Penbrook client is obligated to use advisory services of Private Capital Advisors Inc. and no Private Capital advisory client is obligated to use Penbrook's advisory services.

The management persons of Penbrook Management indirectly earn performance based fees - that is, fees based on a share of capital gains on or capital appreciation of the assets of these funds - since the general partners of the AnKap Fund and the Bayberry-West Fund earn performance based fees. Please see Item 6 - Performance-Based Fees and Side-By-Side Management for additional information about these fees and related conflicts.

A list of these affiliated entities is specifically disclosed on Schedule D of Form ADV, Part 1 at Items 7.A and 7.B. Part 1 of our Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure. Clients should be aware that the receipt of additional compensation by Penbrook Management LLC and its management persons or employees on account of the AnKap Fund and the Bayberry-West Fund creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Penbrook Management LLC endeavors at all times to put the interest of its

clients first as part of our fiduciary duty as a registered investment adviser. In addition to the measures described above, we take the following steps to address the conflicts that arise from the AnKap Fund and the Bayberry-West Fund:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients invested in the AnKap Fund and/or the Bayberry-West Fund in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Our firm has adopted a Code of Ethics which establishes rules of conduct for all employees of Penbrook Management and is designed to, among other things, govern personal securities trading activities in the accounts of employees. The Code is based upon the principle that Penbrook Management and its employees owe a fiduciary duty to Penbrook Management's clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm, and (iii) any actual or potential conflicts of interest or abuse of their position of trust and responsibility. The purpose of the Code is to preclude activities which may lead to or give the appearance of conflicts of interest, insider trading and other forms of prohibited or unethical business conduct.

Penbrook Management LLC and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to bdicostanzo@penbrookllc.com, or by calling us at 212-792-6952.

As also described in Item 10 of this Part 2A, Robert S. Anderson and Barbara Burke DiCostanzo, managing members of Penbrook Management, are also managing members of

the general partner of the AnKap Fund. Penbrook Management serves as investment adviser of the AnKap Fund and is paid advisory fees by the AnKap Fund calculated as a percentage of the fair market value of the assets of the AnKap Fund. Robert S. Anderson also is a non-managing member of the general partner of the Bayberry-West Fund. As a result of these affiliations, Mr. Anderson and Ms. Burke DiCostanzo indirectly earn performance-based fees from these funds. Penbrook's management personnel may recommend investment in either or both of these funds to certain clients of Penbrook Management and may recommend investment in either or both of these fund to prospective clients of Penbrook Management for whom a partnership investment may be more suitable than would a separate advisory account managed by Penbrook. Because the managing members of Penbrook Management indirectly earn additional fees through their affiliation with the AnKap Fund and, in the case of Mr. Anderson, the Bayberry-West Fund, a conflict of interest arises when they recommend that Penbrook clients make an investment in these funds. In order to address this conflict of interest, Penbrook Management will only recommend these funds to Penbrook clients when such an investment would be consistent with the client's stated investment objectives, risk tolerance, liquidity and suitability and the client meets the qualifications to become an investor in these funds. Clients who invest in these funds are not charged any additional advisory fees other than the management fees and performance based fees charged to the limited partners of these funds.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Penbrook has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. Penbrook's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and sets forth Penbrook's practice of supervising the personal securities transactions of supervised persons who have access to client information. Individuals associated with Penbrook may buy or sell for their own accounts the same securities that they buy and sell for client accounts. It is Penbrook's expressed policy that no supervised person of the firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions made for advisory clients.

To ensure compliance with its Code of Ethics, Penbrook requires its supervised persons to provide annual securities holding reports and quarterly transaction reports to the firm's Chief Compliance Officer. Penbrook also requires such persons to receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings). Penbrook's Code of Ethics includes other restrictions on personal trading designed to protect client interests as well.

Penbrook's Code of Ethics requires all supervised persons to comply with applicable federal securities laws and rules, including those prohibiting the misuse of material non-public information. Any individual who fails to comply with the Code of Ethics may be subject to discipline.

Penbrook's trading policy is designed to treat all clients fairly and equitably and in a consistent

manner.

Trading by Penbrook or Related Individuals: Penbrook or individuals associated with Penbrook may only buy or sell securities identical to or different than those recommended to customers for their personal accounts subject to the restrictions set forth below. In addition, any related person may only have an interest or position in a certain security which may also be recommended to a client subject to the restrictions set forth below.

