

**PART 2A OF FORM ADV: FIRM BROCHURE**

**SIDUS INVESTMENT MANAGEMENT, LLC  
SIDUS IV CAPITAL MANAGEMENT, LLC**

767 Third Avenue, 15<sup>th</sup> Floor  
New York, NY 10017  
212-751-6644

[www.sidusfunds.com](http://www.sidusfunds.com)

March 15, 2020

This Brochure provides information about the qualifications and business practices of Sidus Investment Management, LLC and Sidus IV Capital Management, LLC (collectively, “**Sidus**”). If you have any questions about the contents of this brochure, please contact Mark Schalles at 212-751-6644 or [mschalles@sidusfunds.com](mailto:mschalles@sidusfunds.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.

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

## **Item 2 – Material Changes**

None since the submission of an Other-Than-Annual Amendment to Form ADV on September 16, 2019

### **Item 3 - Table of Contents**

Item 2 – Material Changes.....	ii
Item 3 - Table of Contents .....	iii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation.....	4
Item 6 - Performance-Based Fees and Side-By-Side Management .....	8
Item 7 – Types of Clients.....	9
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Item 9 – Disciplinary Information.....	21
Item 10 – Other Financial Industry Activities and Affiliations.....	23
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	25
Item 12 – Brokerage Practices.....	28
Item 13 – Review of Accounts .....	33
Item 14 – Client Referrals and Other Compensation .....	34
Item 15 – Custody .....	35
Item 16 – Investment Discretion .....	36
Item 17 – Voting Client Securities.....	36
Item 18 – Financial Information .....	38

#### Item 4 – Advisory Business

Item 4.A	<p><i>Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).</i></p> <p>Founded in February of 2000, Sidus Investment Management LLC is a Delaware limited liability company ("<b>Sidus Management</b>"). Sidus Management is principally owned by Michael J. Barone and Alfred V. Tobia. As of September 3, 2019 Alfred Tobia is a passive Member.</p> <p>Founded in March of 2009, Sidus IV Capital Management, LLC is a Delaware limited liability company ("<b>Sidus IV</b>"). Sidus IV is principally owned by Paul C. Hackett.</p> <p>Sidus Management and Sidus IV may be collectively referred to herein as "<b>Sidus</b>". Sidus and Sidus IV (its relying advisor) are together filing a single Form ADV in reliance upon no-action relief set forth in the January 18, 2012 American Bar Association no-action letter. Sidus has been registered as an investment advisor under the Advisers Act since March 2012.</p> <p>Sidus IV currently provides discretionary advisory services to Sidus IV Credit Opportunity Fund, L.P., a Delaware limited partnership organized as private investment fund that makes direct investments (the "<b>Sidus IV Credit Fund</b>").</p> <p>Sidus Management provides discretionary advisory services to its advisory clients, which include (i) pooled investment vehicles organized as private investment funds (the "<b>Sidus Management Funds</b>", and together with the Sidus IV Credit Fund, the "<b>Funds</b>") and (ii) a sub-advised private fund (together with the Funds, the "<b>Advisory Clients</b>").</p> <p>Specifically, Sidus Management currently serves as the investment manager to the following three stand-alone funds:</p> <ul style="list-style-type: none"><li>• Sidus Investment Partners, L.P., a Delaware limited partnership ("<b>Sidus Partners</b>");</li><li>• Sidus Double Alpha Fund, L.P., a Delaware limited partnership (the "<b>Double Alpha Onshore Fund</b>"); and</li><li>• Sidus Double Alpha Fund, Ltd., a Cayman Islands exempted</li></ul>
----------	--

