

PART 2A OF FORM ADV
FIRM BROCHURE

ADAMAS PARTNERS, LLC

THE PILOT HOUSE

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March 4, 2020

This brochure provides information about the qualifications and business practices of Adamas Partners, LLC. If you have any questions about the contents of this brochure, please contact Rebecca Duseau at (617) 854-3704 or rduseau@adamaspartners.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority, and references in this brochure to Adamas Partners, LLC as a “registered investment adviser” are not intended to imply a certain level of skill or training.

Additional information about Adamas Partners, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

This brochure is not an offering or solicitation of interests in the funds managed by Adamas Partners, LLC or its affiliates.

ITEM 2 – MATERIAL CHANGES

Adamas Partners, LLC registered with the SEC as an investment adviser on March 30, 2012. This is the eighth annual update of Adamas Partners, LLC's Brochure, which update includes the following material changes:

- **Item 4.E** – The amount of client assets managed has been updated as of January 1, 2020.

Adamas Partners, LLC last submitted its annual update of the Brochure on March 6, 2019.

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ITEM 4 – ADVISORY BUSINESS

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| <p>Item 4.A</p> | <p>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</p> <p>Notes: (1) For purposes of this item, your principal owners include the <i>persons</i> you list as owning 25% or more of your firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If you are a publicly held company without a 25% shareholder, simply disclose that you are publicly held. (3) If an individual or company owns 25% or more of your firm through subsidiaries, you must identify the individual or parent company and intermediate subsidiaries. If you are an SEC-registered adviser, you must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries. If you are a state-registered adviser, you must identify all intermediate subsidiaries.</p> <p>This Brochure is applicable to Adamas Partners, LLC (“Adamas”), a Delaware limited liability company which is registered as an investment adviser with the U.S. Securities & Exchange Commission (“SEC”). Adamas was formed on May 4, 2000, and has provided investment advisory services since January 1, 2001.</p> <p>Adamas offers investment advisory services through two private investment funds:</p> <ul style="list-style-type: none"> ○ Adamas Opportunities, L.P., a Delaware limited partnership (“Adamas Opportunities”); and ○ Adamas Partners, L.P., a Delaware limited partnership (“Adamas Partners”) <p>Adamas Opportunities and Adamas Partners may be referred to together in this Brochure as the “Partnerships.”</p> <p>An affiliate of Adamas, Adamas Capital Management, LP (the “Investment Manager”) is the administrative manager to the Partnerships responsible for providing certain administrative services to the Partnerships, and Adamas Capital Management GP, LLC (the “Management Company”) serves as its sole general partner. Adamas does not presently, but may at some point in the future, also provide discretionary investment advisory services to one or more separately managed accounts (the “Managed Accounts”).</p> <p>Steven R. Berger, Heidi C. Pearlson and Rebecca E. Duseau are the founders, principal owners and managing members of both Adamas and the Investment Manager.</p> |
| <p>Item 4.B</p> | <p>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as</p> |

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| | <p>financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.</p> <p>Adamas presently provides investment advisory services solely to the Partnerships. The Partnerships seek to attain long-term equity-like returns with minimal correlation to the major market averages through the use of a multi-manager investment strategy. As such, the Partnerships are primarily invested in several private partnerships and limited liability companies (the “Portfolio Funds”) which, in turn, invest primarily in publicly traded equity and debt securities of United States and foreign issuers. Portfolio Funds are managed by select professional managers (“Portfolio Managers”) who have, what Adamas believes to be, above-average investment histories and/or prospects, and who focus on long/short equity investment strategies, equity and balance sheet arbitrage and special situations investing driven by fundamental bottom-up research. With respect to Adamas Opportunities, many of the Portfolio Funds may have small asset bases at the time of initial investment (less than \$500 million), limited performance histories in their current organizational structure and/or investment approaches specialized by geographic region or industry sector. Some of the Partnerships’ Portfolio Managers may also focus on debt instruments, options or other derivatives and illiquid securities. Adamas Opportunities typically allocates assets among approximately 15 to 20 Portfolio Managers, and Adamas Partners typically allocates assets among approximately 8 to 12 Portfolio Managers.</p> |
| Item 4.C | <p>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of <i>clients</i>. Explain whether <i>clients</i> may impose restrictions on investing in certain securities or types of securities.</p> <p>Adamas and the Investment Manager provide investment advisory services to the Partnerships based upon the criteria set forth in the offering documents. The investment strategies, including investment restrictions, are set forth in detail in the respective offering documents. Individual investors in the Partnerships do not have the ability to impose restrictions on Adamas’ investments in certain securities or types of securities.</p> |
| Item 4.D | <p>If you participate in <i>wrap fee programs</i> by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.</p> <p>Not applicable. Adamas does not participate in wrap fee programs.</p> |
| Item 4.E | <p>If you manage <i>client</i> assets, disclose the amount of <i>client</i> assets you</p> |

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| | <p>manage on a <i>discretionary basis</i> and the amount of <i>client</i> assets you manage on a <i>non-discretionary basis</i>. Disclose the date “as of” which you calculated the amounts.</p> <p>Note: Your method for computing the amount of “<i>client</i> assets you manage” can be different from the method for computing “assets under management” required for Item 5.F in Part 1A. However, if you choose to use a different method to compute “<i>client</i> assets you manage,” you must keep documentation describing the method you use. The amount you disclose may be rounded to the nearest \$100,000. Your “as of” date must not be more than 90 days before the date you last updated your <i>brochure</i> in response to this Item 4.E</p> <p>Adamas manages \$494,714,829 on a discretionary basis as of January 1, 2020. Adamas does not presently manage any assets on a non-discretionary basis.</p> |
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ITEM 5 – FEES AND COMPENSATION

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| <p>Item 5.A</p> | <p>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</p> <p>Note: If you are an SEC-registered adviser, you do not need to include this information in a <i>brochure</i> that is delivered only to qualified purchasers as defined in section 2(a)(51)(A) of the Investment Company Act of 1940.</p> <p>The Partnerships offer limited partnership interests only to certain qualified investors and admission to the Partnerships is not open to the general public. Limited partnership interests are sold only to qualified investors who are “Accredited Investors” under Rule 501 of Regulation D of the Securities Act of 1933, as amended, and “Qualified Eligible Persons” under Regulation 4.7 of the Commodity Exchange Act. Given the Partnerships’ ownership restrictions, Adamas has determined to limit the sale of limited partnership interests to “Qualified Purchasers”, as such term is defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended. Please refer to the Partnerships’ offering documents for a description of each respective fee schedule.</p> |
| <p>Item 5.B</p> | <p>Describe whether you deduct fees from <i>clients</i>’ assets or bill <i>clients</i> for fees incurred. If <i>clients</i> may select either method, disclose this fact. Explain how often you bill <i>clients</i> or deduct your fees.</p> <p>Adamas deducts applicable fees from each limited partner’s capital account. Limited partners do not have the ability to choose to be billed directly for fees incurred.</p> <p>Adamas generally deducts the amount of management and administrative fees (the “Management Fee”) applicable to each limited partner from such limited partner’s capital account at the beginning of each quarter (i.e., quarterly in advance).</p> <p>Generally, the performance allocation is charged to limited partners holding Series A interests as of the December 31 that occurs at least one year after such capital was contributed to the Partnership (and annually thereafter). Similarly, the performance allocation is charged to limited partners holding Series B interests as of the December 31 that occurs at least three years after such capital was contributed to the Partnership (and every three years thereafter, unless the Series B limited partner elects to convert its Series B interests to Series A interests or withdraw such capital). More specifically, on December 31, net profits attributable to an investor’s limited partnership interests are reallocated so that Adamas receives a performance allocation equal to the percentage of net profits (as such percentage is defined in each Partnership’s limited partnership</p> |