Orders for Penbrook and related individuals may be aggregated with those of its clients, subject to the guidelines described below. In the event that an order is not completely filled, client orders will be filled prior to those of Penbrook and related individuals. In the circumstance where the decision is made to sell all of a particular security for all of Penbrook's clients, sales for employees and access persons can be entered on the same day, provided that the sale for clients have filled prior to those of Penbrook and related individuals.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as registered representatives of a broker-dealer. *Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures. See also Item 12 below for additional information on trade allocation and aggregation of orders.*

Item 12 Brokerage Practices

Penbrook Management has been granted the authority to select the broker or dealer through which to place trades on behalf of the AnKap Fund through AnKap's organizational documents and agreements. Penbrook will endeavor to select those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions are based on the broker's ability to provide professional services, access to analysts, competitive commission rates, research and other services which will help Penbrook in providing investment management services to clients as well as the broker's capital strength and trading volume in particular markets or securities.

Penbrook Management may consider the value of "research" or other brokerage products and services that a broker dealer has provided or may be willing to provide even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. This is known as paying for such services or products with "soft dollars." Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected. Products and services received by Penbrook may include:

- Analyses or reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and the performance of accounts;
- Market, financial and economic studies and forecasts;
- Reports concerning interrelated political and economic factors;

- Financial and trade publications;
- Statistical and pricing services;
- Access to research analysts and consultants;
- Research-related seminars or conferences;
- Software that provides analyses of securities portfolios and assists with pre- and post-trade analytics, clearance, settlement and custody;
- Corporate governance research;
- Data services providing stock quotes, last sale prices, trading volumes; and
- Software that provides order routing capabilities.

These services are of the type described in Section 28(e) of the Securities Exchange Act of 1934 and are designed to augment our own internal research and investment strategy capabilities. This may be done without prior agreement or understanding by any investor and at our sole discretion. We do not attempt to put a specific dollar value on the services rendered or to allocate the relative costs or benefits of those services among the Funds, believing that the research we receive will help our firm to fulfill its overall duty to its clients.

Certain items obtainable with soft dollars may not be used exclusively for either execution or research services. The cost of such "mixed-use" products or services will be fairly allocated and we will make a good faith effort to determine the percentage of such products or services which may be considered as investment research. The portion of the costs attributable to non-research usage of such products or services is paid by our firm to the broker in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934.

Because many of the products or services received on a soft dollar basis provide a benefit to Penbrook and, because the commissions used to acquire them are Fund assets, Penbrook could be considered to have a conflict of interest in allocating the Funds' brokerage business to certain broker dealers. This is because Penbrook could receive valuable benefits by selecting certain broker dealers to execute the Fund's transactions and the commissions charged by the selected broker dealer for such transactions might not be the lowest Penbrook might otherwise be able to negotiate. In addition, Penbrook theoretically could have an incentive to cause the AnKap Fund to engage in more securities transactions than would otherwise be optimal in order to generate soft dollar credits with which to acquire products or services. Since this incentive results in a conflict of interest for our firm, we have adopted the following policies and procedures to mitigate and monitor the conflict:

- We use the AnKap Fund commissions to pay for eligible services only, as defined in Section 28(e) and subsequent regulatory and industry guidance;

- We conduct periodic analysis of the volume of transactions sent to each approved broker along with the competitiveness of the commission schedules of each such broker;
- We periodically evaluate the usefulness of services received from brokers in relation to the amount of commissions directed to each broker; and
- We monitor any “mixed-use” services received and have developed a procedure for equitable allocation between soft and hard dollars paid for such services.

AnKap Partners, L.P maintains accounts at Pershing LLC, an unaffiliated FINRA member broker dealer, which serves as the Fund’s prime broker and custodian. Investors should note that as a result of the best execution criteria utilized by Penbrook Management, Pershing LLC is currently Penbrook Management’s preferred broker for trades placed on behalf of the Fund. Nevertheless, Penbrook will monitor the execution it receives on behalf of the Fund on a periodic and regular basis and will continue to make its brokerage decisions based solely on best execution considerations. Penbrook reserves the right, in its sole discretion, to change or add prime brokers and/or custodians without prior notice to Fund investors.

With the exception of AnKap Partners, our firm does not have the discretionary authority to determine the broker-dealer to be used. Therefore, clients must direct Penbrook Management LLC as to the broker-dealer to be used.