	<p>company (the “<b>Double Alpha Offshore Fund</b>”).</p> <p>It should be noted that the Double Alpha Onshore Fund and the Double Alpha Offshore Fund are operated on a side-by-side basis and share the same investment objective.</p> <p>Sidus Advisors, LLC, a Delaware limited liability company, serves as the general partner of Sidus Partners and the Double Alpha Onshore Fund and Sidus IV GP, LLC, a Delaware limited liability company, serves as the general partner of the Sidus IV Credit Fund (together, the “<b>General Partners</b>”). It should also be noted that each of the General Partners has the sole power and authority to manage the business and legal affairs of their respective funds.</p>
Item 4.B	<p><i>Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as 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.</i></p> <p>As described in further detail in Item 8.A. below, Sidus provides discretionary investment advisory services to the Advisory Clients. Each Advisory Client’s structure, investment objective and strategy are set forth in such client’s applicable operating documents. With respect to the Funds, this includes a confidential private offering memorandum provided to each investor in the relevant Fund (each an “<b>Investor</b>”).</p> <p><b><u>Sidus Investment Management LLC</u></b></p> <p>Generally, Sidus Management seeks to generate returns that are uncorrelated with the broad equity markets by purchasing or shorting securities that Sidus Management believes are mispriced. Although Sidus Management tends to concentrate on investments within the technology sector, Sidus Management has flexible investment authority and invest in, trade in and deal in securities, domestic and foreign, of all kinds and descriptions, including, but not limited to, equity, debt, convertible securities, preferred stock, options, warrants and money market instruments, among other things.</p>

	<p><b><u>Sidus IV Capital Management LLC</u></b></p> <p>Sidus IV seeks to generate risk-adjusted total returns that are expected to be competitive with historical equity returns, with a focus on preservation of capital. Sidus IV will seek to achieve this objective through investing in bonds and other fixed income securities for capital appreciation and income. These fixed income securities include (among other securities): corporate, convertible and high-yield bonds issued by reporting U.S. and non-U.S. corporations. These securities may pay fixed, variable or floating rates of interest, may also include zero coupon obligations, and may have conversion rights into the equity securities of the issuer. Additionally Sidus IV has, and may in the future, invest in credit derivatives, specifically interest rate and total return swaps. Further, Sidus IV has flexible investment authority and may acquire other securities or financial instruments as they are developed and offered that are consistent with its investment program.</p>
Item 4.C	<p><i>Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.</i></p> <p>Sidus neither tailors its advisory services to the individual needs of Investors, nor accepts Investor-imposed investment restrictions. When deemed appropriate for a large or strategic client, Sidus has in the past and may in the future establish a separately managed account, which (i) tailors the investment objectives to specific requests of the managed account client (as documented in an investment advisory agreement) and/or (ii) are subject to different terms and fees than those of the Funds. Such managed account investment objectives, fee arrangements and terms are individually negotiated, and it should be noted that any such managed account relationships are generally subject to significant account minimums.</p> <p>Sidus has in the past and may in the future, enter into letter agreements or other similar agreements (collectively, “<b>Side Letters</b>”) with one or more Investors that provide such Investors with additional and/or different rights or terms than those set forth in the Funds’ offering documents, such as reduced fees.</p>
Item 4.D	<p><i>If you participate in wrap fee programs by providing portfolio</i></p>

	<p><i>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.</i></p> <p>Sidus does not participate in wrap fee programs.</p>
Item 4.E	<p><i>If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date “as of” which you calculated the amounts.</i></p> <p>As of December 31, 2018, Sidus manages \$76,365,893 of Advisory Client net assets on a discretionary basis. As of December 31, 2017, Sidus’ regulatory assets under management, as disclosed on Form ADV Part 1 are \$93,122,150. Sidus does not currently manage any Advisory Client assets on a non-discretionary basis.</p>

## Item 5 – Fees and Compensation

Item 5.A	<p><i>Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.</i></p> <p>Sidus typically charges fees that are based upon a set percentage of assets under management and performance.</p> <p>Sidus receives a management fee from each Fund in an amount equal 1% to 1.5% per annum of each Fund’s net asset value (the “<b>Management Fee</b>”).</p> <p>In addition, Sidus or the General Partners receive performance-based compensation equal to 20% per annum of the net realized and unrealized appreciation with respect to each Fund, subject to a loss carry-forward provision (the “<b>Incentive Allocation</b>”).</p> <p>With respect to the separately managed account, Sidus is eligible to receive a special performance fee based on a percentage of net realized and unrealized appreciation, and calculated as set forth in the investment advisory agreement.</p>
----------	---