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| | <p>agreement) allocated to a limited partner's capital account, before the deduction of management fees. Each Partnership's limited partnership agreement provides that such reallocation shall not reduce the limited partner's final allocation of net profits for such year below a "Threshold Return" rate, as such term is defined in the Partnership's limited partnership agreement. In the event a limited partner has experienced net losses, a performance allocation will not be due for a subsequent year until the limited partner's capital account has recovered such net losses, as well as the applicable Threshold Return for such year.</p> |
| Item 5.C | <p>Describe any other types of fees or expenses <i>clients</i> may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that <i>clients</i> will incur brokerage and other transaction costs, and direct <i>clients</i> to the section(s) of your <i>brochure</i> that discuss brokerage.</p> <p>The Partnerships' offering documents set forth the fees and expenses to be paid by limited partners. Prospective investors should carefully review the offering documents and Partnership governing documents prior to investing in a Partnership.</p> <p>Other than the expenses borne by the Investment Manager (as described below), each Partnership bears all its own operating expenses, such as fees payable to custodians and administrators, investment expenses (i.e., expenses which, in Adamas' determination, are related to the investment of the Partnership's assets, such as the negotiation of the terms of an investment, manager research or travel in connection therewith), legal expenses, accounting, audit and tax preparation expenses, expenses incurred in managing or liquidating in kind distributions received from Portfolio Managers and extraordinary expenses. Such expenses are shared by all of the investors in Adamas Opportunities and Adamas Partners, respectively, including Adamas as the General Partner. To the extent that expenses are, or have been, paid for by Adamas or the Investment Manager, such expenses will be reimbursed by the respective Partnership.</p> <p>In consideration for the management fee, the Investment Manager, will bear certain administrative expenses and provide the Partnerships with management services, office space and utilities, news, quotation and computer equipment and services, and secretarial, clerical and other personnel.</p> |
| Item 5.D | <p>If your <i>clients</i> either may or must pay your fees in advance, disclose this fact. Explain how a <i>client</i> may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.</p> <p>Given that Adamas imposes a management fee which is payable in advance, the following is summary information about the withdrawal rights</p> |

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| | <p>applicable to the Partnerships.</p> <p>Limited Partners may withdraw all or a portion of their Series A interests applicable to a particular capital contribution as of December 31 of any year, so long as one full calendar year has elapsed since such interests were purchased.</p> <p>Limited Partners may withdraw all or a portion of their Series B interests applicable to a particular capital contribution as of December 31, but only after three full calendar years have elapsed since such interests were purchased. In the event a Limited Partner does not request withdrawal upon the expiration of such three-year lock-up, or request that such Series B interests be converted to Series A interests, the interests shall become subject to a new three-year lock-up.</p> <p>Adamas, in its sole discretion, and subject to withdrawal limitations of Portfolio Funds, may permit withdrawals at certain other times. If a request for early withdrawal is permitted, a charge of up to 3% of the withdrawn amount will be charged and payable to the respective Partnership.</p> <p>It should also be noted that, under each Partnership's "Key Person" provision, limited partners may withdraw from the respective Partnership without the consent of Adamas, and without penalty, within sixty days of notice being given of: (i) the occurrence of a change in control (as defined in the applicable Limited Partnership Agreement) of Adamas, or its successor, or (ii) the death or complete disability of any two of Steven R. Berger, Heidi C. Pearlson or Rebecca E. Duseau at any time, or the removal, resignation or withdrawal of any two of them as Managing Members of Adamas, or the cessation of any two of them to devote substantially all of their full business time and attention to his or her position as a Managing Member of Adamas, without their becoming a General Partner, or becoming a majority owner, a managing member, or other controlling person of another entity which is a General Partner, or (iii) the giving of notice of the resignation of the last General Partner.</p> <p>In the unlikely event that Adamas, in its role as General Partner to the Partnerships, voluntarily resigns, withdraws or is subject to bankruptcy or insolvency, limited partners will be given the opportunity to consent to appointment of a successor General Partner and will also have a right to withdraw within thirty days from the date they are notified of the successor General Partner.</p> <p>A limited partner making a withdrawal from his/her Partnership capital account is entitled to receive 90% of such withdrawn amount within thirty days after the effective date of withdrawal and the remainder of such withdrawn amount within ten days after the conclusion of such Partnership's year-end audit. It is noted that payment of withdrawn</p> |
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| | <p>amounts, in certain circumstances, may be subject to withdrawal restrictions, or payment delays, imposed on the respective Partnership by Portfolio Managers. In the event a Partnership is unable to withdraw sufficient funds from a Portfolio Manager to make payment to a withdrawing limited partner within the prescribed time periods, then the Partnership will make such payments at the earliest practicable date when it is able to do so. Finally, Adamas may limit or suspend withdrawal rights for any and all limited partners for any period during which, in Adamas' opinion, withdrawals from Portfolio Managers would not be practicable or would be prejudicial to limited partners not making such withdrawals.</p> |
| Item 5.E | <p>If you or any of your <i>supervised persons</i> accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.</p> <p>Not applicable.</p> |
| Item 5.E.1 | <p>Explain that this practice presents a conflict of interest and gives you or your <i>supervised persons</i> an incentive to recommend investment products based on the compensation received, rather than on a <i>client's</i> needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to <i>clients</i>. If you primarily recommend mutual funds, disclose whether you will recommend “no-load” funds.</p> <p>Not applicable.</p> |
| Item 5.E.2 | <p>Explain that <i>clients</i> have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</p> <p>Not applicable.</p> |
| Item 5.3.3 | <p>If more than 50% of your revenue from advisory <i>clients</i> results from commissions and other compensation for the sale of investment products you recommend to your <i>clients</i>, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</p> <p>Not applicable.</p> |
| Item 5.E.4 | <p>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</p> <p>Note: If you receive compensation in connection with the purchase or</p> |

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| | <p>sale of securities, you should carefully consider the applicability of the broker-dealer registration requirements of the Securities Exchange Act of 1934 and any applicable state securities statutes</p> <p>Not applicable.</p> |
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ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

If you or any of your *supervised persons* accepts *performance-based fees* – that is, fees based on a share of capital gains on or capital appreciation of the assets of a *client* (such as a *client* that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your *supervised persons* manage both accounts that are charged a *performance-based fee* and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your *supervised persons* face by managing these accounts at the same time, including that you or your *supervised persons* have an incentive to favor accounts for which you or your *supervised persons* receive a *performance-based fee*, and describe generally how you address these conflicts.