Penbrook Management routinely recommends Beech Hill to clients. Penbrook Management and Beech Hill share office space. Management personnel of Penbrook Management are also separately licensed as registered representatives of Beech Hill. Penbrook Management generally recommends Beech Hill to clients because Penbrook Management believes that its clients will benefit from using the brokerage services of Beech Hill in part because Penbrook’s relationship with, and proximity to, Beech Hill allows Penbrook to maintain greater control over client orders, generally resulting in better execution performance and greater broker responsiveness to Penbrook Management.

Penbrook sometimes recommends other brokers to clients. The factors Penbrook considers when making these recommendations are the broker’s ability to provide professional services, Penbrook’s experience with the broker, the broker’s reputation, the broker’s quality of execution services and costs of such services, among other factors. Penbrook Management does not consider, in recommending broker-dealers, whether Penbrook Management or any of its related persons receives client referral from a broker-dealer or a third party. Clients are not under an obligation to direct Penbrook Management to use any recommended broker and clients must make an independent evaluation of its selected broker before opening an account with Penbrook Management. Clients should note, however, that the management personnel of Penbrook Management who are also registered representatives of Beech Hill, in their separate capacities as registered representatives of Beech Hill, effect securities transactions through Beech Hill for those advisory clients who have directed Penbrook Management to use Beech Hill and, as a result, these individuals will earn separate, yet customary brokerage compensation for such transactions. Penbrook and Beech Hill typically receive approximately 30% and 70%, respectively, of the gross commissions generated by the client transactions executed through Beech Hill. Commission rates may vary amongst Penbrook’s managers. While Penbrook Management and its management personnel endeavor at all times to put the interest of Penbrook’s clients as part of its fiduciary duty,

clients should be aware that the receipt of this additional brokerage compensation creates a conflict of interest when management personnel of Penbrook Management recommend Beech Hill to clients and may affect the judgment of these individuals when making this recommendation. Penbrook Management takes certain actions to address this conflict of interest. For example, **clients may, at any time and without penalty, direct Penbrook Management to use a different broker.** Penbrook also periodically evaluates the execution performance of Beech Hill and other brokers selected by Penbrook clients. Penbrook Management reserves the right to decline acceptance of any client accounts for which the client directs the use of a broker other than Beech Hill if Penbrook Management believes that the client's choice would hinder Penbrook's ability to service the account or would cause Penbrook to violate its fiduciary duty to the client. Please be aware that not all advisers require their clients to direct brokerage. By directing brokerage, Penbrook Management may be unable to achieve the most favorable execution of client transactions, and this practice may cost clients more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions because the adviser may not be able to aggregate orders to reduce transaction costs or receive volume discounts, or the client may receive less favorable prices.

Penbrook Management LLC will block (i.e. bunch or aggregate) trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts. Clients participating in any aggregated transactions will receive an average share price and transaction costs will be shared equally and on a pro-rated basis among all accounts included in any such block.

Block trading may allow us to execute equity trades in a more timely, efficient and equitable manner, at an average share price. Penbrook Management LLC will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. Penbrook Management LLC's block trading policy and procedures are as follows:

General Trading Policy: As these situations represent a potential conflict of interest, Penbrook has established the following restrictions in order to ensure its fiduciary responsibilities:

- 1 - No person of Penbrook shall prefer his or her own interest to that of an advisory client.
- 2 - No member or employee of Penbrook shall buy or sell securities for their personal portfolio(s) where their decision is by reason of information obtained as a result of his or her employment unless the information is also available to the investing public on reasonable inquiry.
- 3 - Penbrook maintains a list of all securities holdings and transactions for itself, and anyone associated with its advisory practice with access to advisory recommendations. These holdings and transactions are reviewed on a regular basis by Barbara Burke DiCostanzo, Chief Compliance Officer of Penbrook.
- 4 - All clients are fully informed that certain individuals may receive separate compensation when effecting transactions during the implementation process.
- 5 - Penbrook emphasizes the unrestricted right of the client to decline to implement any

advice rendered, except in situations where the client grants Penbrook discretionary authority of the clients account.

6 - Personal securities transactions in private placements and initial public offerings (IPO's) for Penbrook and its supervised persons require pre clearance by the Chief Compliance Officer.

7 - Penbrook requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered advisory practices.

8 - Any individual not in observance of the above may be subject to termination.