	<p>Sidus or the General Partners, in their sole discretion (as applicable), have, and may in the future, waive or reduce the Management Fee or the Incentive Allocation for certain Investors.</p> <p>It is critical that Investors refer to the relevant Advisory Client's operating documents for a complete understanding of how Sidus is compensated for its advisory services.</p>
Item 5.B	<p><i>Describe whether you deduct fees from clients' assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.</i></p> <p>Sidus deducts fees from each Fund's assets. With respect to the Sidus Management Funds, the Management Fee is calculated and payable in advance, as of the first business day of each quarter. With respect to the Sidus IV Credit Fund, the Management Fee is paid monthly in advance. The Management Fee is prorated for Fund interests or shares that are purchased after the beginning of a quarter or month (as applicable).</p> <p>The Incentive Allocation is generally calculated monthly and charged as of the last day of each fiscal year. The Incentive Allocation is adjusted for redemptions made during the year and also subject to a loss carry-forward provision, such that generally an Investor will not be charged an Incentive Allocation until any net loss previously allocated to such Investor has been offset by subsequent net profits. The special performance fee is paid by the separately managed account on a monthly basis in arrears (when applicable).</p> <p><b>It is critical that Investors refer to the relevant Advisory Client's operating documents for a complete understanding of how fees are deducted from their assets. The information contained herein is a summary only and is qualified in its entirety by the relevant Advisory Client's operating documents.</b></p>
Item 5.C	<p><i>Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.</i></p>



	<p>Each Sidus Management Fund bears its own operating expenses, including, but not limited to, news, quotation, and similar information and pricing services, research expenses, including, but not limited to, travel expenses incurred in researching potential investment opportunities, costs of borrowing money, legal, audit, accounting fees, insurance premiums, custodial and other fees and commissions and other trading related expenses and expenses directly related to the offer and sale of limited partnership interests or shares (exclusive of selling commissions), administrative expenses of the Sidus Management Fund, and custodial fees, and other expenses associated with the operation of the fund.</p> <p>The Sidus IV Credit Fund is responsible for all operating expenses, including legal, auditing, accounting (including out-sourced accounting), tax and other professional expenses, administration expenses, research expenses, and investment-related expenses such as commissions, interest on margin accounts and other indebtedness, custodial fees, bank service fees and other expenses related to the purchase, sale or transmittal of Sidus IV Credit Fund's assets.</p> <p>The sub-advised fund generally pays the costs, fees and expenses relating to monitoring the activities and investments of the account.</p> <p>To the extent the Advisory Clients utilize soft dollars, the Advisory Clients may be deemed to be paying for research and other services with "soft" or commission dollars. Refer to Item 12 – Brokerage Practices for further information.</p>
Item 5.D	<p><i>If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client 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.</i></p> <p>As noted in Item 5.B. above, Sidus deducts the Management Fee in advance. To the extent an investment is made as of any day that is not the first day of a fiscal quarter or month (as applicable), the Management Fee is prorated. To the extent a withdrawal or redemption is made mid-quarter or mid-month (as applicable), a pro-rata portion of the Management Fee will NOT be refunded to the withdrawing investor.</p>

	<p>With respect to terminating the investment advisory relationship, upon 30 days' prior written notice, an Investor is generally permitted to make a withdrawal as of the last business day of each quarter following an initial one-year lock up period; provided, however, the Investors in the Sidus IV Credit Fund may withdraw prior to the first anniversary of any investment, subject to an early withdrawal fee.</p> <p>Withdrawals may also be subject to additional limitations, including, but not limited to, required notice periods, a Fund-level gate, suspension of withdrawals, required withdrawals and the retention of a reserve for liabilities.</p> <p>Payment of withdrawal proceeds will be made as soon as practicable, but Investors will generally receive 90-95% of the withdrawal proceeds no later than 30 days following the date of withdrawal with the balance to be paid after the completion of the applicable Fund's annual audit.</p> <p><b>It is critical that Investors refer to the relevant Fund's offering documents for a complete understanding of withdrawal terms. The information contained in this Item 5 is a summary only and is qualified in its entirety by the relevant Fund's offering documents.</b></p>
Item 5.E	<p><i>If you or any of your supervised persons 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.</i></p> <p>Not applicable to Sidus.</p>
Item 5.E.1	<p><i>Explain that this practice presents a conflict of interest and gives you or your supervised persons an incentive to recommend investment products based on the compensation received, rather than on a client's needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to clients. If you primarily recommend mutual funds, disclose whether you will recommend "no-load" funds.</i></p> <p>Not applicable to Sidus.</p>

Item 5.E.2	<p><i>Explain that clients have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.</i></p> <p>Not applicable to Sidus.</p>
Item 5.3.3	<p><i>If more than 50% of your revenue from advisory clients results from commissions and other compensation for the sale of investment products you recommend to your clients, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.</i></p> <p>Not applicable to Sidus.</p>
Item 5.E.4	<p><i>If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.</i></p> <p>Not applicable to Sidus.</p>

## **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 noted in Item 5.B above, Sidus (or the General Partners, as applicable) receive performance-based compensation in the form of an Incentive Allocation. While each Advisory Client managed by Sidus pays performance-based compensation, it should be noted that Sidus (or the General Partner, as applicable) does not charge an Incentive Allocation with respect to members, employees, and affiliates of either Sidus or the General Partner.

