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This Brochure provides information about the qualifications and business practices of Archon Capital Management LLC ("Archon"). If you have any questions about the contents of this Brochure, please contact us at (206) 436-3600 or via email at info@ArchonCapitalManagement.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

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

Archon is a registered investment adviser registered with the SEC. Registration of an investment adviser with the SEC or with any state securities authority does not imply a certain level of skill or training.

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ITEM 2 – Material Changes

While not material, since its last annual update to the brochure (the “Brochure”) dated March 20, 2019, Archon has made changes throughout its Brochure to improve and clarify the descriptions of its business practices and compliance policies and procedures or in response to evolving industry and firm practices. In this year’s filing, the following Items have been updated, in addition to certain immaterial changes and/or conforming changes related to the following:

- Item 4: updated to reflect the investment advisory services Archon provides to the funds and the firm’s regulatory assets under management as of December 31, 2019;
- Item 8: updated to reflect additional risk factors and conflicts of interest;
- Item 10: updated to reflect Archon’s financial industry activities and affiliations;
- Item 13: updated to reflect the types of reports sent to investors; and
- Item 15: updated to clarify how Archon meets its custody obligations under the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

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ITEM 4 – Advisory Business

Founded in 2004, Archon Capital Management LLC ("Archon") is an SEC-registered investment adviser. Archon manages hedge funds focused on small- to mid-capitalization securities in the technology, consumer and health care sectors. Archon's principal place of business is in Seattle, Washington, and Constantinos Christofilis is Archon's Managing Member, Portfolio Manager and sole owner.

Archon provides specialized discretionary advisory services to the following pooled investment vehicles: Strategos Fund, L.P.; Strategos Partners LLC (the "Onshore Fund"); Strategos Offshore, Ltd. (the "Offshore Fund") (which together with the Onshore Fund, are also referred to as the "Feeder Funds"); and Strategos Master Fund, L.P. (the "Master Fund") (each, a "Fund" and collectively, the "Funds"). The purpose of the Master Fund is to achieve certain administrative efficiencies; the Master Fund has no investors other than the Feeder Funds and Archon. The Funds are currently Archon's only Clients. However, Archon may, in the future, also provide advisory services to separately managed accounts or new pooled investment vehicles.

Archon provides advice to the Funds based on specific investment objectives and strategies. Archon does not tailor advisory services to the individual needs of investors in the Funds (collectively, "Investors"). Investors in the Funds may not impose restrictions on the Funds' investing in certain securities or types of securities.

Archon typically limits its investment advice to equity and equity-related securities, and in particular with respect to its long investments, small and mid-capitalization equity securities, as described in more detail in Item 8 of this Brochure. Investors in the Funds receive an offering memorandum prior to investing in a Fund. The offering memorandum further describes the investment strategies pursued by Archon on behalf of the Funds. While Archon does not tailor its advisory services to the individual needs of Investors in the Funds, in order to comply with certain legal and regulatory requirements, it is possible that there will be instances when an Investor will not participate in an investment by the Fund (such as a transaction to balance exposures of the Funds) and appropriate measures will be taken by the respective Fund to comply with such laws and regulations. The Funds have entered and may in the future enter into side letters or similar agreements with certain Investors who make substantial commitments of capital, are strategic Investors, were early-stage Investors in the Funds, or for other reasons in the sole discretion of Archon, in each case that have the effect of establishing rights under, or altering or supplementing a Fund's offering memorandum. Such rights include special rights to make future investments in a Fund, other investment vehicles or managed accounts; special liquidity rights (e.g., typically due to regulatory or similar requirements) relating to frequency or notice; a reduction or rebate in fees to be paid by an Investor and/or other terms; rights to receive reports from a Fund on a more frequent basis or that include information not provided to other Investors (including, without limitation, more detailed information regarding portfolio positions); and such other rights as may be negotiated by Archon and such Investor.

As of December 31, 2019, Archon managed approximately \$330.1 million of regulatory assets under management, all managed on a discretionary basis. Archon does not manage any assets on a non-discretionary basis.

Archon does not participate in "wrap fee" programs (advisory programs with an all-inclusive fee for both investment advisory services and brokerage execution).

ITEM 5 – Fees and Compensation

Each Fund pays Archon an investment management fee based on the value of an Investor's assets invested in a Fund, ranging from 1.0% to 1.5% per annum (the "Management Fee"). The Management Fees are paid to Archon each month in advance based on the total market value of the assets in the Fund on the first day of the month. The Management Fee will be charged beginning as of the effective date of the investment management agreement or the date of an Investor's subscription to a Fund. Management fees will be prorated for investments made, or managed accounts established, other than on the first day of a month. The Management Fee will cease to be charged once the applicable management agreement is terminated or a withdrawal or redemption is made by an Investor from a Fund. The Management Fee will be prorated for the number of days during the month in which the investment management agreement was in effect or an Investor was invested in the Fund (if an Investor withdraws or redeems from a Fund other than at the end of the month).

Archon may agree with any Investor to apply a different Management Fee and may negotiate the amount of management fees applicable to any separately managed account it may establish in the future. In this regard, Archon has waived the Management Fees applicable to certain Investors, such as employees and their related parties (e.g., employee spouses and trusts for the benefit of employees and their family members).

Archon deducts the Management Fee from each Fund monthly by instructing the Fund's administrator to deduct the Management Fee from the Funds' accounts.

Funds are required to pay Archon's Management Fees in advance. Pre-paid fees will be refunded based on the number of days remaining in the month if an Investor withdraws or redeems from a Fund other than at the end of a month or if the Fund's investment management agreement is terminated before the end of a month.

In addition to the Management Fee, Archon is allocated an annual performance-based allocation, which is compensation that is based on a share of capital appreciation of the assets of a Fund. This compensation rate is 20% of net profits and is subject to a loss carryforward provision.

Archon may agree with any Investor to apply a different performance-based allocation. In this regard, Archon has waived the performance-based allocation rate applicable to certain Investors, such as employees and their related parties (e.g., employee spouses and trusts for the benefit of employees and their family members).

In addition to the Management Fee and performance-based allocation, Funds (and thus Investors), will also be responsible for all of a Fund's direct operating expenses in accordance with a Fund's offering and/or governing documents or any applicable investment management agreement. These operating expenses, include, among other things, fees and expenses of any third-party administrator, brokerage commissions, interest on margin and other borrowings, borrowing charges on securities sold short, custodial fees, legal, research, accounting and audit fees and expenses, market-data fees, Bloomberg access, trading and order management systems and software, tax-preparation fees, governmental fees and taxes, bookkeeping and other professional fees, travel related to investment activities, costs of reporting, costs of governance activities (such as fees for directors and obtaining consents (if and when necessary)), expenses of regulatory compliance including filings and reporting (including but not limited to Form PF, federal, state and non-US security filings, Section 13 and Section 16 filings) to the extent they are in connection with, relate to or derive from a Fund or its investment activities, insurance costs (including a portion of directors and officers insurance, errors and omissions insurance and other similar policies covering Archon) and all other reasonable expenses related to the management and operation of each Fund and/or the purchase, sale or transmittal of assets, as Archon determines in its sole discretion. Fund assets are invested in money market mutual funds, ETFs or other registered investment companies. In these cases, the Fund will bear its pro rata share of the investment management fee and other fees and expenses of these investments, which are in addition to the Management Fee and performance-based allocation paid and allocated to Archon.

The allocation of expenses by Archon between it and any Fund and among the Funds represents a conflict of interest for Archon. Archon has adopted an expense allocation policy that is designed to address this conflict. Archon's policy is to allocate expenses (between it and any Fund, if applicable, and among the Funds) in a fair and equitable manner, consistent with its fiduciary obligations and the governing documents of the Funds. Expenses incurred on behalf of more than one Fund will be allocated among such Funds as fairly as possible, which generally includes a pro rata allocation based on the relative assets of each such Fund, unless another method of allocation is deemed more appropriate by Archon in its discretion. To the extent that the governing documents do not expressly provide for a method of allocation, or to the extent that an invoice does not relate to a specific Fund, Archon will typically allocate expenses among the Funds pro rata based on assets under management as of the beginning of each month in which the expenses are paid, unless another method is more equitable.