As described in Item 5.B, above, Adamas accepts performance-based compensation in the form of a performance allocation.

It should be noted that the possibility that Adamas could receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for Adamas to effectuate larger and more risky transactions than would be the case in the absence of such form of compensation. Adamas presently provides investment advisory services only to the Partnerships, and both are subject to performance allocation provisions. As such, the conflict of interest related to managing accounts that charge performance-based fees alongside accounts that do not charge performance-based fees does not apply to Adamas.

Adamas recognizes that it is a fiduciary and as such must act in the best interests of its Partnerships and investors. Further, Adamas recognizes that it must treat all clients fairly and must refrain from favoring one client's interests over another's. Adamas regularly assesses the allocation of its resources, including investment personnel, among its clients to ensure adherence to its fiduciary duties.

ITEM 7 – TYPES OF CLIENTS

Describe the types of *clients* to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

As described in Item 1.A, Adamas offers investment advisory services to two private investment partnerships (i.e., pooled investment vehicles) using a “fund-of-funds” strategy.

Adamas imposes a \$1 million minimum initial investment amount for investors in the Partnerships, as well as a \$1 million minimum capital account balance. Both the initial investment and capital account minimums for the Partnerships are subject to reduction at the discretion of Adamas.

As explained in Item 5.A above, investors in the Partnerships must meet certain investor suitability requirements.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

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| Item 8.A | <p>Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that <i>clients</i> should be prepared to bear.</p> <p>As described in Item 4.B above, the Partnerships seek to attain long-term equity-like returns with minimal correlation to the major market averages through the use of a multi-manager investment strategy.</p> <p>The selection of the number and size of Portfolio Funds is dependent upon the amount of Partnership assets available for investment, whether the Portfolio Fund is then accepting additional investors and other factors. The Managing Members of Adamas monitor and evaluate Portfolio Funds for potential investment on an ongoing basis.</p> <p>The Partnerships emphasize selection of Portfolio Managers who operate and manage “absolute return” investment vehicles which seek attractive rates of return largely independent of stock market direction or interest rate movements. Such managers generally will be proponents of bottom-up value investing, and investing with a margin of safety available when trading prices are less than the intrinsic value of the company’s assets or discounted cash flow. “Absolute return” investing refers to the goal of generating attractive rates of return largely independent of, and uncorrelated with, general stock market direction or interest rate movements. By contrast, “relative return” investors seek to produce returns which outperform a particular market benchmark. To achieve an acceptable “relative return”, an investment fund generally must remain fully invested, with significant exposure to the particular securities and sectors included in the relevant market index. Thus, if the targeted market index is down 20% and a relative return manager is down 17%, such manager may be viewed as having produced a successful result for a relative return investor. On the contrary, such a result would be a marked disappointment for an absolute return investor, whose primary objectives are to preserve capital and generate attractive absolute returns largely independent of market conditions. Adamas believes that absolute return investing is the most effective way to satisfy the goals of preserving and growing capital over time. This style emphasizes bottom-up value investing and minimizing risk on an absolute basis: it provides a “margin of safety” to avoid loss of capital, even at the cost of higher returns.</p> <p>The Partnerships will not invest in pools which do not provide for periodic redemption of interests and withdrawal rights, such as venture capital funds or leveraged buy-out companies. As “funds of funds”, the Partnerships generally will not make individual securities investments or invest funds</p> |
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| | <p>directly in an operating company. Pending investment in a Portfolio Fund, or distribution to limited partners, the Partnerships may temporarily invest available capital in certificates of deposit and other interest-bearing accounts and instruments. All interest earned on such temporary investments shall accrue to the given Partnership. In addition, Adamas has the discretion to invest in securities, index options or derivative securities and may do so if, in its sole discretion, it determines that such investment is in the given Partnership's best interest, including for the purpose of providing a hedge against exposure of an in-kind distribution by an underlying Portfolio Manager, a delay in payment of a withdrawal, or otherwise.</p> <p>The Partnerships emphasize investment with Portfolio Managers with a track record achieved under varying market conditions. Each must have a solid organizational infrastructure and manageable capital base from which to operate. Portfolio Managers typically will have a substantial portion of their personal assets invested in their managed Portfolio Fund. Each Partnership does not expect to allocate more than 25% of assets to any single Portfolio Fund as measured at the time of investment. If the performance of a Portfolio Fund, or the balance of a Partnership's investments, causes the amount invested in a Portfolio Fund to exceed 25% of total Partnership capital, Adamas may determine to reallocate the excess amount to the extent possible.</p> <p><u>Manager Selection Criteria</u></p> <p>Adamas has developed specific measures and criteria used to screen and select Portfolio Managers, as well as to determine reallocation to new or different managers. Adamas continually reviews and updates such criteria.</p> <p>Portfolio Funds and Portfolio Managers selected by a Partnership will possess the following key characteristics:</p> <ul style="list-style-type: none"> - Logical and coherent investment philosophy. - Disciplined investment process and execution skills. - Bright and motivated investment professionals. - Organizational structure which fosters singular focus on investment. - Appropriate fee structure for the sector and strategy employed. - Ethical integrity; and - A demonstrated record of, or prospects for, achieving superior, risk-adjusted performance over a broad range of market conditions. <p>Please see Item 13.A below for a description of Adamas' portfolio structuring process and typical approach to ongoing monitoring of Portfolio Managers and Portfolio Funds.</p> <p>Investors should note that the Portfolio Managers will be making the actual investment decisions with respect to the Portfolio Fund assets. Adamas</p> |
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| | <p>selects the Portfolio Funds into which the Partnerships' resources will be allocated and may reallocate such resources upon evaluating the performance and other aspects of the Portfolio Funds. Adamas' ability to make such reallocations may be constrained by the limited withdrawal rights of the Portfolio Funds. Investing in the Partnerships carries a risk of loss that investors must be prepared to bear.</p> |
| Item 8.B | <p>For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.</p> <p><u>Nature of Securities Investments.</u> The Partnerships, through the Portfolio Managers, invest substantially all of its assets in securities, some of which may be particularly sensitive to economic, market, industry, interest rate movements and other variable conditions. No assurance can be given as to when or whether adverse events might occur which could cause significant and immediate losses to the Partnerships.</p> <p><u>Investments in Bankrupt or Restructured Companies.</u> The Partnerships, through the Portfolio Managers, may invest in securities of companies that are experiencing significant financial or business difficulties or are in default of their obligations, including companies involved in bankruptcy or other reorganization proceedings. Although such investments may result in significant returns to the Partnerships, they involve a substantial degree of risk. Any one or all of such investments may be unsuccessful or not show any return for a considerable period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is unusually high. There is no assurance that Adamas or the Portfolio Fund manager will correctly evaluate the prospects for a successful reorganization. In any reorganization or liquidation proceeding, the Partnerships may be required to accept cash or securities with a value less than the Partnership's investment.</p> <p><u>Use of Leverage.</u> A Portfolio Manager may use leverage. Trading securities on margin will result in interest charges to the Portfolio Fund and, in turn to the Partnerships. Portfolio Managers also may use margin in trading in futures contracts, which normally require low margin deposits and forward trading permit a high degree of leverage. Accordingly, relatively small price movements in a futures contract may result in immediate and substantial losses to the investor. Such a high degree of leverage necessarily entails a high degree of risk. By using leverage, the Portfolio Manager is able to</p> |