Sidus has and may in the future, receive performance-based compensation, which creates a potential conflict of interest in that it may create an incentive to make investments that are riskier or more speculative than in the absence of such a performance-based fee. Investors are provided with clear disclosure as to how performance-based compensation is charged with respect to a particular Advisory Client and the risks associated with such performance-based compensation prior to making an investment.

## 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.*

Sidus provides investment advisory services to pooled investment vehicles operating as private investment funds and a separately managed account established for a large, strategic investor.

Interests or shares (as applicable) in the Funds are generally offered to (a) U.S. Investors who are (i) accredited investors within the meaning of Regulation D of the Securities Act of 1933, as amended and (ii) qualified clients within the meaning of Section 2(a)(51) of the Investment Advisers Act of 1940, as amended and (b) non-U.S. Investors.

The minimum initial investment for each Fund is \$1,000,000. These minimums are subject to waiver at the discretion of the General Partners in the case of the Sidus Partners, the Double Alpha Onshore Fund, the Sidus IV Credit Fund and the board of directors in the case of the Double Alpha Offshore Fund; provided however, that with respect to the Double Alpha Offshore Fund, the initial subscription amount may not be less than the applicable statutory minimum which is \$100,000. It should be noted that any separately managed account relationships are generally subject to significant account minimums.

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

Item 8.A	<p><i>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 clients should be prepared to bear.</i></p> <p><b><u>Sidus Management</u></b></p> <p>As described in Item 4.B above, the primary investment objective of</p>
----------	--

	<p>Sidus Management is achieve superior absolute returns while minimizing the impact of overall market movements. Sidus Management seeks to generate returns that are uncorrelated with the broad equity markets (i.e., S&amp;P 500,® NASDAQ® Composite) by purchasing or shorting securities Sidus Management believes are mispriced relative to book value, private market value, cash flow, P/E to growth, historic P/E multiple or industry comparables. These securities are especially attractive if the company and/or industry is misunderstood, neglected or temporarily out of favor. This approach focuses on stock selection, Sidus' organizational strength, as the sole driver of performance.</p> <p>Sidus Management employs a risk-averse investment strategy predicated on the belief that superior long-term investment results are best achieved by compounding relatively consistent gains and avoiding major losses. Sidus Management's investment approach will be based on bottom-up, fundamental analysis, long and short. Sidus Management focuses on product cycles, backlog, competitive forces, component availability, margin trends, balance sheet ratios, and management's execution track record to identify investment candidates. Sidus utilizes financial models which incorporate financial data received from management, competitors, suppliers and other industry participants in order to form an investment thesis with respect to such investment candidates.</p> <p>The following is a description of certain trading techniques that it will employ, the investment criteria that will be applied, and the guidelines that it has established with respect to the composition of its investment portfolio.</p> <p>(1) Portfolio Composition</p> <p>The primary consideration in selecting securities for the Sidus Management advisory clients is the potential for capital appreciation. Sidus Management will generally invest in the information technology industry. Long and short positions will be chosen for their individual alpha contributions (double alpha strategy). A portion of the applicable portfolios will involve relative valuation bets (pairs trading strategy) but this is not the focus of Sidus Management. Sidus Management's strategy attempts to minimize systemic risk exposures while capturing the inherent volatility of the asset class.</p>
--	--