Expense allocation decisions involve conflicts of interest (e.g., an incentive to favor accounts that pay higher incentive fees, or conflicts relating to different expense arrangements with certain Funds). Archon's expense allocations often depend on inherently subjective determinations and, accordingly, expense allocations made by Archon in good faith will be final and binding on the Funds.

Because the Feeder Funds invest their assets in the Master Fund through a master-feeder structure, the Feeder Funds generally bear a pro rata share of the expenses associated with

the Master Fund. Additionally, to the extent a certain expense is directly attributable to a Feeder Fund, then such expense will be allocated solely to that Feeder Fund.

In addition, Investors in all Funds will incur brokerage and other transaction costs, including commission charges on cross trades or similar trades made in connection with rebalancing transactions. Please refer to Item 12 of this Brochure for a discussion of Archon's brokerage practices.

Archon does not accept compensation for the sale of securities or other investment products.

Investors in the Funds receive an offering memorandum prior to investing in a Fund. The Fund's offering memorandum further describes the applicable management and performance-based fees and expenses an Investor will bear in connection with an investment in the Fund.

ITEM 6 – Performance-Based Fees and Side-By-Side Management

Archon receives a performance-based allocation from the Funds based on a portion of the Fund's net profits (if applicable) (the "Incentive Allocation"). On the last day of the calendar year, the applicable Fund general partner is allocated 20% of the net profits allocated to each Investor during the preceding calendar year. Once made, an Incentive Allocation will not be subject to reversal if there is a subsequent loss.

The Incentive Allocation is subject to a loss carryforward provision. The loss carryforward adjustment is intended to ensure that the general partner receives an Incentive Allocation from an Investor only to the extent net profits allocated to that Investor exceed net losses previously allocated to that Investor (adjusted for withdrawals and additional capital contributions) which have not been recovered. If an Investor makes a withdrawal or receives a distribution at a time when he or she has unrecovered losses, those unrecovered losses will be reduced in proportion to the withdrawal.

As mentioned in Item 5 above, Archon may agree with any Investor to apply a different performance-based allocation. Similarly, certain employees of Archon are eligible to be allocated a portion of the Incentive Allocation as part of their compensation.

Such performance-based compensation has the potential to create an incentive for Archon to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangements. In addition, Archon's investment personnel are typically compensated on a basis that includes a performance-based component. Because Archon manages more than one Fund, a potential exists for one Fund to be treated differently from another Fund. However, the Funds are currently managed on a pari passu basis and generally participate in investment opportunities pro rata (based on asset size), except in certain limited circumstances (e.g., limited availability of a specific security, purchases or sales of securities made to rebalance Fund portfolios, etc.). A description of the Adviser's allocation policy is included in Item 16 of this Brochure.

ITEM 7 – Types of Clients

Archon's clients consist of the Funds, which are pooled investment vehicles operating as private investment funds. The Funds are not registered or required to be registered under the Investment Company Act of 1940, as amended ("Investment Company Act"), are not made available to the general public, the Funds' securities are not registered or required to be registered under the Securities Act of 1933, as amended ("Securities Act"), and Fund interests are privately placed to qualified Investors in the United States and elsewhere. As further described in a Fund's offering memorandum, Investors in the Funds are generally required to meet certain eligibility criteria to be able to invest, including being an "Accredited Investor," within the meaning of Regulation D under the Securities Act, a "Qualified Client" in accordance with Rule 205-3 of the Advisers Act, and with respect to certain Funds, a "Qualified Purchaser" as defined in Section 2(a)(51) of the Investment Company Act. The initial and additional subscription minimums for Investors are disclosed in the Funds' offering memoranda. Investors in the Funds include individuals, private funds, family offices, pension plans, IRAs, trusts, foundations, endowments corporations and other business entities.

ITEM 8 – Methods of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategies

The Funds' investment objective is to seek to achieve risk-adjusted returns by investing in a long/short portfolio consisting primarily of small- and mid-capitalization securities while adhering to a focused risk management discipline. Current income is not an objective.

Archon's basic philosophy is to identify a core portfolio of small- to mid-capitalization companies traded in the U.S. and foreign equity markets that it believes are undervalued compared to their historical relative valuations and growth potential and which possess catalysts that will accelerate sales and/or earnings growth. Archon defines mid-capitalization stocks as those with a market capitalization between \$2 and \$10 billion and small capitalization stocks as those with a market capitalization below \$2 billion.

Long positions are typically out of favor companies that are going through a transition or turnaround, often including bringing on a new management team or key executives. The Fund invests in long positions with conviction and concentration and usually with a two to three-year time horizon as company turnarounds, including changing culture, takes significant time. Archon generally seeks to add 3 to 6 new core long positions each year to the Fund's portfolio, with each "vintage" anticipated to begin contributing to the Fund's performance over the 12-24 months following the Fund's investment. The Funds also employ short selling as a means to seek to generate returns and manage and reduce market risk. Short sale candidates are typically companies that Archon believes have flawed business models that are not expected to generate meaningful free cash flow or profits and/or companies with high valuations whose business are experiencing a deceleration in sales and earnings growth.

Archon uses a disciplined, fundamental research, bottom-up investment approach to identify long and short investment opportunities. Archon's research process focuses significantly on the management, people and culture at an organization, as Archon believes that these factors are critical in driving accountability and financial performance. The Funds are non-diversified, employing both sector and company emphasis.

The decision to focus on small- and mid-capitalization stocks is based on what Archon believes is an area of the market that provides a higher number of attractive investment opportunities on a valuation basis. This "inefficiency" in valuations is in part a result of the lack of attention small- and mid-capitalization stocks receive from the largest institutional investors and Wall Street analysts who generally focus only on the most liquid securities. In Archon's opinion, the lack of available information and limited institutional interest make the sector attractive for funds focused on small- and mid-capitalization stocks. Archon expects to use its rigorous fundamental research process to help identify long and short investment opportunities. Archon believes that through its Managing Member's experience of working for public corporations, it can identify both attractive and flawed business models.

Archon follows a disciplined investment process that it believes will allow it to identify potential investment opportunities in any market cycle. First, Archon focuses on stocks in growing industries, primarily in technology, healthcare and consumer industries that have an established market presence and the strategic and financial resources to capitalize on their growth objectives. Second, Archon looks for stocks that are going through a "turnaround" or experiencing a "transition" and which are trading at significant valuation discounts relative to their peers. Third, Archon identifies companies with growth catalysts that it believes will translate to accelerated sales and/or earnings growth. These catalysts can include one or several of the following: new management teams or the addition of key executives, introduction of new products, entering new markets, acquisitions, new sales and marketing approaches and improved cost structures. Fourth, Archon performs disciplined fundamental research on those investment ideas that meet the first three criteria and that (for many additional reasons) appear to be attractive investment opportunities. The focus of this research is not only to verify the growth and appreciation potential of each investment, but also to attempt to understand the level of risk associated with such investment. This research can include an analysis of company financials (balance sheet, cash flow and income statement), a review of analyst expectations, the creation of financial models to assist in forecasting and valuation analysis, reference checks on new executives and discussions with suppliers, customers, competitors, former employees, industry experts and meetings or private discussions with management. Gathering incremental information from numerous related sources plays a critical role in Archon's portfolio selection process.

These methods, strategies and investments involve risk of loss to Investors and Investors must be prepared to bear the loss of their entire investment in a Fund.

B. Material Risks Relating to Investment Strategies

The following summary identifies the material risks related to Archon's significant investment strategies and should be carefully evaluated before making an investment with

Archon; however, the following does not intend to identify all possible risks of an investment with Archon or provide a full description of each identified risk. There are many market-related and other risk factors – some of which cannot be anticipated – that can potentially result in an Investor losing a significant portion or all of its investment in a Fund or prevent a Fund from generating profits. Investors and potential investors in the Funds should refer to the offering memorandum for the Fund for a further discussion of the applicable risks.

Concentration on Equities. The Funds concentrate their portfolios primarily on equities and equity-related products (i.e., options, etc.). The equity markets in which the Funds invest are speculative and highly issuer specific. Mismanagement or misconduct by corporate officers can cause the complete loss of an equity investment, and the equity markets are often particularly susceptible to subjective investment factors and market sentiment.