purchase a larger portfolio using a smaller amount of capital. Thus, a relatively small price movement in an investment may result in substantial losses to the Partnerships. In an unsettled credit environment, a Portfolio Manager may find it difficult or impossible to obtain leverage. Since leveraging its assets may be an integral part of the investment strategy of such Portfolio Manager, in such event, such Portfolio Manager could find it difficult to implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in a Portfolio Manager being forced to unwind positions quickly and at prices below what the Portfolio Manager deems to be fair value for the positions.

Risks of Options.

A Portfolio Manager may close out a position as a buyer or writer of an option only if a liquid secondary market exists for options of that series. There is no assurance that such a market will exist, particularly in the case of OTC options, as such options may generally only be closed out by entering into a closing purchase transaction with the purchasing dealer. There are risks inherent in the use of such instruments. One such risk is that the Portfolio Manager could be incorrect in its expectations as to the direction or extent of various interest rate or price movements or the time span within which the movements take place.

Other Derivative Investments.

Derivative instruments, or “derivatives,” include futures, options, swaps, structured securities and other instruments and contracts that are derived from or the value of which is related to one or more underlying securities, financial benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are leveraged, and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement cannot only result in the loss of the entire investment, but may also expose the Portfolio Fund to the possibility of a loss exceeding the original amount invested. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the creditworthiness of the swap counterparty.

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.”

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| | <p>Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Portfolio Manager from promptly liquidating unfavorable positions and subject the Portfolio Fund to substantial losses. In addition, the Portfolio Manager may not be able to execute futures contract trades at favorable prices if little trading in the contracts involved is taking place. It also is possible that an exchange or the Commodity Futures Trading Commission may suspend trading in a particular contract, order immediate liquidation and settlement of a particular contract, or order that trading in a particular contract be conducted for liquidation only.</p> <p>Under the Commodity Exchange Act, as amended, futures commission merchants are required to maintain customers' assets in a segregated account. To the extent that a Portfolio Fund engages in futures and options contract trading and the futures commission merchants with whom the Portfolio Fund maintains accounts fail to segregate such assets, the Portfolio Fund will be subject to a risk of loss in the event of the bankruptcy of one of these futures commission merchants.</p> <p><u>Counterparty and Custodial Risk.</u></p> <p>To the extent that Portfolio Managers invest in swaps, derivative or synthetic instruments, repurchase agreements or other over-the-counter transactions or, in certain circumstances, non-U.S. securities, the Partnership may indirectly take a credit risk with regard to parties with whom the Portfolio Managers trade and may also indirectly bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions which generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.</p> <p><u>Short Sales.</u></p> <p>A Portfolio Manager may engage in "short sales" where it believes a security is overvalued, for hedging strategies or for other purposes. The Portfolio Fund will incur a loss on a short sale if the price of the security has increased prior to the time the Portfolio Fund purchases the security to replace the borrowed security. The Portfolio Fund will realize a gain if the security declines in price by such time. A short sale may present greater risk than purchasing a security since there is no ceiling on the possible cost of replacing the borrowed security, whereas the risk of loss on a "long" position is limited to the purchase price of the security. There is also the risk that the securities borrowed by a Portfolio Fund in connection with a short sale must be returned to the securities lender on short notice. If a</p> |
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request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a “short squeeze” can occur, and the Portfolio Fund may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short. The Portfolio Fund’s inability to continue to borrow securities previously sold short may also force the Portfolio Fund to unwind other elements of an investment position, possibly at a loss. From time to time regulatory or legislative action taken by regulators around the world may restrict the ability of the Portfolio Managers to enter into short sales.

Liquidity Risks of Futures Contracts.

Futures positions held by Portfolio Funds may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits”. Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This may prevent the Partnership’s Portfolio Managers from promptly liquidating unfavorable positions and subject the Partnership to substantial losses.

Event-Driven Investments.

A Portfolio Fund may seek to purchase securities at prices below their anticipated value following the occurrence of a particular event, including proposed mergers, tender offers or similar transactions. Such purchase price may be in excess of the market price of the securities immediately prior to the announcement of the proposed transaction. If the proposed transaction is not consummated or is delayed, the market price of the security may decline and result in losses to the Portfolio Fund. In certain transactions, the Portfolio Fund may not be hedged against market fluctuations unrelated to the anticipated transaction but which may affect the value of the consideration to be received. This may result in losses, even if the proposed transaction is consummated.

Foreign Securities.

Portfolio Funds may invest in securities of foreign corporations and foreign countries. Investing in the securities of companies (and, from time to time, governments) of foreign countries involves certain considerations not usually associated with investing in securities of United States companies or the United States Government, including political and economic considerations, such as greater risks of expropriation and nationalization, the potential difficulty of repatriating funds and general social, political and economic instability; the small size of the securities markets in some of such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; and certain government policies that may restrict the Partnership's investment opportunities. In addition, accounting and financial reporting standards that prevail in foreign countries generally are not equivalent to United States standards and, consequently, less information is available to investors in companies located in foreign countries than is available to investors in companies located in the United States. There is also less regulation, generally, of the securities markets in foreign countries than there is in the United States.

Portfolio Liquidity and Transfer Restrictions. As a result of the Portfolio Managers' investment strategies, certain investments (especially those involving financially distressed companies or bank loans) may have to be held for a substantial period of time before they can be liquidated or sold to the greatest advantage or, in some cases, at all. A Portfolio Fund's investments may include private securities which may be subject to substantial restrictions on transferability and for which there may be no available market.

Transaction Costs and Portfolio Managers' Use of "Soft Dollars."