	<p>Sidus Management intends to spend a substantial amount of time studying and investing in high-growth companies located primarily in the United States. Sidus Management will trade those securities that, in the opinion of Sidus Management, have sufficient liquidity and volume to enable the Advisory Clients to enter and close out positions without causing undue price movements. Sidus Management will control for excessive single stock exposure by using maximum position limits on the long and short side of the portfolio. Finally, Sidus Management intends to limit investment in private companies and restricted securities issued by public companies to under ten percent (10%) of the applicable portfolio.</p> <p>(2) Options</p> <p>Sidus Management will purchase and write put and call options that are traded on national securities exchanges and on over-the-counter markets.</p> <p>(3) New Issues</p> <p>Sidus Management has, and may in the future, cause its advisory clients to invest in equity securities issued in initial public offerings registered under the Securities Act of 1933, as amended, subject to all applicable rules promulgated by the U.S. Financial Industry Regulatory Authority, Inc.</p> <p>(4) Trading Strategy</p> <p>Sidus Management's trading methods are proprietary and confidential. The development of a trading strategy is a continuous process and the trading strategy of Sidus Management may therefore be modified from time to time.</p> <p><b><u>Sidus IV Credit Opportunity Fund LP</u></b></p> <p>As described in Item 4.B above, the primary investment objective of Sidus IV is to generate risk-adjusted total returns through investing in convertible, high yield and corporate bonds as well as preferred stock and money market instruments. Sidus IV's primary consideration in selecting fixed-income securities for the Sidus IV Credit Fund is the</p>
--	--

	<p>expected total return from both income and capital appreciation. Sidus IV employs an investment strategy predicated on the belief that fixed income securities can provide investment returns that are competitive with returns from equities.</p> <p>Sidus IV's investment approach will be based on bottom-up, fundamental analysis for both long and short investments. Sidus IV will focus on three areas for evaluating fixed income securities that include: (i) competing liabilities in the capital structure, (ii) asset coverage, and (iii) cash-flow analysis. Sidus IV's investments in debt obligations of public companies will include convertible, high yield and corporate bonds. The combination of fundamental analysis and the relative yield obtainable among these asset classes will determine bond selection. The ratings within these three asset classes will range from non-rated and/or sub-investment grade through investment grade.</p> <p>Sidus IV may attempt to mitigate various risk factors including interest rate, credit, currency and market risks as well as other risks through the use of a broad range of hedging strategies. There can be no assurance that any such hedging strategy will be effective and that the hedging strategies will not have a negative effect on the investment performance of Sidus IV.</p> <p>Sidus IV's trading methods and processes are proprietary and confidential. The development of a trading strategy is a continuous process and the trading strategy of Sidus IV may therefore be modified from time to time. Further, Sidus IV may acquire other securities or financial instruments as they are developed and offered that are consistent with the above-stated investment program.</p> <p><b><u>General</u></b></p> <p><b>Each of the Advisory Clients has broad and flexible investment authority. The Advisory Clients may have other strategies or engage in other activities than those described herein. It is critical that Investors refer to the relevant Fund's offering memorandum (or applicable advisory agreement) for a complete understanding of that Advisory Client's investment objective and strategy. The information contained in this Item 8 is a summary only and is qualified in its entirety by the relevant Advisory Client's offering</b></p>
--	--

	<p><b>documents.</b></p> <p><b>An investment in the Advisory Clients may be deemed speculative and is not intended as a complete investment program. The Advisory Clients are designed only for experienced and sophisticated persons who are able to bear the risk of substantial impairment or total loss of their investment in the Advisory Clients.</b></p>
Item 8.B	<p><i>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.</i></p> <p><b><u>Sidus Investment Management LLC</u></b></p> <p><i>Volatility of Financial Markets; Risks of Certain Investment Strategies</i></p> <p>During the last several years, the financial markets have evidenced a high level of volatility. Continued volatility could disrupt the investment strategy of the advisory clients, decrease the value of the advisory clients' portfolios and adversely impact its profitability. If Sidus Management's evaluation of an investment opportunity should prove incorrect, the advisory clients could experience losses as a result of a decline in the market value of securities in which the advisory clients hold a long position, or an increase in the value of securities in which the advisory client holds a short position. The risk management techniques that may be utilized by Sidus Management will not provide any assurance that the advisory clients will not be exposed to a risk of significant investment losses. The advisory client's investment programs have, and may in the future, utilize such investment techniques as margin transactions, short sales, leverage, and options on securities and futures (subject to applicable regulatory requirements) which practices can, in certain circumstances, increase the adverse impact to which the advisory clients may be subject. The timing of such adverse impacts cannot be predicted and may result in substantial volatility in the performance of the advisory clients.</p> <p><i>Diversification Risk</i></p>



While Sidus Management seeks to diversify the assets of its advisory clients, there is a risk that the portfolios will inadvertently have excess concentration and therefore excess exposure to a particular issuer, security, industry sector, or geographic region. In addition, the advisory clients have, and may in the future, hold substantial positions in a relatively small number of investments. Limitations as to strategy, amount of capital or analytical resources can lead to significant concentration among portfolio securities. Concentration of investments in a limited number of issuers or securities, industries or industry groups, or countries or regions can increase investment risk and portfolio volatility. As a result of this lack of diversification, a significant loss in any one position may have a material adverse effect on the advisory client's performance.