The Funds' concentration on equities (despite the long-short character of the Funds' portfolios) will cause the Funds to be less diversified and presumably more vulnerable to the risk of major losses than if it had a more diversified strategy.

Many different alternative investment strategies have been successful investing in securities other than common stocks — conventional debt, convertible debt, preferred stock, options, etc. The investment opportunities such strategies attempt to identify are in many cases based on entirely different factors than those which Archon incorporates into its strategy and may be profitable during periods in which the prospects for the Funds' strategy being successful are materially diminished by prevailing market conditions and/or other factors.

The Funds' strategy is premised on Archon's ability to identify idiosyncratic factors which will cause a stock to under- or over-perform. Analyzing idiosyncratic factors is inherently uncertain, as is predicting whether (and over what time period) such factors will be reflected in market prices. The losses incurred by the Funds on a position, if the market moves against such position, will often not be hedged. The speculative aspect of attempting to predict absolute price movements in individual equities (*e.g.*, long-short investing) is generally perceived to exceed that involved in attempting to predict relative price fluctuations (*e.g.*, "pairs trading"). Numerous inter-related and difficult-to-quantify economic factors, as well as market sentiment, subjective and extraneous political, climate-related and other factors, influence the cost of equities and may from time to time dominate over idiosyncratic factors; there can be no assurance that the Funds will be able to predict future price levels correctly. The Funds' directional equity positions are leveraged, and even comparatively minor adverse market movements can result in substantial losses.

Because the Funds' long and short portfolios are developed independently of each other, not on the basis of the respective relative values of the equities held long and short, it is entirely possible that market movements will cause losses on both portfolios, rather than one serving at least partially to offset the risk of the other.

Fundamental Analysis. The focus of the Funds' strategy is fundamental, "bottom-up" analysis of individual issuers. Fundamental analysis — which is based on the theory that market mispricings exist because market prices do not incorporate all knowable economic and other

relevant data — is subject to the risk of inaccurate or incomplete market information, as well as the difficulty of predicting future prices based upon analysis of all known information. Investments made based upon fundamental analysis are subject to significant losses when market sentiment leads to financial instruments' market prices being materially discounted from the expected prices indicated by fundamental analysis or when technical factors, such as price momentum encouraged by trend following, dominates the market.

Fundamental analysis is inherently subject to the risk of not having identified all the relevant economic factors, and, in the case of Archon, this risk is exacerbated by the difficulty of even being aware of all relevant idiosyncratic factors.

Fundamental analysis is also inherently subject to the unpredictable duration of periods during which market prices and "true value" as determined by such analysis will change. Archon may be entirely correct in its analysis of the idiosyncratic factors affecting the price of a stock, but the market will possibly not reflect "true value" during the period that Archon determines a position in such stock can be held.

Lack of Diversification. Archon intends to manage the Funds in accordance with their investment objectives. The Funds will not be diversified among a wide range of types of securities, countries or industry sectors and the Funds' portfolio and risk could become concentrated. Accordingly, the Funds' portfolios are subject to more rapid change in value than would be the case if Archon were required to maintain a wider diversification among types of securities, geographic areas and industry sectors. In addition, it is possible that investments could become concentrated in a limited number or one or more types of financial instruments. This concentration could expose the Fund to losses greater than those experienced by a diversified portfolio.

Issuer-Specific Changes. Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's value. The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Smaller issuers can have more limited product lines, markets, or financial resources.

Leverage. The Funds' governing documents authorize Archon, in Archon's sole discretion, to leverage the Funds' investment positions by borrowing funds from securities broker-dealers, banks or others, and Archon frequently employs leverage on behalf of the Fund as part of the Fund's investment strategy. The use of leverage can increase the possibilities for profit and the risk of loss. The amount of leverage that a Fund has outstanding at any time has previously, and may in the future, be large relative to its capital. Consequently, the level of interest rates, generally, and the rates at which a Fund can borrow, in particular, will affect the operating results of such Fund.

Margin borrowings are usually obtained from broker-dealers and are typically secured by an account in which the borrower's securities and other assets are held. Under certain circumstances, such a lender may demand an increase in the collateral that secures the

borrower's obligations, and if the borrower is unable to provide additional collateral, the lender could liquidate assets held in the account to satisfy the borrower's obligation. For example, in the event of a sudden precipitous drop in the value of a Fund's assets, the Fund may not be able to liquidate assets quickly enough to pay off margin debt. If a Fund were to become subject to liquidation in that manner, it could suffer extremely adverse consequences, including realization of losses that would not otherwise be realized.

In an unsettled credit environment, Archon expects to find it difficult or impossible to obtain leverage for the Funds. Since leveraging its assets is a part of the investment strategy of the Funds, in such event the Funds could find it difficult to fully implement their strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in Archon being forced to unwind positions quickly and at prices below what Archon deems to be fair value for such positions.

Short Selling Risk. Archon's investment program includes short selling as a regular part of its investing and trading activities. In a short sale, a Fund sells securities it does not own with the expectation that the market price of such securities will decline and that the Fund will be able to subsequently buy replacement securities at a lower price. The Funds effect a short sale by borrowing securities from a broker or other third party, and subsequently "close" the position by "returning" the security (buying a replacement security on behalf of the lender) whenever the Fund is ready to take its profit, limit its potential for loss, or at such time as the lender chooses. As collateral for this obligation and to "close" the short position, the Fund is required to leave the proceeds of the short sale with the broker that effected the transaction and deliver an additional amount of cash or other collateral as dictated by margin regulations. Due to the Funds' repayment obligation, a short sale theoretically involves the risk of unlimited loss because the price at which the Funds must buy "replacement" securities could increase without limit. There can be no assurances that the Funds will not experience losses on short positions or that the Funds will be able to close its short positions in a timely manner, and if the Funds do experience losses on short sales, there can be no assurances that those losses will be offset by gains on the long positions to which they relate. Short sales can, in some circumstances, substantially increase the impact of adverse price movements on a Fund's portfolio. Short selling transactions expose Archon to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by Archon in connection with a short sale would need to be returned to the securities lender on short notice. If such request for a return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein Archon might be compelled, at the most disadvantageous time, to replace the borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

Hedging Risks. Hedging strategies in general are intended to limit or reduce investment risk, but they can also be expected to involve transaction costs and may inherently limit or reduce the potential for profit. The Funds will use equity short selling and financial instruments (such as exchange traded funds and options) as an independent source of profit and the Funds may also use equity short selling to seek to hedge the Funds' portfolio positions

against fluctuations in value as a result of changes in the value of individual equities and market interest rates. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the value of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thereby moderating the decline in the value of a portfolio position. Hedging transactions of this variety limit the opportunity for gain if the value of the hedged portfolio position should increase. Moreover, Archon shall determine in its discretion whether to hedge positions and only anticipates hedging positions where it believes that it is in the best interest of the Funds to implement such hedging. Furthermore, it may not be possible for the Funds to hedge against a security, commodity, index, exchange rate or interest rate fluctuation that is generally anticipated by the market as there may not be appropriate instruments to implement such a hedge or the costs of such a hedge are prohibitive as determined in Archon's discretion. There can be no assurances that a particular hedge is appropriate, or that certain risk is measured properly. Further, while Archon periodically enters into hedging transactions to seek to reduce risk, such transactions have the potential to result in poorer overall performance and increased (rather than reduced) risk for Archon's investment portfolios than if Archon did not engage in any such hedging transactions.

Frequent Trading. Archon's strategy uses frequent trading which results in higher commissions and charges to the Funds due to increased brokerage costs, which will typically offset the Funds' profits.

Not a Complete Investment Program. An investment in the Funds will generally be deemed a speculative investment and is not intended as a complete investment program. It is designed only for sophisticated and experienced Investors who can bear the risk of loss of their entire investment in the Funds.

Portfolio Turnover. The Funds' investment strategies involve a high level of trading. To the extent that there is substantial trading, such trading and the turnover of the Funds' portfolio can generate substantial transaction costs. If such trading costs are incurred, these costs will be borne by the Funds and will affect the deductibility of certain Fund expenses.