In selecting brokers to effect portfolio transactions, Portfolio Managers may consider, among other things, such factors as price, the ability of the brokers to effect the transaction, their facilities, reliability and financial responsibility and any products or services provided by such brokers. Such products and services may be of benefit generally to the Portfolio Fund but may not directly relate to transactions on behalf of the Portfolio Fund or any investment partnership in which the Partnership is invested. Accordingly, the Portfolio Manager may incur transaction costs greater than the amount that might be incurred if another firm was used. "Soft dollar" payments or rebates of amounts paid to brokers and dealers may arise from over-the-counter principal transactions, as well as exchange traded agency transactions. In addition, such payments or rebates may be made by futures brokers in connection with futures transactions. Many of the Portfolio Funds may emphasize active management of the Fund's portfolio. Consequently, such a Portfolio Fund's portfolio turnover and brokerage commissions may exceed those of other investment entities of comparable size. Certain of the foregoing commission arrangements may

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| | <p>be outside the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended, which permits the use of commissions or "soft dollars" to obtain "research and execution" services. To the extent a Portfolio Manager utilizes commissions to obtain items which would otherwise be an expense of the Portfolio Manager or a given Portfolio Fund's General Partner, such use of commissions in effect constitutes additional compensation to the Portfolio Manager. (See discussion below under "Brokerage and Custody".)</p> <p><u>Concentration of Investments.</u></p> <p>As stated, Adamas will not commit more than 25% of a Partnership's capital to a single Portfolio Fund measured at the time of investment, and Adamas seeks to maintain a diversified portfolio. However, such limit may be exceeded on account of changes in the value of a Partnership's investments, or for other reasons determined by Adamas to be in a Partnership's best interest. The result of such concentration is that a loss in any such position could have a material adverse impact on a Partnership's capital.</p> |
| Item 8.C | <p>If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.</p> <p><u>Risks of the Multi-Manager Strategy and Technique.</u></p> <p>Adamas will not have any control over the investments that Portfolio Managers make. Adamas may, however, reallocate a Partnership's investments among the Portfolio Funds, but Adamas' ability to do so may be constrained by the withdrawal limitations imposed by the Portfolio Funds. These withdrawal limitations will prevent a Partnership from reacting rapidly to market changes should a Portfolio Manager fail to effect portfolio changes consistent with such market changes and the demands of Adamas. In addition, at times when Portfolio Funds offer limited availability to investors, Adamas may allocate such limited availability among and between multiple entities managed by it or its affiliates, resulting in a Partnership portfolio which differs from the portfolio which might result if Adamas only managed one Partnership. The multi-manager approach may also limit Adamas' access to information about the Partnerships' investments on a daily or regular basis. Investors in the various Portfolio Funds typically have no right to demand such information of the Portfolio Managers. Nevertheless, the principals of Adamas use their best efforts to periodically gather quantitative and qualitative information from the Portfolio Managers.</p> <p>The Portfolio Managers will trade wholly independently of each other and, at times, may hold economically offsetting positions. To the extent that the Portfolio Managers do, in fact, hold such offsetting positions, the Partnerships, considered as a whole, cannot achieve any gain or loss</p> |

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| | <p>despite incurring expenses. In addition, a Portfolio Manager may be compensated based on the performance of its portfolio. Accordingly, a particular Portfolio Manager may receive incentive compensation in respect of its portfolio for a period even though the Partnerships' overall portfolios depreciated during such period.</p> <p>Under certain circumstances, the Partnerships' "fund-of-funds" structures may be disadvantageous to limited partners as compared with maintaining investments directly in the underlying Portfolio Funds. For example, contributions made to a Partnership at a time when that Partnership has a loss carryforward with respect to its investment with one or more of the Portfolio Funds will have the effect of diluting a portion of each limited partner's indirect interest in such loss carryforward. In addition to the fees charged to the Partnership by the Portfolio Funds, the fees charged by Adamas and the Investment Manager add an extra layer of fees that a limited partner would not incur if it were able to invest directly with the Portfolio Funds.</p> |
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ITEM 9 – DISCIPLINARY INFORMATION

If there are legal or disciplinary events that are material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Items 9.A, 9.B, and 9.C list specific legal and disciplinary events presumed to be material for this Item. If your advisory firm or a *management person* has been *involved* in one of these events, you must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in your or the *management person's* favor, or was reversed, suspended or vacated, or (2) you have rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the “date” of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. If your advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not listed in Items 9.A, 9.B, or 9.C, but nonetheless is material to a *client's* or prospective *client's* evaluation of your advisory business or the integrity of its management, you must disclose the event. Similarly, even if more than ten years have passed since the date of the event, you must disclose the event if it is so serious that it remains material to a *client's* or prospective *client's* evaluation.

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| Item 9.A | <p>A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a <i>management person</i></p> <ol style="list-style-type: none"> 1. was convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any <i>felony</i>; (b) a <i>misdemeanor</i> that involved investments or an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses; 2. is the named subject of a pending criminal <i>proceeding</i> that involves an <i>investment-related</i> business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses; 3. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation; or 4. was the subject of any <i>order</i>, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a <i>management person</i> from engaging in any <i>investment-related</i> activity, or from violating any <i>investment-related</i> statute, rule, or order |
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| | Not applicable. |
| Item 9.B | <p>An administrative <i>proceeding</i> before the SEC, any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> in which your firm or a <i>management person</i></p> <ol style="list-style-type: none"> 1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or 2. was <i>found</i> to have been <i>involved</i> in a violation of an <i>investment-related</i> statute or regulation and was the subject of an <i>order</i> by the agency or authority <ol style="list-style-type: none"> (a) denying, suspending, or revoking the authorization of your firm or a <i>management person</i> to act in an <i>investment-related</i> business; (b) barring or suspending your firm's or a <i>management person's</i> association with an <i>investment-related</i> business; (c) otherwise significantly limiting your firm's or a <i>management person's investment-related</i> activities; or (d) imposing a civil money penalty of more than \$2,500 on your firm or a <i>management person</i>. <p>Not applicable.</p> |
| Item 9.C | <p>A self-regulatory organization (SRO) proceeding in which your firm or a management person</p> <ol style="list-style-type: none"> 1. was <i>found</i> to have caused an <i>investment-related</i> business to lose its authorization to do business; or 2. was <i>found</i> to have been <i>involved</i> in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from <i>investment-related</i> activities; or (iii) fined more than \$2,500. <p>Note: You may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, you are not required to disclose it. When you review a legal or disciplinary event involving your firm or a <i>management person</i> to determine whether it is appropriate to rebut the presumption of materiality, you should consider all of the following factors: (1) the proximity of the <i>person involved</i> in the disciplinary event to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the</p> |

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| | <p>date of the disciplinary event. If you conclude that the materiality presumption has been overcome, you must prepare and maintain a file memorandum of your determination in your records. See SEC rule 204-2(a)(14)(iii).</p> <p>Not applicable.</p> |
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ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