*Risk of Utilizing Hedging Strategies*

Sidus Management has, and may in the future, engage in a variety of hedging transactions. Hedges can be more difficult to implement than many other types of transactions and the possibilities for errors may be greater than for other transactions. There is a risk that price movements on the instrument used to create the hedge may not correspond to price movements in the security against which the manager is using the instruments to hedge because of fundamental differences between the two instruments and the factors that affect price movements.

*Leverage (applicable to Sidus Management and Sidus IV)*

The Advisory Clients will, in the sole discretion of Sidus, leverage their investment positions by borrowing funds from securities broker dealers, banks or others to the maximum extent permitted under Regulation T. Such leverage increases both the possibilities for profit and the risk of loss. Borrowings will typically be secured by the Advisory Client's securities and other assets. Under certain circumstances, a lender may demand an increase in the collateral that secures the Advisory Client's obligations, and if the Advisory Clients are unable to provide additional collateral, the lender could liquidate assets held by the lender to satisfy the Advisory Client's obligations. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the Advisory Client's

	<p>borrowings and the interest rates on those borrowings, which will fluctuate, may have an effect on the Advisory Client's profitability.</p> <p><b><u>Sidus IV Capital Management LLC</u></b></p> <p><i>Credit Risk</i></p> <p>Lower-rated securities tend to offer higher yields than higher-rated securities with the same maturities because the creditworthiness of the issuers of lower-rated securities may not be as strong as that of other issuers. Because investors generally perceive that there are greater risks associated with the lower-rated securities, the yields and prices of these securities tend to fluctuate more than higher-rated securities with changes in the perceived quality of the credit of their issuers. In addition, the market value of high-yield, high-risk securities may fluctuate more than the market value of higher-rated securities since these securities tend to reflect short-term credit development to a greater extent than higher-rated securities.</p> <p>Lower-rated securities generally involve greater credit risks and in turn loss of income and principal than higher-rated securities. Issuers of lower-rated securities may possess fewer creditworthiness characteristics than issuers of higher-rated securities, and, especially in the case of issuers whose obligations or credit standing have recently been downgraded, may be subject to claims by debt holders, which if sustained, would make it more difficult for the issuers to meet their payment obligations. High-yield, high-risk securities are also affected by variables such as interest rates, inflation rates and real growth in the economy. Downgrades result when rating agencies lower their rating on a bond. Rating downgrades can be accompanied by bond price declines. Therefore, investors should consider carefully the relative risks associated with investment in securities that carry lower ratings.</p> <p><i>Interest Rate &amp; Market Risks</i></p> <p>There have been wide fluctuations in interest rates and thus in the value of debt obligations generally. Certain securities may be subject to greater market fluctuations and risk of loss of income and principal than are investments in investment grade higher-rated securities, and their value may decline because of increases in interest rates, in part</p>
--	--