C. Risks Associated with Types of Securities that are Primarily Recommended

Small- and Mid-Capitalization Companies. The Funds invest primarily in small- and mid-capitalization companies. Small- and mid-capitalization companies may be of a less seasoned nature than other companies or may trade in the over-the-counter market. These "secondary" securities often involve significantly greater risks than the securities of larger, better-known companies. In addition to being subject to the general market risk that common stock prices may decline over short or even extended periods, the securities may be issued by companies that are not well-known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. The securities of such companies may be more volatile in price and have lower trading volumes than larger-capitalization stocks.

In addition, Archon has invested, and will likely in the future invest, in small- and mid-capitalization securities that are followed by relatively few analysts, with the result that there tends to be less publicly available information concerning these securities compared to what is available for larger companies. The securities of these companies may have limited trading volumes and may be subject to more abrupt or erratic market movements than the securities of larger, more established companies or the market averages in general, and Archon may be required to deal with only a few market makers when purchasing and selling these securities. Transaction costs in small- and mid-capitalization stocks may be higher than those of larger capitalization companies. Companies in which Archon invests may have limited product lines, markets or financial resources, and may be developing or marketing new products or services for which markets are not yet established and may never become established. Further, such companies may lack management depth and may be more vulnerable to adverse business or market developments.

Equity Securities. The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism, pandemics and related geo-political risks have led, and will possibly in the future lead, to increased short-term market volatility and have adverse long-term effects on world economies and markets generally.

General Economic and Market Conditions. The success of the Funds' investment strategies is typically affected by general economic and market conditions such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in foreign and domestic laws, and national and international political circumstances. These factors will, at times, affect the level and volatility of securities prices and the liquidity of the Funds' investments. Unexpected volatility or illiquidity could impair the Funds' profitability or result in losses. None of these factors are within Archon's control.

Options. The trading of options is highly speculative and entails certain risks that may not be applicable when investing in other securities. Prices of options are generally more volatile than prices of other securities. The Funds speculate on market fluctuations in the value of securities and securities indices while investing only a small percentage of the value of those assets or indices underlying the option. A change in the market price of the underlying asset or index will cause a much greater change in the price of the option contract. In addition, to the extent that the Funds purchase options that they do not sell or exercise, the Funds will suffer the loss of the premium they paid. To the extent the Funds sell options and must deliver the underlying securities at the option price, the Funds have an unlimited risk of loss if the price of the underlying security increases. To the extent the Funds must buy the underlying securities, the Funds risk the loss of the difference between the market price of the underlying securities and the option price. Any gain or loss derived from the sale or exercise of an option will be reduced or increased, respectively, by the amount of the

premium paid. The expenses of option investing include commissions payable on the purchase and on the exercise or sale of an option.

When the Funds write options, they may do so on a “covered” or an “uncovered” basis. If the Funds sell covered calls, it limits the Funds’ opportunity to benefit from an increase in the value of the underlying security while continuing to bear the risk of decline in the value of that security.

Exchange Traded Funds. The Funds invests in exchange-traded funds (ETFs) or other equity index securities or listed and over-the-counter derivatives in respect of the foregoing. Such investments represent interests in portfolios of selected equities, the value of which fluctuates in response to issuer, political, market and economic developments. ETFs and other similar instruments involve risks generally associated with investments in a broadly-based portfolio of common stocks or commodities, including the risk that the general level of stock prices or commodity prices, or that the prices of stocks within a particular sector, increase or decrease, thereby affecting the value of the shares of the ETF or other instruments. In addition, the market price of such investments may not be equivalent to the pro rata value of the underlying portfolio of securities.

Derivatives. The Funds trade and invest in a variety of derivative instruments as part of their investment activities. Derivatives are financial instruments or arrangements in which risk and return are related to changes in the value of other assets (such as stocks or currencies), reference rates or indices. The Funds’ ability to profit or avoid risk through investment or trading in derivatives will depend on the ability of Archon to anticipate changes in the value of the underlying assets, reference rates or indices.

Limited Liquidity. An investment in the Funds is relatively illiquid and is not suitable for an Investor who needs liquidity. There is no public market for Investor interests (nor is any market expected to develop for such Interests) and the governing documents impose significant limitations on Investor abilities to transfer interests or withdraw capital. For instance, transfers require Archon’s consent (which will be withheld in its sole discretion) and withdrawals are generally permitted without payment of a withdrawal fee only at the end of each calendar quarter after the one-year anniversary of the date of such capital contribution. Archon has the discretion to deliver withdrawn amounts in securities or other financial instruments, rather than cash. In such case, the securities or other financial instruments so delivered or segregated will typically be relatively illiquid and the Investor would bear the risk of a decline in their value after the effective time of its withdrawal. Further, Archon has the ability to suspend withdrawals under certain circumstances. These facts, taken together, will significantly affect the liquidity of an Investor’s investment in the Funds and accordingly, interests or shares in the Funds should only be acquired by Investors willing and able to commit their funds for an indefinite period of time.

Limited Liquidity of Some Investments. Some of the financial instruments in which Archon invests may be relatively illiquid because they are small or micro -cap stocks and are thinly traded or because they are subject to transfer restrictions. Archon will not necessarily be able to liquidate those investments quickly if the need should arise, and its ability to realize

gains or to avoid losses in periods of rapid market activity could therefore be affected. Further, Archon's sales of thinly traded securities could depress the value of such securities retained by Archon, thereby reducing Archon's profitability or increasing its unrealized losses. Archon also invests in securities that are subject to restrictions on resale. The value assigned to thinly traded securities or restricted securities for purposes of determining the Funds' net asset value differs from the value the Funds are ultimately able to realize.

Non-U.S. Securities. Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

D. Risks Relating to Archon

Potential Conflicts of Interest. Conflicts can arise between the interests of Archon and those of the Funds and its Investors. Potential conflicts include, Archon serving as investment adviser for other Funds or accounts, allocation of investments to Clients, conflicts inherent in performance-based fees, allocation of expenses across Clients and between Clients and Archon, valuation of less liquid investments, and Archon's selection and use of broker-dealers. While Archon is accountable to the Funds as a fiduciary, a Fund's offering and governing documents grant Archon broad discretion as to many matters and limits Archon's fiduciary duties and sets forth the standard of care to which Archon is subject in managing the Funds. Investors and prospective investors should refer to a Fund's offering memorandum for a further description of the potential conflicts of interest Archon is subject to in managing the Funds in addition to the conflicts described elsewhere in this Brochure.

Reliance on Key Personnel. The success of the Funds depends on the ability of Archon to develop and implement investment strategies that will achieve the Fund's investment objectives. The Funds' investment performance could be materially and adversely affected if Mr. Constantinos Christofilis (the sole owner of Archon and the Portfolio Manager for the Funds) were to die, become ill or disabled, or otherwise cease to be involved in the active management of the business of the Funds' portfolios. Investors have no right or power to take part in the management of the Funds. Except under specified circumstances, if Archon withdraws, is dissolved, or becomes insolvent, the Funds will be dissolved.

Effect of Substantial Withdrawals. Substantial withdrawals by Investors within a short period could require the Funds to liquidate securities positions more rapidly than would otherwise be desirable, possibly reducing the value of the Funds' assets and/or disrupting Archon's investment and trading strategies. Any reduction in the size of the Funds could make it more difficult for the Fund to generate a positive return or to recoup losses due to, among other things, a diminishment in the Funds' ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

Non-Disclosure of Positions. In an effort to protect the confidentiality of its positions, the Funds generally will not disclose its positions to Investors on an ongoing basis, although Archon, in its sole discretion, will permit such disclosure on a select basis to certain Investors, including, without limitation, significant or strategic Investors.

Information Provided to Certain Investors. In response to questions and requests and in connection with due diligence meetings and other communications, Archon provides additional information to certain Investors and prospective investors that is not distributed to other Investors and prospective investors in the Funds, including but not limited to portfolio information. This information could affect a prospective investor's decision to invest in the Funds or an existing Investor's decision to remain invested in the Funds. Each Investor is responsible for asking those questions that it believes are necessary to make its own investment decision.