9 - Transactions for the AnKap Partners, L.P. fund may be included in blocks with client trades, pursuant to the following procedures:

Aggregation of Orders

1 - Penbrook's policies for the aggregation of transactions shall be fully disclosed in this Form ADV Part 2 and separately to Penbrook's existing clients and the broker-dealer(s) through which such transactions will be placed;

2 - Penbrook will not aggregate transactions unless it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients and is consistent with the terms of Penbrook's investment advisory agreement with each client for which trades are being aggregated;

3 - No advisory client will be favored over any other client. Penbrook will prepare a written allocation statement specifying the participating accounts in each aggregated order and how it intends to allocate among those clients if the order is filled in its entirety. If the order is partially filled, allocations will be made according to Penbrook's judgment of the best interests of each client, taking into account such factors including (but not limited to) a client's available cash, whether a trade would have to be done as an odd lot, and the clients participation in previous block trades to determine which clients will be included in a block and how that block will be allocated (such allocation decisions will be documented). Because the accounts managed by Penbrook are of widely varying sizes, and many of the stocks selected by Penbrook are thinly traded and require weeks or months to buy, a pro-rata method of allocation would in most cases subject client accounts to prohibitively large transaction costs as a percent of the trade size. Regardless of the factors being considered in the partially filled allocation, no client that is benefited by the different allocation may affect any purchase or sale, for a reasonable period following the execution of the aggregated order, that would result in its receiving or selling more shares than the number of shares it would have received or sold had the aggregated order been fully executed.

4 - Each client participating in an aggregation and allocation of securities will pay the average price for all of Penbrook's transactions for such securities for that day, with transactions costs (before commission) shared pro rata based on each client's participation in the transaction;

5 - Penbrook will receive no additional compensation of any kind as a result of the proposed aggregation;

6 - Any changes to an allocation must treat each client fairly and equitably and must be explained in writing and approved by Penbrook's compliance officer in a timely manner (generally no later than one hour) after the opening of the markets on the trading day following the day the order was executed;

7 - Penbrook's books and records will separately reflect each allocation and aggregation and the accounts participating in such allocations and aggregations; Penbrook will review its trading policy on an annual basis, to ensure adequacy and fairness of said policy and related procedures.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are typically reviewed weekly and are always reviewed at least monthly by the members of Penbrook. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

Robert Anderson, Managing Member, Barbara Chacour, Non-Managing Member, and Barbara Burke DiCostanzo, Managing Member and Chief Compliance Officer are the account managers responsible for individual transaction decisions, and are also directly responsible for the review of all client accounts.

Clients will receive monthly statements and confirmations of transactions from their account custodian. At the client's direction, Penbrook will provide clients with quarterly, monthly, or other periodic reports. Penbrook urges its clients to compare any accounts statements received from Penbrook to the statements they receive from their custodian.

Item 14 Client Referrals and Other Compensation

It is Penbrook Management LLC's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

It is Penbrook Management LLC's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts and we are therefore deemed to have custody of client accounts.

As part of this billing process, Penbrook Management advises the client's custodian of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period, including any fee deductions. Clients are sent an advice on a timely basis, detailing the the amount of the quarterly advisory fee and method for calculating.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition, because we act as investment adviser to AnKap and have an affiliate acting as General Partner to the Fund, we may be deemed to have custody of the Fund's assets under current applicable regulatory interpretations. As an adviser with custody on this basis, we seek to have the Fund audited on an annual basis by an independent public accountant that is both registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB). It is our policy to seek to send these audited financials to each Fund investor, as appropriate, within 120 days of the Fund's fiscal year end. The AnKap Fund also engages an independent representative to review and approve all withdrawals from the Fund that are made to the General Partner or any of its members. *Please refer to item 10 – Other Financial Industry Activities and Affiliations – Other pooled investment vehicles for more information.*

Item 16 Investment Discretion

Clients typically hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary investment management agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

As a matter of firm policy, Penbrook does not vote proxies on behalf of clients. Clients are responsible for voting their own proxies, and should receive proxy materials and other solicitations from their custodians. However, upon request, Penbrook can provide all portfolio management clients with consulting assistance regarding proxy issues, without fee, upon request.

Item 18 Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that has discretionary authority for client accounts and has custody of client funds and securities, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations to Penbrook's clients. Penbrook Management LLC has no additional financial circumstances or conditions to report.

Penbrook Management LLC has not been the subject of a bankruptcy petition at any time during the past ten years.