	<p>because the increases in rates generally decrease values and a decrease in the value of assets generally that may adversely affect the credit of issuers of high-yield, high-risk securities resulting in a higher incidence of defaults among high-yield, high-risk securities. A slowdown in the economy, or a development adversely affecting an issuer's creditworthiness, may result in the issuer being unable to maintain earnings or sell assets at the rate and at the prices, respectively, that are required to produce sufficient cash flow to meet its interest and principal requirements. Sidus IV cannot predict future economic policies or their consequences, or, therefore, the course or extent of any similar market fluctuations in the future.</p> <p><i>Default Risk</i></p> <p>The value of the Sidus IV Credit Fund's portfolio reflects the value of its portfolio securities, including the value (if any) of securities in default. Should the issuer of any security default in the payment of principal or interest, the fund may incur additional expenses seeking payment on the defaulted security. Because amounts (if any) recovered by the fund in payment under the defaulted security may not be reflected in the value of the fund's portfolio until actually received by the fund, and depending upon when an Investor withdraws from the fund, it is possible that an Investor would bear a portion of the cost of recovery without receiving any portion of the payment recovered.</p> <p>High-yield, high-risk securities are generally subordinated obligations. The payment of principal (and premium, if any), interest and sinking fund requirements with respect to subordinated obligations of an issuer is subordinated in right of payment to the payment of senior obligations of the issuer. Senior obligations generally include most, if not all, significant debt obligations of an issuer, whether existing at the time of issuance of subordinated debt or created thereafter. Upon any distribution of the assets of an issuer with subordinated obligations upon dissolution, total or partial liquidation or reorganization of or similar proceeding relating to the issuer, the holders of senior indebtedness may be entitled to receive payment, in full or in part, before holders of subordinated indebtedness will be entitled to receive any payment. Moreover, generally no payment with respect to subordinated indebtedness may be made while there exists a default with respect to any senior indebtedness. Thus, in the event of insolvency, holders of senior indebtedness of an issuer generally will</p>
--	--

	<p>recover more, ratably, than holders of subordinated indebtedness of that issuer.</p> <p>Please refer to the relevant offering documents or advisory contracts of the Advisory Clients for a detailed description of the material risks related to an investment in the Advisory Clients.</p>
Item 8.C	<p><i>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.</i></p> <p><b><u>Sidus Investment Management LLC</u></b></p> <p><i>Volatility of Securities of High Technology Companies</i></p> <p>In the recent past, the securities of many technology-related companies traded at unprecedented multiples and exhibited extreme volatility. Because of these multiples, any news concerning the future earnings or prospects of a technology company may have a dramatic and immediate impact on the price of the security. If such trends continue, Sidus Management's strategy will be subject to this volatility, and even a small miscalculation relating to an investment in a security could have a material adverse effect on the advisory clients. More recently, technology companies suffered a major decline in value and since then, the prices of many technology companies have lagged the increase in price enjoyed by companies in other sectors.</p> <p><i>Small and Medium Capitalization Companies</i></p> <p>The Sidus Management advisory clients have the ability to invest a large portion of its assets in the stocks of companies with small-to medium-sized market capitalizations. While Sidus Management believes such companies often provide significant potential for appreciation, those stocks, particularly small-capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of small capitalization and even medium-capitalization stocks are often more volatile than prices of large capitalization stocks and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than for larger, "blue-chip" companies. In addition, due to thin trading in some small capitalization stocks, an investment in those</p>

	<p>stocks may be illiquid.</p> <p><i>Short Sales</i></p> <p>A short sale involves the sale of a security that is not owned in the expectation of purchasing the same security (or a security exchangeable therefor) at a later date at a lower price. To make delivery to the buyer, one must borrow the security, and is obligated to return the security to the lender, which is accomplished by a later purchase of the security by the short seller. When an advisory client makes a short sale in the United States, it must leave the proceeds thereof with the broker and it must also deposit with the broker an amount of cash or U.S. Government or other securities sufficient under current margin regulations to collateralize the obligation to replace the borrowed securities that have been sold. If short sales are effected on a foreign exchange, such transactions will be governed by local law. A short sale involves the risk of a theoretically unlimited increase in the market price of the security and the possibility of incurring a substantial loss in covering the short sale. In addition, short sellers are subject to the risk of a “short squeeze.” A short squeeze is a situation in which the short seller is prematurely forced out of a short position. The lender of a security used to cover a short generally has the right to demand the return of the stock that has been loaned at any time. In such event, the advisory client would be required to replace the borrowed securities with a loan of securities from another lender. It is generally more difficult to find securities that can be borrowed in the case of small cap and mid-cap issuers. If the advisory client was unable to replace the borrowed securities, it would be required to close out the short sale by buying the security in the market in order to make delivery. In such event, the advisory client could incur a significant loss if the security sold short has increased in value. In addition, the advisory client could also be forced to prematurely close out a short sale as a result of an increase in margin requirements, coupled with an inability to provide the required additional margin on short notice.</p> <p><i>Use of Options</i></p> <p>The advisory clients have, and may in the future, purchase and sell call options. The seller (writer) of a call option which is covered (e.g., the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price</p>
--	--

of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing his entire investment in the call option. If the buyer of the call sells short the underlying security, the loss on the call will be offset in whole or in part by any gain on the short sale of the underlying security (if the market price of the underlying security declines).