Misconduct of Personnel and of Third-Party Service Providers. The Funds rely on a substantial number of personnel of Archon and its counterparties and other service providers. Significant losses could result from misconduct by such personnel, including, for example, binding the Funds to transactions that are not properly authorized, concealing unsuccessful trading activities, improperly using or disclosing confidential or material non-public information and misappropriating assets. Although Archon has adopted measures that seek to prevent and detect misconduct of its personnel and ensure that the Funds transact with reliable counterparties and third-party service providers, such efforts will not necessarily be effective in all cases.

Side Letters and Preferential Terms. The Funds have entered into, and may in the future, enter into side letter agreements with certain prospective or existing Investors whereby such Investors are subject to terms and conditions that are more advantageous than those set forth in the Funds' governing documents, including certain founding Investors. For example, such terms and conditions may provide for special rights to make future contributions to the Funds, other investment vehicles or managed accounts; special withdrawal rights (e.g., typically due to regulatory or similar requirements), relating to frequency or notice; a reduction or rebate in fees to be paid by the Investor and/or other terms; rights to receive reports from the Funds on a more frequent basis or that include information not provided to other Investors (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated by the Funds and such Investors. The modifications are solely at the discretion of the Funds and may, among other things, typically be based on the size of the Investor's contribution to the Funds or affiliated investment entity, the strategic nature of the relationship with an Investor, an agreement by an Investor to maintain such contribution in the Funds for a significant period of time, or other similar commitment by an Investor to the Funds.

Receipt of Material Non-Public Information Risk. In the course of its activities, there is a risk that Archon will receive material non-public information. Archon receives such information directly as a result of its investment advisory activities for the benefit of the Funds or the other accounts, or indirectly as a result of its relationship with third-party service providers.

In such event, Archon would be restricted from trading certain instruments regardless of whether the activities leading to the receipt of material non-public information were for the benefit of the Funds or otherwise. Such restrictions can have a material impact on the gains and losses of the Funds.

Cybersecurity Risk and Identity Theft. The Funds and their service providers, including Archon, are subject to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information or various other forms of cybersecurity breaches. Cybersecurity attacks affecting the Funds, or their service providers may adversely impact the Funds. For instance, cyber-attacks could interfere with the processing or execution of the Funds transactions, cause the release of confidential information, including private information about Investors, subject the Funds and Archon to regulatory fines or financial losses, or cause reputational damage. Similar types of cybersecurity risks are also present for issuers of securities in which the Funds invest. These risks could result in material adverse consequences for such issuers and may cause the Funds' investments in such issuers to lose value.

In addition, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes can have a detrimental effect on Archon and its Funds. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of systems to disclose sensitive information in order to gain access to Archon's data or that of its Investors.

Although Archon has implemented various measures to manage risk relating to these types of events, if Archon's systems or those of its service providers are compromised, become inoperable for extended periods of time or cease to function properly, Archon, the Funds and/or a service provider thereof may have to make a significant investment to fix or replace system components. The successful penetration or circumvention of the security of Archon's or these service providers' systems, or a failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Archon's, the Funds' and/or a service provider's operations. This could result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Investors and proprietary and/or confidential information relating to portfolio investments, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system and costs associated with system repairs. Such a failure could harm Archon's, the Funds' and/or a service provider's reputation, subject any such entity and their respective affiliates to legal claims, compliance costs and otherwise affect their business and financial performance. In addition, Archon would potentially incur substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, adverse investor reaction or litigation which costs, under certain circumstances, would be borne by a Fund.

Use of Expert Networks and Data Analytics. In connection with the evaluation of potential investment opportunities, Archon on occasion engages expert networks and/or makes use of data analytics, including data provided by third-party vendors. Archon seeks to avoid inadvertently obtaining confidential information from such sources and has therefore implemented policies and procedures to mitigate the risk that the use of expert networks or data analytics could result in the receipt of confidential information by investment professionals. However, because Archon's business operates on an integrated platform without ethical screens or information barriers, if such controls fail and an investment professional obtains material non-public information, Archon would likely be restricted in acquiring or disposing of investments on behalf of the Funds, which would impact the returns generated for such Funds.

Effects of Health Crises and Other Catastrophic Events. Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on the Funds' investments and Archon's operations. For example, any preventative or protective actions that governments may take in respect of such diseases or events may result in periods of business disruption, inability to obtain raw materials, supplies and component parts, and reduced or disrupted operations for client portfolio companies. In addition, under such circumstances the operations, including functions such as trading and valuation, of Archon and other service providers could be reduced, delayed, suspended or otherwise disrupted. Further, the occurrence and pendency of such diseases or events could adversely affect the economies and financial markets either in specific countries or worldwide.

E. Potential Conflicts of Interest

Other Business Relationships. Archon devotes as much of its time and resources to the activities of the Funds as it deems necessary and appropriate. The Fund governing documents do not restrict Archon or its principals or affiliates from entering into other fund management relationships, other investment advisory relationships or engaging in other business activities, even though those activities are possibly in competition with the Funds and/or involve substantial amounts of Archon's time and resources.

Investment Opportunities, Common Expenses and Transaction Execution. Conflicts of interest also can and do arise in connection with transactions for the accounts of the Funds vis a vis any other investment vehicle in which Archon is involved or other advisory clients whose portfolios Archon manages, and the accounts of Archon or its affiliates and principals. In many cases, the Funds and other investment accounts Archon or its affiliates manage will seek to buy or sell the same security at the same time. Archon will allocate transactions and opportunities among the various accounts it and its affiliates manage in a manner it believes to be as equitable as possible, considering each account's objectives, programs, limitations and capital available for investment, but all accounts will not necessarily invest in the same securities. Further, neither Archon nor its members or affiliates, has any obligation to

provide the Funds or any other account with any particular investment opportunity that could be beneficial to the Funds.

Common expenses frequently will be incurred on behalf of the Funds and one or more other accounts managed by Archon. Archon will seek to allocate those common expenses among the Funds and the other accounts in accordance with its expense allocation policy. However, expense allocation decisions involve potential conflicts of interest (e.g., conflicts relating to different expense arrangements with certain clients). Under its current expense allocation policies, Archon generally expects to allocate common expenses among the Funds and the other accounts, if any, pro rata based on assets under management. Archon will also use other methods to allocate certain common expenses among the Funds and the other accounts, including methods based on the relative use of a product or service, the nature or source of a product or service, the relative benefits derived by the Funds and the other accounts from a product or service, or other relevant factors.

If a Fund and other investment portfolios managed by Archon seek to buy or sell the same security at the same time, Archon generally combines purchase and sale orders on behalf of the Fund with orders for those other portfolios and allocate the securities or proceeds arising out of those transactions (and the related transaction expenses) on an average price basis among the various participants in the transactions. While Archon believes that combining transaction orders in this way is, over time, advantageous to all participants, in particular cases the average price could be less advantageous to the Funds than if the Funds had been the only account effecting the transaction or had completed its transaction before the other participants.

Archon receives an allocation based on the performance of the Funds. The prospect of receiving a performance-based allocation could encourage Archon to make investments on behalf of the Funds that are riskier or more speculative than it would if Archon were receiving a flat fee that is unrelated to the performance of the Funds. Archon will not return a performance-based allocation paid by the Funds for a period in which there is a net profit, even if in a subsequent period the Funds do not earn a net profit or suffers a net loss. Further, the terms of the performance-based allocation allocated to Archon were not negotiated at arm's length.

Asset Valuation. Archon has substantial discretion in determining the value of the Funds' assets and faces a conflict of interest in making valuation decisions. For instance, application of a discount to the value of securities held in the Funds' portfolio reduces the Management Fee payable to Archon and could reduce or eliminate the amount of any performance-based allocation to which Archon would otherwise be entitled for the period or could increase the amount of loss carryforward to be recovered before a performance-based allocation would be payable.