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| Item 10.A | <p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</p> <p>Not applicable.</p> |
| Item 10.B | <p>If you or any of your <i>management persons</i> are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</p> <p>Not applicable.</p> |
| Item 10.C | <p>Describe any relationship or arrangement that is material to your advisory business or to your <i>clients</i> that you or any of your <i>management persons</i> have with any <i>related person</i> listed below. Identify the <i>related person</i> and if the relationship or arrangement creates a material conflict of interest with <i>clients</i>, describe the nature of the conflict and how you address it.</p> <ol style="list-style-type: none"> 1. broker-dealer, municipal securities dealer, or government securities dealer or broker 2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund) 3. other investment adviser or financial planner 4. futures commission merchant, commodity pool operator, or commodity trading advisor 5. banking or thrift institution 6. accountant or accounting firm 7. lawyer or law firm 8. insurance company or agency 9. pension consultant 10. real estate broker or dealer 11. sponsor or syndicator of limited partnerships <p>Adamas discloses the following related persons in Schedule D, Section 7.A of its Form ADV Part 1: (i) Adamas Capital Management LP, the Investment Manager, and (ii) Adamas Capital Management GP, LLC, the General Partner of the Investment Manager.</p> <p>As explained in Item 4 above, Adamas Partners serves as General Partner to two private funds. Adamas Capital Management LP serves as the</p> |

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| | <p>administrative manager to the Partnerships and Adamas Capital Management GP, LLC serves as its sole general partner. Adamas Capital Management GP, LLC is controlled by Heidi Pearlson, Steve Berger, and Rebecca Duseau.</p> |
| Item 10.D | <p>If you recommend or select other investment advisers for your <i>clients</i> and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.</p> <p>While Adamas selects Portfolio Managers and Portfolio Funds for its Partnerships' investments, Adamas does not receive direct or indirect compensation from those Portfolio Managers or Portfolio Funds. Rather, Adamas is compensated by investors in the pooled investment vehicles managed by Adamas.</p> <p>See Item 11 below for a description of how Adamas monitors conflicts of interest related to personal investments and business relationships with Portfolio Managers/Portfolio Funds it recommends for investment by the Partnerships.</p> |

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

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| Item 11.A | <p>If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any <i>client</i> or prospective <i>client</i> upon request.</p> <p><u>Adamas’ Code of Ethics – Overview</u></p> <p>Adamas has adopted a Code of Ethics (the “Code”) that it reasonably believes complies with the requirements of Advisers Act Rule 204A-1 and ensures that the personal securities transactions of Adamas’ Access Persons do not conflict with transactions recommended to Adamas’ Partnerships. Adamas is of the view that high ethical standards are essential for the success of Adamas and to maintain the confidence of Adamas’ investors. Adamas is of the view that its long-term business interests are best served by adherence to the principle that client interests come first. Adamas recognizes that it has a fiduciary duty to its clients that requires Adamas’ Access Persons to act solely for the benefit of Adamas’ clients.</p> <p>In summary, the Code is designed to (i) prevent improper personal trading by Adamas’ Access Persons; (ii) prevent improper use of material, non-public information about securities recommendations made by Adamas or securities holdings of Adamas’ advisory clients; (iii) identify conflicts of interest; and (iv) provide a means to resolve any actual or potential conflict in favor of advisory clients.</p> <p>A copy of the Code is available to investors or prospective investors upon written request made to Adamas’ Chief Compliance Officer, Rebecca Duseau, at (617) 854-3704.</p> <p><u>Pre-clearance.</u></p> <p>Access Persons may not acquire any beneficial ownership in any limited offering (which includes U.S. or offshore private investment funds), and shall not acquire securities through an initial public offering, unless the Chief Compliance Officer has given express prior written approval. The Chief Compliance Officer (who may consult with outside legal counsel) will determine whether approval should be given.</p> <p><u>Restricted List.</u></p> <p>Access Persons are also prohibited from purchasing any security which is on Adamas’ current “Restricted List.” An updated copy of the Restricted List is provided to Access Persons as needed. Furthermore, if any Access Person acquires information about the plans of any Portfolio Manager/Portfolio Fund invested in by the Partnerships to purchase or sell a particular security, then such Access Person may not effect a transaction</p> |
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| | <p>in such security unless such Access Person receives the prior, written approval of the Chief Compliance Officer. To the extent that an Access Person notifies the Chief Compliance Officer that such Access Person has acquired information about the plans of a Portfolio Manager/Portfolio Fund invested in by one of the Partnerships to purchase or sell a particular security, the Chief Compliance Officer will consult with legal counsel, as needed, and make a determination as to whether or not the issuer is to be placed on the Restricted List.</p> <p><u>Code – Oversight.</u></p> <p>Access Persons are required to sign and acknowledge their familiarity with the Code by signing an annual acknowledgement. Adamas has authority to impose such sanctions or remedial action it deems appropriate or to the extent required by law upon the discovery of any violation of the Code.</p> |
| Item 11.B | <p>If you or a <i>related person</i> recommends to <i>clients</i>, or buys or sells for <i>client</i> accounts, securities in which you or a <i>related person</i> has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>Examples: (1) You or a <i>related person</i>, as principal, buys securities from (or sells securities to) your <i>clients</i>; (2) you or a <i>related person</i> acts as general partner in a partnership in which you solicit <i>client</i> investments; or (3) you or a <i>related person</i> acts as an investment adviser to an investment company that you recommend to <i>clients</i>.</p> <p>Adamas and the Investment Manager have financial ownership interests in the Partnerships and receive a management fee and, in some cases, a performance allocation for their services to the Partnerships. The fact that Adamas has a financial ownership interest in such Partnerships creates a potential conflict in that it could cause Adamas to make different investment decisions than if it did not have such a financial ownership interest. Further, as noted in Item 6, the possibility that Adamas could receive performance-based compensation creates a potential conflict of interest in that it may create an incentive for Adamas to effectuate larger and more risky transactions than would be the case in the absence of such form of compensation.</p> <p>In addition, the Managing Members of Adamas (who are deemed to be related persons of Adamas) also have investments in the Partnerships and, as such, have a financial interest in those entities. Adamas is of the view that the Managing Members’ investments in the Partnerships is ultimately intended to align their interests with the interests of limited partners. That said, and consistent with the above description, this creates a potential conflict of interest because the fact that such Managing Members have investments in Partnerships could lead them to make different investment decisions than if they did not have such Partnership investments.</p> |

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| | <p>Managing Members of Adamas may make, and in fact do hold, personal investments in Portfolio Funds that may be invested in by the Partnerships. See Item 11.C below for a description of this conflict of interest and the manner in which such conflict is managed by Adamas through its Code of Ethics.</p> <p>Adamas addresses these potential conflicts through the use of:</p> <ul style="list-style-type: none"> - A detailed Code of Ethics, which is described in Item 11.A, above. - Requirement that Managing Members complete questionnaires detailing their non-Adamas activities. - Requirement that Access Persons pre-clear outside business activities (other than outside activities related to charities, non-profit organizations/clubs or civic/trade associations). - Disclosure of potential conflicts of interests and risks in offering documents provided to prospective investors. - Required suitability criteria for investors. <p>If you have any questions about these important disclosures, please contact Rebecca Duseau of Adamas at (617) 854-3704.</p> |
| Item 11.C | <p>If you or a <i>related person</i> invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a <i>related person</i> recommends to <i>clients</i>, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.</p> <p>Adamas' Managing Members have invested in the same Portfolio Funds that Adamas recommends. This creates a conflict because, as noted in Item 11.B. above, Managing Members of Adamas may have incentive to cause the Partnerships to invest in Portfolio Funds in which they have an interest, and, in addition, may have incentive to invest in Portfolio Funds in which a Partnership has an investment or is considering making an investment.</p> <p>Additional potential conflicts include an employee front-running, engaging in short selling in a personal account when they have confidential information that a Portfolio Manager or Portfolio Fund is about to sell a particular security, and inter-market front-running. There is also a risk that Managing Members could learn material, non-public information about an issuer during the course of their Adamas-related responsibilities or in connection with their non-Adamas outside activities and improperly utilize that information for the benefit of Adamas, the Partnerships, or themselves.</p> <p>Adamas addresses these potential conflicts of interest through its Code of Ethics, which is described in Item 11.A.</p> |
| Item 11.D | <p>If you or a <i>related person</i> recommends securities to <i>clients</i>, or buys or</p> |