Industry Relationships. As with many other investment advisers, as part of Archon's business, Archon and its employees have developed relationships with third parties which have the potential to raise conflicts of interest. Such third parties include broker-dealers, sell-side analysts, buy-side analysts, lenders, consultants, expert network professionals,

professional advisors (such as attorneys and accountants) and former employees and members of Archon. Certain of these third parties will, on occasion: (i) introduce investment opportunities to Archon; (ii) arrange for, or facilitate the financing of, current and potential portfolio securities; (iii) provide industry information or security-specific information; or (iv) provide consulting, legal or advisory services to Archon or its clients. Such third parties also provide goods or services to or have business, personal, political, financial or other relationships with the principals. In addition, such third parties are sometimes Investors in the Funds or provide other significant business or investment services to Archon or the Funds. These relationships have the potential to influence Archon in deciding whether to select or recommend any such third party to perform services for the Funds. The cost of any services provided by such third parties will generally be borne directly or indirectly by the Funds and other clients, if any.

ITEM 9 – Disciplinary Information

Archon and its Covered Persons (defined below) have not had any legal or disciplinary events that require disclosure under Item 9.

ITEM 10 – Other Financial Industry Activities and Affiliations

Archon is not actively engaged in a business other than giving investment advice to the Funds. Neither Archon nor any of its management persons is registered or has an application pending to register as a broker-dealer, futures commission merchant, commodity pool operator, commodity-trading adviser or associated person of the foregoing, and Archon does not anticipate such affiliations in the future.

Archon has no arrangements with a related person who is a broker-dealer, investment company, other investment adviser or financial planner, commodity pool operator, commodity trading adviser or futures commission merchant, banking or thrift institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer or an entity that creates or packages limited partnerships that are material to its advisory business or to its Funds. Archon has and will continue to develop relationships with professionals who provide services it does not provide, including legal, accounting, audit, custody, administration, banking, tax preparation, insurance brokerage and other personal services.

From time to time, Archon receives training, information, promotional material, meals, event tickets, entertainment or gifts from service providers and others with whom it does business or to whom it makes referrals. At no time will Archon accept any benefits, gifts, entertainment or other arrangements that are conditioned on directing Fund transactions to a specific security, product or provider. Similarly, Archon employees occasionally speak at or attend conferences and programs for potential investors interested in investing in hedge funds and other events that are sponsored by the Fund's prime brokers. Through such capital introduction events, prospective investors have the opportunity to meet with Archon.

Neither Archon nor the Fund compensates the prime brokers for investments ultimately made by prospective investors attending such events other than registration, sponsorship, membership or other similar fees paid to attend such events.

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

Archon has adopted a Code of Ethics that obligates all partners, officers, members and employees (collectively, “Covered Persons”) to comply with all applicable federal securities laws, to put the interests of Archon’s Funds and Clients before their own personal interests, and to act honestly and fairly in all respects in their dealings with the Funds and Investors. The Code of Ethics includes provisions relating to the confidentiality of Investor information, a prohibition on insider trading, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, restrictions on engaging in outside business activities, procedures related to the use of expert networks and research consultants and personal securities trading procedures, among other things. All Covered Persons at Archon must acknowledge the terms of the Code of Ethics upon hire, annually or when amended. Investors or prospective investors can request a copy of Archon’s Code of Ethics by contacting Archon’s Chief Compliance Officer, Lawrence Gail, at (206) 436-3600 or by emailing info@ArchonCapitalManagement.com.

Archon and its Covered Persons are permitted, within certain limits, to give and/or receive gifts, services or other items to/from any person or entity that does business with or potentially could conduct business with or on behalf of Archon. Archon has adopted policies and procedures governing gifts and business entertainment, which includes disclosure of gifts and business entertainment in excess of certain de minimis thresholds and pre-clearance by the Chief Compliance Officer prior to giving/receiving gifts above a certain de minimis threshold.

Archon, its Covered Persons and/or its related persons, in the course of their investment management and other activities, may come into possession of confidential or material nonpublic information about issuers, including issuers in which Archon or its related persons have invested or seek to invest on behalf of the Funds. Archon is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a Client. Archon maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information, to ensure that Archon is meeting its obligations to the Funds and remains in compliance with applicable law. In certain circumstances, Archon may possess certain confidential or material, nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security. Archon is prohibited from communicating such information to the Funds or Investors or using such information for the Funds’ benefit. In such circumstances, Archon will have no responsibility or liability to the Funds for not disclosing such information to the Funds (or the fact that Archon possesses such information), or not using such information

for the Funds' benefit, as a result of following Archon's policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

There exists a potential for a conflict of interest any time a Covered Person trades a security for his or her personal account. To mitigate this potential conflict, Archon's Code of Ethics generally prohibits all Covered Persons from purchasing or selling individual public equities. The primary exception to this general rule is that Covered Persons are still allowed to sell individual public equities that employees purchased prior to Archon's Code of Ethics including its current prohibition on purchasing individual public equities, but such sales can only be made with the prior written approval of the Chief Compliance Officer. Archon restricts Covered Persons from trading in individual public equities because such transactions present a potential conflict where, because of the information Archon has, a Covered Person is in a position to trade in a manner that could adversely affect the Funds (e.g., place its own trades before or after Fund trades are executed in order to benefit from any price movements due to the Funds' trades). In addition to affecting such Covered Person's objectivity, such practices have the potential to harm the Funds by adversely affecting the price at which the Funds' trades are executed.

Archon's Code of Ethics permits a Covered Person to purchase or sell certain securities and interests in private or limited placements, upon receipt of written clearance from the Chief Compliance Officer prior to the transaction. Covered Persons are permitted to purchase and sell certain securities such as open-ended mutual funds, ETFs, fixed income securities, crypto and money markets or similar instruments, without pre-clearance from the Chief Compliance Officer, as these don't present a potential conflict to Archon's trading on behalf of the Funds.

In addition, all Covered Persons are required to report to the Chief Compliance Officer all such transactions on an annual basis. With respect to transactions in securities in private or limited placements, Archon's Chief Compliance Officer considers, among other factors, whether there is a conflict between such investment and the investment strategies pursued by the Funds, whether the investment opportunity should be reserved for the Funds and whether the investment opportunity is being offered to the person by virtue of the Covered Person's position with Archon. A Covered Person who has acquired a beneficial interest in securities in a limited or private offering must notify the Chief Compliance Officer if, later, he or she is to participate in consideration of an investment by the Funds in the securities of the same issuer. In such circumstances, a decision to acquire securities of that issuer for the Funds must be reviewed independently by an officer, member or employee of Archon with no personal interest in that issuer prior to placing an order. If no such employee exists, the transaction will not be affected for the Funds.

All Covered Persons are required to provide quarterly transaction reports and to disclose their holdings upon commencement of employment with Archon and annually thereafter. Trading in employee accounts is reviewed by the Chief Compliance Officer. The Chief Operating Officer monitors the Chief Compliance Officer's personal securities transactions.

Involvement in an outside business activity could conflict with Archon or its Funds' interests. Accordingly, Archon's Code of Ethics requires Covered Persons to notify the Chief Compliance Officer of any potential outside business activities and to confirm any such activities on an annual basis. In addition, no employee is permitted to serve as a director of a publicly held company without prior approval by Archon's Chief Compliance Officer (or another employee, if the Chief Compliance Officer is the proposed board member) based upon a determination that service as a director would be in the best interests of any Fund. In the rare instance in which such service is authorized or requested, employees serving as directors will be isolated from other employees who are involved in making decisions as to the securities of that company.

Except for the circumstances described herein, Archon and its Covered Persons do not recommend to Funds, or buy or sell for Funds, securities in which Archon or its Covered Persons have a material financial interest.

Archon uses, and may in the future use additional, expert networks and other paid and unpaid consultants as part of its research process. The Code of Ethics sets out procedures for engaging expert networks and consultants that are intended to prevent violations of Archon's insider trading policies. These procedures include obtaining approval by the Chief Compliance Officer prior to engaging an expert network as well as certain requirements surrounding calls with any experts or consultants. Such procedures are intended to both minimize the risk that Archon is exposed to material, non-public information and to avoid even the appearance of impropriety when Archon communicating with an expert network or consultant.

Archon and its Covered Persons invest in the Funds and, in the aggregate, have material investments in a Fund. Such investments pose a risk that Archon or Covered Persons who are in a position to control the allocation of investment opportunities to the Funds will favor those accounts in which Archon and its Covered Persons invest. Archon seeks to mitigate this risk by having the Funds' generally trade *pari passu*, except in limited circumstances as described in Item 16 of this Brochure and maintaining policies and procedures that require a fair allocation of investments among all accounts. In addition, Archon and its Covered Persons have access to information that is not available to other Investors in the Funds.

In certain limited circumstances, Archon is permitted to effect cross transactions between the Funds. Cross transactions enable Archon to affect a trade between two Funds for the same security at a set price, thereby possibly saving commission costs for both accounts and avoiding an unfavorable price movement that can be created through entrance into the market. Cross transactions include rebalancing transactions that are undertaken so that, after withdrawals/redemptions or contributions/subscriptions or other market movements have occurred, the portfolio compositions of similarly managed accounts remain substantially similar. Such transactions, if not effected in the market, will be made at the market rate for similar transactions using an independent pricing mechanism, such as the last sales price on the exchange where the security is principally traded. Transactions will be affected at market price for no consideration other than cash payment against prompt delivery of the relevant security.

Archon has a potentially conflicting division of loyalties and responsibilities regarding both parties to cross transactions. Funds will pay commission charges on cross trades made in connection with rebalancing transactions, although Archon generally expects commission charges per share for rebalancing cross trades will be lower than those for Archon's other trades. Cross transactions between Funds are not permitted if they would constitute principal trades or trades for which Archon or its affiliates are compensated as a broker. In addition, cross transactions are not permitted for benefit plan or other similar accounts that are subject to ERISA.

ITEM 12 – Brokerage Practices

Archon considers a number of factors in selecting broker-dealers to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation. Such factors include the execution price and commission, research (including economic forecasts, fundamental and technical advice on securities, valuation advice on market analysis), the reputation, financial strength, stability, and creditworthiness of a broker-dealer, the size and type of transaction, the difficulty of execution and the ability to handle difficult trades, custodial and other services provided for the enhancement of Archon's portfolio management capabilities, efficiency of execution and error resolution and offering to Archon on-line access to computerized data regarding a Fund's accounts. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, Archon need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not Archon's practice to negotiate "execution only" commission rates, thus a Fund may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate. Archon's Best Execution and Soft Dollar Committee meets at least semi-annually to evaluate the broker-dealers used by Archon to execute Fund trades using the foregoing factors.

Archon receives research or other products or services other than execution from broker-dealers in connection with securities transactions. This is known as a "soft dollar" relationship. Archon will limit the use of "soft dollars" to obtain research and brokerage to services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)"). Research services within Section 28(e) include, but are not limited to: research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; and certain proxy services. In the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party is permitted to be purchased with soft dollars. Brokerage services within Section 28(e) include, but are not limited to: services related to the execution, clearing and settlement of

securities transactions and functions incidental thereto (i.e., connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

When Archon uses commissions to obtain Section 28(e) eligible research and brokerage products and services, Archon's Best Execution and Soft Dollar Committee meets at least semi-annually to review and evaluate its soft dollar practices and to determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer. This determination will be viewed in terms of either the specific transaction or Archon's overall responsibilities to the accounts or portfolios over which Archon exercises investment discretion.

The use of commissions (or markups or markdowns) to obtain research and brokerage products and services raises conflicts of interest. For example, Archon will not have to pay for the products and services itself. This creates an incentive for Archon to select or recommend a broker-dealer based on its interest in receiving those products and services.

Research and brokerage services obtained by the use of commissions arising from a Fund's portfolio transactions may be used by Archon in its other investment activities, including for the benefit of other Funds. However, because the Funds are managed on a *pari passu* basis, each Fund generally benefits from soft dollars proportionately to the soft dollar credits it generates.

During Archon's last fiscal year, as a result of Fund brokerage commissions (or markups or markdowns), Archon and/or its related persons acquired research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); certain proxy services; trading software; software that provides trade analytics and trading strategies; software used to transmit orders, clearance and settlement in connection with a trade; electronic communication of allocation instructions; and post trade matching of trade information.

Archon participates in "client commission arrangements" pursuant to which Archon executes transactions through a broker-dealer and request that the broker-dealer allocate a portion of the commissions or commission credits to another firm that provides research and other products to Archon. Archon excludes from use under these arrangements those

products and services that are not eligible under Section 28(e) and applicable regulatory interpretations.

In some instances, Archon obtains a product or service that is used, in part, by Archon for Section 28(e) eligible purposes and, in part, for other purposes. In such instances, Archon will make a good faith effort to determine the relative proportion of the product or service used to assist Archon in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). Such determination will be made based on the actual use of the product or service by Archon's personnel. The proportion of the product or service attributable to assisting Archon in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by Fund transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by Archon from its own resources. In such mixed-use circumstances, Archon will make a reasonable allocation of the cost to be paid with soft dollars and will document such determination. The determination of the appropriate allocation of "mixed use" products and services create a potential conflict of interest between Archon and the Funds, and the allocation decision related to any "mixed use" products often depends on inherently subjective determinations.

From time to time, Archon participates in capital introduction programs arranged by broker-dealers, including firms that serve as prime brokers to the Funds or recommend the Funds as an investment to potential investors. Archon may place Fund portfolio transactions with firms who have made such recommendations or provided capital introduction opportunities, if Archon determines that it is otherwise consistent with seeking best execution. In no event will Archon select a broker-dealer as a means of remuneration for recommending Archon or any other product managed by Archon (or an affiliate) or affording Archon with the opportunity to participate in capital introduction programs.

The Funds often purchase or sell the same securities on an aggregated basis when consistent with Archon's obligation of best execution. In such circumstances, the Funds participating in the trade will share commission costs proportionately and receive securities at a total average price. Archon will retain records of the trade order (specifying each participating Fund) and its allocation. Completed orders will be allocated as specified in the initial trade order. Orders will generally be allocated on a pro rata basis, unless a transaction is to rebalance Fund exposures or investment restrictions or investment guidelines otherwise require, and subject to minimum share order quantities and other appropriate factors such as the leveling of accounts, client tax profiles and the timing of capital flows.

Archon currently does not recommend, request or require that a client direct Archon to execute transactions through a specified broker-dealer, nor does Archon permit clients to direct Archon to transact with a specific broker.

Archon seeks to take the utmost care in making and implementing investment decisions on behalf of the Funds. In the event that a Fund incurs a trade error as a result of Archon's gross negligence, fraud, willful misconduct or violation of the standard of care that is applicable to the Fund, Archon will reimburse the Fund. Trade errors that do not result from Archon's

gross negligence, fraud, willful misconduct or violation of the standard of care that is applicable to the Fund are borne by the Fund. Archon will not use one Fund to correct a trade error in another Fund and will not use soft dollar credits or other arrangements to compensate a broker-dealer for absorbing the cost of Archon's trade error.

Investors and potential investors in the Funds should refer to a Fund's offering memorandum for a further discussion of Archon's brokerage practices with respect to its management of the Funds and Archon's trade error policy.

ITEM 13 – Review of Accounts

Each Fund is reviewed by Constantinos Christofilis, Archon's Portfolio Manager, on an ongoing basis to verify prior trading and to determine whether securities positions should be maintained in view of current market conditions. Matters generally reviewed include specific securities held, adherence to investment guidelines and the performance of each Fund. Trades are also reviewed on a daily basis by the Chief Financial Officer.

Investors receive reports from the Fund pursuant to the terms of each Fund's offering memorandum. Such reports include a report of the final net asset value and/or capital account statement for the prior completed calendar month, net of all fees and expenses, from the third-party administrator within thirty (30) calendar days after the end of such calendar month. On a quarterly basis, Archon provides Investors with a quarterly Investor letter and annually, within 120 days after the end of each fiscal year, Investors receive an annual report containing audited financial statements prepared in accordance with generally accepted accounting principles ("GAAP"). Finally, Archon provides Investors (other than Investors in the Offshore Fund) with annual tax information necessary for the completion of tax returns (i.e., a K-1).

In addition to the information made available to all Investors in a Fund, from time to time, Archon conducts periodic meetings or teleconferences with certain prospective and existing Investors in the Funds to discuss additional information that is not provided to all Investors. Such additional information may include, without limitation, additional detail on the information provided to all Investors, assets under management, withdrawals, current positions in a Fund's portfolio and Archon's investment outlook for the Funds' portfolios.