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| | <p>sells securities for <i>client</i> accounts, at or about the same time that you or a <i>related person</i> buys or sells the same securities for your own (or the <i>related person's</i> own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</p> <p>Note: The description required by Item 11.A may include information responsive to Item 11.B, C or D. If so, it is not necessary to make repeated disclosures of the same information. You do not have to provide disclosure in response to Item 11.B, 11.C, or 11.D with respect to securities that are not “reportable securities” under SEC rule 204A-1(e)(10) and similar state rules.</p> <p>Please see Items 11.A., 11.B., and 11.C.</p> |
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ITEM 12 – BROKERAGE PRACTICES

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| Item 12.A.1 | <p>Describe the factors that you consider in selecting or recommending broker-dealers for <i>client</i> transactions and determining the reasonableness of their compensation (e.g., commissions).</p> <p>1. Research and Other Soft Dollar Benefits. If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.</p> <p>Note: Your disclosure and discussion must include all soft dollar benefits you receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.</p> <ul style="list-style-type: none"> a. Explain that when you use <i>client</i> brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services. b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your <i>clients’</i> interest in receiving most favorable execution. c. If you may cause <i>clients</i> to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact. d. Disclose whether you use soft dollar benefits to service all of your <i>clients’</i> accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to <i>client</i> accounts proportionately to the soft dollar credits the accounts generate. e. Describe the types of products and services you or any of your <i>related persons</i> acquired with <i>client</i> brokerage commissions (or markups or markdowns) within your last fiscal year. <p>Note: This description must be specific enough for your clients to understand the types of products or services that</p> |
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| | <p>you are acquiring and to permit them to evaluate possible conflicts of interest. Your description must be more detailed for products or services that do not qualify for the safe harbor in section 28(e) of the Securities Exchange Act of 1934, such as those services that do not aid in investment decision-making or trade execution. Merely disclosing that you obtain various research reports and products is not specific enough.</p> <p>f. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for soft dollar benefits you received.</p> <p>As a “fund-of-funds” manager with no direct investments other than those in Portfolio Funds, Adamas is not involved in selecting or recommending broker-dealers for Partnership transactions and determining the reasonableness of broker-dealer compensation (e.g., commissions). Furthermore, Adamas does not receive research or other products or services from broker-dealers or third parties in connection with Partnership transactions (“soft dollar benefits”). It is expected that underlying Portfolio Managers and Portfolio Funds utilized by the Adamas Partnerships will allocate brokerage business generally on the basis of best available execution and in consideration of such brokers' provision of brokerage, research and related services (but no absolute assurances can be made in that respect). Adamas has no direct control over underlying Portfolio Managers’ best execution review processes.</p> |
| Item 12.A.2 | <p><u>Brokerage for Client Referrals.</u> If you consider, in selecting or recommending broker-dealers, whether you or a <i>related person</i> receives <i>client</i> referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</p> <p>a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving <i>client</i> referrals, rather than on your <i>clients’</i> interest in receiving most favorable execution.</p> <p>b. Explain the procedures you used during your last fiscal year to direct <i>client</i> transactions to a particular broker-dealer in return for <i>client</i> referrals.</p> <p>Not applicable.</p> |
| Item 12.A.3 | <p><u>Directed Brokerage.</u></p> <p>a. If you routinely <u>recommend</u>, <u>request</u> or <u>require</u> that a <i>client</i> direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their <i>clients</i> to direct</p> |

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| | <p>brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of <i>client</i> transactions, and that this practice may cost <i>clients</i> more money.</p> <p>b. If you <u>permit</u> a <i>client</i> to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of <i>client</i> transactions. Explain that directing brokerage may cost <i>clients</i> more money. For example, in a directed brokerage account, the <i>client</i> may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the <i>client</i> may receive less favorable prices.</p> <p>Note: If your clients only have directed brokerage arrangements subject to most favorable execution of client transactions, you do not need to respond to the last sentence of Item 12.A.3.a. or to the second or third sentences of Item 12.A.3.b.</p> <p>Not applicable.</p> |
| Item 12.B | <p>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various <i>client</i> accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to <i>clients</i> of not aggregating.</p> <p>Not applicable.</p> |

ITEM 13 – REVIEW OF ACCOUNTS

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| Item 13.A | <p>Indicate whether you periodically review <i>client</i> accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the <i>supervised persons</i> who conduct the review.</p> <p>The Managing Members of Adamas seek to actively monitor Portfolio Managers' performance, risk, and business operations. The Partnerships follow comprehensive and rigorous criteria in selecting Portfolio Funds for investment, and in reallocating capital among, or terminating investment with, Portfolio Managers from time to time. These criteria include:</p> <ul style="list-style-type: none"> - Consistency with the given Partnership's overall strategy of absolute return investing; - Evaluation of the trading and investment techniques used by a Portfolio Manager in pursuing these investment objectives; - Avoidance of investment strategies which Adamas considers ineffective, inconsistent with its overall objective or unduly speculative; - Personal and organizational quality of the Portfolio Manager and its key personnel; and - Ongoing fit within the given Partnership's overall portfolio respecting manager size, investment approach, time horizons and industry or geographic diversification. <p><u>Portfolio Structuring Issues</u></p> <p>Adamas determines relative allocations among several Portfolio Managers based upon a variety of factors. Diversification of a Partnership's portfolio will be achieved through variations among Portfolio Manager industry, sector or capitalization focus, types of investment strategies utilized and the way in which managers implement their strategies, including the use of value stocks, asset plays, and high growth companies.</p> <p>Additionally, the following are evaluated to determine initial allocation and any re-balancing of capital commitments from time to time:</p> <ul style="list-style-type: none"> - Liquidity of the given Partnership's investment and the liquidity of the assets of the Portfolio Fund; - Correlation of the Portfolio Manager's stated strategy and performance to equity markets and interest rate movements; - Changes in depth of the firm's talent, or its focus; - Historical and potential volatility and assessed future risk of the Portfolio Manager's style and record; and - Correlation to other Portfolio Managers, or to managers of similar styles and sectors. <p>Adamas monitors the investment performance of Portfolio Managers on a</p> |
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| | <p>regular basis. Evaluations will emphasize Portfolio Manager performance over a longer time horizon (three or more years) to mitigate the effect of short-term events or trends. Regardless of whether targeted returns are realized by a Portfolio Manager, terminations of a Portfolio Manager may occur on account of adverse organizational changes, pursuit of a strategy not consistent with the Portfolio Manager's expertise, the generation of returns through risk levels unacceptable to Adamas, or on account of other actions or trends evidenced by a Portfolio Manager.</p> |
| Item 13.B | <p>If you review <i>client</i> accounts on other than a periodic basis, describe the factors that trigger a review</p> <p>Please refer to Item 13.A, above.</p> |
| Item 13.C | <p>Describe the content and indicate the frequency of regular reports you provide to <i>clients</i> regarding their accounts. State whether these reports are written.</p> <p>Limited partners receive unaudited performance reports and statements of estimated changes to their capital accounts monthly and audited year-end financial statements on an annual basis. For tax reporting purposes, Adamas also provides each limited partner with a Schedule K-1.</p> |