ITEM 14 – Client Referrals and Other Compensation

Archon receives certain research or other products or services from broker-dealers through "soft-dollar" arrangements. These "soft-dollar" arrangements create an incentive for Archon to select or recommend broker-dealers based on Archon's interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates and may result in higher transaction costs than would otherwise be obtainable by Archon on behalf of the Funds. Please see Item 12 for further information on Archon's "soft-dollar" practices,

including Archon's procedures for addressing conflicts of interest that arise from such practices.

Archon has paid, and may in the future pay, a third-party placement agent to place securities of the Funds with certain Investors. The placement agent receives compensation attributable to the Investors with which they place securities. Prior to investing in a Fund, any Investor brought in by the placement agent receives disclosure of the relationship between the placement agent and Archon. Archon compensates the placement agent out of its fees and Investors do not pay the placement agent for its services.

If ever applicable to Archon, cash payments for client solicitations will be structured to comply with the requirements of Rule 206(4)-3 under the Advisers Act.

ITEM 15 – Custody

Archon is deemed to have custody of the assets of the Funds by virtue of the general partner's ability to deduct fees from Fund Investor accounts. Archon complies with Rule 206(4)-2 under the Investment Advisers Act (the "Custody Rule") by electing to undergo an annual GAAP financial statement by a Public Company Accounting Oversight Board registered auditing firm, copies of which are delivered to underlying Fund Investors within 120 days of year end. Investors in the Funds should carefully review such financial statements.

Archon does not accept physical possession of client money or securities; capital is directly deposited in, or wired to, the Fund's custodial account. The firm receives monthly statements from all of its custodians on behalf of the Funds. For more information on Archon's custodians, see the firm's Form ADV Part 1, Schedule D, 7.B.(1).

ITEM 16 – Investment Discretion

Archon provides investment advisory services on a discretionary basis to the Funds. Prior to assuming full discretion in managing a Fund's assets, Archon enters into an investment management agreement or other agreement that sets forth the scope of Archon's discretion. Archon has the authority to determine (i) the securities to be purchased and sold for the Funds (subject to restrictions on their activities set forth in the applicable investment management agreement and offering memorandum and any written investment guidelines contained in those documents) and (ii) the amount of securities to be purchased or sold for the Funds. The Portfolio Manager is responsible for approving all trades and the allocation of securities to (or from) Funds for each trade/order submitted. The Portfolio Manager generally considers the following factors, among others, in allocating securities among the Funds: (i) investment objectives and strategies; (ii) risk profiles; (iii) tax status and restrictions placed on a Fund's portfolio or by applicable law; (iv) size of the Fund account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows. Although it is Archon's policy generally to allocate investment

opportunities to eligible Funds on a pro rata basis (based on the value of the assets of each participating account relative to the value of the assets of all participating accounts), these factors on occasion lead Archon to allocate securities to Funds in varying amounts. Even Funds that are typically managed on a pari passu basis may from time to time receive differing allocations of securities for the reasons described in this Item 16 and elsewhere in this Brochure.

Allocations will be made among Funds eligible to participate in secondary offerings on a pro rata basis, except when Archon determines in its discretion that a pro rata allocation is not appropriate, which may include an Investor's investment guidelines and compliance with any applicable laws, rules and regulations. In addition, the Funds have not historically participated, and Archon does not anticipate the Funds participating, in new issue investments. In the unexpected event that the Funds invest in new issues, allocations will be made among Funds eligible to participate in new issues on a pro rata basis, except when Archon determines in its discretion that a pro rata allocation is not appropriate, which may include compliance with any applicable laws, rules and regulations related to new issues.

To the extent Archon has authority, pursuant to the investment management agreement or other governing documents of a client account, to participate in class action claims (each, a "Claim") it will do so on a case-by-case basis. Once Archon or its delegate receives a Claim, it will determine whether any clients or former clients of Archon owned the security during the period covered by the Claim. Appropriate personnel of Archon or its delegate will determine whether they agree with the basis of the Claim and whether or not to participate in the Claim depending upon (i) the nature of the Claim; (ii) prospects for recovery; (iii) resources required to pursue the Claim, (iv) other relevant factors pertaining to the particular Claim and (v) any other factors that Archon deems relevant. To the extent Archon receives proceeds from a Claim on behalf of a Fund, Archon's general policy is that only current Investors in the Funds at the time of receipt of the proceeds will participate in the proceeds. Archon may, based on the factors described above, elect not to pursue, or participate in the proceeds of, a Claim.

Archon has entered and may in the future enter into agreements (sometimes referred to as "side letters") with certain prospective or existing Investors in the Funds whereby such Investors are subject to terms and conditions that are more advantageous than those set forth in the offering memorandum of a Fund. For example, such terms and conditions provide for special rights to make future investments in a Fund, other investment entities or managed accounts; special liquidity rights (e.g., typically due to regulatory or similar requirements) relating to frequency or notice; a reduction or rebate in fees to be paid by an Investor and/or other terms; rights to receive reports from a Fund on a more frequent basis or that include information not provided to other Investors (including, without limitation, more detailed information regarding portfolio positions) and such other rights as negotiated by Archon and such Investor. The modifications are determined in Archon's sole discretion, but are generally based on the size of the Investor's investment in a Fund, the strategic nature of a particular Investor, an agreement by an Investor to maintain such investment in a Fund for a significant period of time, or other similar commitment by an investor to a Fund.

ITEM 17 – Voting Client Securities

Archon has responsibility for voting proxies for the Funds' portfolio securities consistent with the best interests of the Funds. Archon maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting. Archon's policy and practice includes monitoring corporate actions, receiving and voting proxies and disclosing any potential conflicts of interest as well as to make information available about how proxies are voted with respect to the Funds' portfolio securities.

Voting Guidelines:

- (a) In the absence of specific voting guidelines, Archon will vote proxies in the best interests of each particular Fund. Archon's policy is to vote all proxies from a specific issuer the same way for each Fund absent qualifying restrictions from a Fund;
- (b) Archon will generally vote in favor of routine corporate housekeeping proposals such as the election of directors and selection of auditors absent conflicts of interest raised by an auditor's non-audit services;
- (c) Archon will generally vote against proposals that cause board members to become entrenched or cause unequal voting rights; and
- (d) In reviewing proposals, Archon will further consider the opinion of management, the effect on management, and the effect on shareholder value and the issuer's business practices.

Archon will identify any conflicts that exist between its interests and the interests of the Funds by reviewing its relationship with the issuer of each security to determine if it or any of its employees has any financial, business or personal relationship with the issuer. If a material conflict of interest exists, Archon will determine whether voting in accordance with the guidelines set forth in its proxy voting policies and procedures is in the best interests of the Funds or whether some other action is appropriate to be taken under the circumstances.

Archon may also elect to abstain from voting in certain circumstances, including (i) where an investment is considered short term, (ii) an investment is no longer held in the portfolio, (iii) a Fund's economic interest in the proposal is insignificant or the value of the portfolio holding is insignificant relative to the Fund's overall portfolio, (iv) the cost of voting on a proposal would likely exceed the value of any anticipated benefits of approving or defeating the proposal, (v) the timing of receipt and/or the mechanics of voting make it impracticable to vote, or (vi) if it does not have voting discretion on securities it has lent. In general, Investors cannot request that Archon vote in a particular way on any specific proposal.

Investors can obtain a copy of Archon's complete proxy voting policies and procedures upon request. Investors can also obtain information from Lawrence Gail, Chief Compliance Officer at (206) 436-3600 or info@ArchonCapitalManagement.com about how Archon voted proxies on behalf of the Funds.

ITEM 18 – Financial Information

Registered investment advisers are required in this Item 18 to provide certain financial information or disclosures about their financial condition. Archon does not require prepayment of more than \$1,200 in fees per Fund six months or more in advance, and thus is not required to provide a copy of a balance sheet for the most recent fiscal year. Additionally, Archon has no financial condition that impairs its ability to meet contractual and fiduciary commitments to investors and has not been the subject of a bankruptcy petition.