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

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| Item 14.A | <p>If someone who is not a <i>client</i> provides an economic benefit to you for providing investment advice or other advisory services to your <i>clients</i>, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.</p> <p>Not applicable.</p> |
| Item 14.B | <p>If you or a <i>related person</i> directly or indirectly compensates any <i>person</i> who is not your <i>supervised person</i> for <i>client</i> referrals, describe the arrangement and the compensation.</p> <p>Note: If you compensate any person for client referrals, you should consider whether SEC rule 206(4)-3 or similar state rules regarding solicitation arrangements and/or state rules requiring registration of investment adviser representatives apply.</p> <p>While there are presently no such solicitation or referral relationships in place, Adamas may, in the future, enter into arrangements pursuant to which it compensates third parties for investor and client referrals. Such arrangements (as required) will be made in compliance with Rule 206(4)-3 under the Advisers Act.</p> |

ITEM 15 – CUSTODY

If you have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your *clients*, explain that *clients* will receive account statements from the broker-dealer, bank or other qualified custodian and that *clients* should carefully review those statements. If your *clients* also receive account statements from you, your explanation must include a statement urging *clients* to compare the account statements they receive from the qualified custodian with those they receive from you.

Adamas maintains the cash assets of the Partnerships in custodial accounts with a “qualified custodian” pursuant to Rule 206(4)-2 under the Advisers Act and will notify limited partners in writing of the qualified custodian’s name, address and the manner in which the assets are maintained promptly when the account is opened and following any changes to this information. Adamas currently utilizes Boston Private Bank & Trust Company (10 Post Office Square, Boston, MA 02110), as the Qualified Custodian for the Partnerships’ cash. Adamas reasonably believes that limited partners will be provided with audited financial statements for their Partnership within 180 days of the end of the applicable Partnership’s fiscal year.

ITEM 16 – INVESTMENT DISCRETION

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Adamas has discretionary authority to manage securities accounts on behalf of its advisory clients. Adamas is authorized to make purchase and sale decisions for advisory clients, and is also authorized to allocate assets with Portfolio Funds and Portfolio Managers. As explained in Item 4.C., above, the investment strategy of each Partnership is set forth in detail in such Partnership's offering document. Individual investors in the Partnerships do not have the ability to impose limitations on Adamas' discretionary authority. Prospective investors are provided with an offering document prior to their investment and are encouraged to carefully review the offering document and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Prospective investors must also execute a subscription agreement, in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool. Further, prospective investors must execute a limited partnership agreement.

ITEM 17 – VOTING CLIENT SECURITIES

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| <p>Item 17.A</p> | <p>If you have, or will accept, authority to vote <i>client</i> securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your <i>clients</i> can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your <i>clients</i> with respect to voting their securities. Describe how <i>clients</i> may obtain information from you about how you voted their securities. Explain to <i>clients</i> that they may obtain a copy of your proxy voting policies and procedures upon request.</p> <p>Adamas understands and appreciates the importance of proxy voting. As a “fund-of-funds” manager, proxy issues typically involve a change in terms initiated by a Portfolio Manager/Portfolio Fund in which a Partnership invests. To the extent that Adamas has discretion to vote the proxies on behalf of the Partnerships, Adamas will vote any such proxies in the best interests of the Partnerships and investors (as applicable) and in accordance with set compliance procedures. Prior to voting any proxies, Adamas will determine if there are any conflicts of interest related to the underlying Portfolio Manager or Portfolio Fund issuing the proxy in question. If a conflict is identified, Adamas will then make a determination (which may be in consultation with the outside legal counsel or third party compliance consultants) as to whether or not the conflict is material. If no material conflict is identified pursuant to its procedures, Adamas will make a decision on how to vote the proxy in question on behalf of the given Partnership.</p> <p>Investors do not have the authority to direct Adamas’ votes with respect to proxies initiated by the Partnerships’ underlying Portfolio Funds. That said, copies of Adamas’ proxy voting procedures and voting records are available upon request. Please contact Rebecca Duseau at (617) 854-3704 or at rduseau@adamaspartners.com.</p> |
| <p>Item 17.B</p> | <p>If you do not have authority to vote <i>client</i> securities, disclose this fact. Explain whether <i>clients</i> will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) <i>clients</i> can contact you with questions about a particular solicitation.</p> <p>Not applicable.</p> |

ITEM 18 – FINANCIAL INFORMATION

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| Item 18.A | <p>If you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, include a balance sheet for your most recent fiscal year.</p> <ol style="list-style-type: none"> 1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity. 2. Show parenthetically the market or fair value of securities included at cost. 3. Qualifications of the independent public accountant and any accompanying independent public accountant’s report must conform to Article 2 of SEC Regulation S-X. <p>Note: If you are a sole proprietor, show investment advisory business assets and liabilities separate from other business and personal assets and liabilities. You may aggregate other business and personal assets unless advisory business liabilities exceed advisory business assets.</p> <p>Note: If you have not completed your first fiscal year, include a balance sheet dated not more than 90 days prior to the date of your brochure.</p> <p>Exception: You are not required to respond to Item 18.A of Part 2A if you also are: (i) a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules; or (ii) an insurance company.</p> <p>Not applicable.</p> |
| Item 18.B | <p>If you have <i>discretionary authority</i> or <i>custody</i> of <i>client</i> funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per <i>client</i>, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to <i>clients</i>.</p> <p>Note: With respect to Items 18.A and 18.B, if you are registered or are registering with one or more of the state securities authorities, the dollar amount reporting threshold for including the required balance sheet and for making the required financial condition disclosures is more than \$500 in fees per client, six months or more in advance</p> <p>Not applicable.</p> |

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| Item 18.C | <p>If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.</p> <p>Not applicable.</p> |
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