#### *Private Placements*

The advisory clients have, and may in the future, invest in securities issued in a private placement. These securities will generally have restrictions on resale and, even in the absence of such restrictions, may not be marketable. The ability of an advisory client to profit from its investments in private placements will be highly dependent upon the ability of such entities to progress in their development to the point where they can effect a public offering or become an attractive merger or acquisition candidate. Numerous factors may impede or prevent a company from reaching this point, including inadequate capital, untested management, unfavorable competitive developments, problems with proprietary technology and lack of market acceptance of products.

#### **Sidus IV Credit Opportunity Fund LP**

#### *Convertible Securities Risks*

Sidus IV intends to acquire convertible securities as part of its investment strategy. Convertible securities generally offer lower interest or dividend yields than non-convertible fixed-income securities of similar credit quality because of the potential for capital appreciation. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. Also, a convertible security's market value reflects the market price of the issuing company's common stock. The conversion price is a pre-determined price at which the convertible security, if exchanged for common stock at that price, would equal par.

	<p>As the market price of the common stock trades above or below this conversion price, so too will the value of the convertible security be affected. As the stock price declines, the value of the convertible will be increasingly influenced by its yield rather than by the price of the stock. Thus, it may not decline in price to the same extent as the stock. Generally, convertible securities have less potential for gain or loss than common stocks.</p> <p>In the event of a liquidation of the issuing company, holders of convertible securities would be paid before that company's common stockholders. Consequently, an issuer's convertible securities generally entail less risk than its common stock. However, convertible securities may rank below other debt obligations of the same issuer in order of priority in the event of liquidation and are typically rated lower or unrated than those other debt obligations. In addition, convertible securities are subject to the same risk of default as other corporate bonds or fixed-income securities that may be acquired by Sidus IV Credit Fund.</p> <p><i>Risks associated with High-Yield Securities</i></p> <p>Sidus IV intends to acquire high-yield securities as part of its investment strategy. High-yield bonds, also known as junk bonds, are subject to significant risks that every investor in the Sidus IV Credit Fund should understand. These bonds are rated at less than a BBB- by Standard &amp; Poor's or Baa3 by Moody's, or not rated at all. High-yield bonds, as opposed to investment grade bonds are subject to greater credit risks and risk that the value of the bonds will decline. These bonds are usually issued by highly leveraged companies, companies in their early growth stages, or established companies whose operations or industries are depressed. The market for high-yield securities is very specialized and investors in it have been predominantly financial institutions.</p> <p>Trading of high-yield securities takes place primarily in over-the-counter markets that consist of groups of dealer firms that are typically major securities firms. Because the high-yield security market is a dealer market, rather than an auction market, no single obtainable price for a given security prevails at any given time. Prices are determined by negotiation between parties. The existence of a liquid trading market for the securities may depend on whether dealers will</p>
--	---

	<p>make a market in the securities. There can be no assurance that a market will be made for any of the securities, that any market for the securities will be maintained or of the liquidity of the securities in any markets made. Not all dealers maintain markets in all high-yield securities.</p> <p><i>Derivatives Risk</i></p> <p>Derivatives are securities that derive their value from another reference security or index and can contain embedded leverage. They can be used to reduce risks to a portfolio such as interest rate risk or equity market risk or to reduce specific investment risks. Derivatives can also be used for investment purposes to gain exposure to a particular company or industry sector. The use of derivatives may not achieve their desired risk reducing or investment purpose. Derivatives can be more sensitive to changes in interest rates and market fluctuations than other securities that the Sidus IV Credit Fund invests in. Finally, investments in derivatives by the fund can result in total losses upon expiration and decrease the performance of the fund more so than if derivatives were not used.</p> <p>Please refer to the relevant offering documents or advisory contracts of the Advisory Clients for a detailed description of the material risks related to an investment in the Advisory Clients.</p>
--	---

## 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.*

Item 9.A	<p><i>A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a management person</i></p> <ol style="list-style-type: none"> <li><i>1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related 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;</i></li> <li><i>2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;</i></li> <li><i>3. was found to have been involved in a violation of an investment-related statute or regulation; or</i></li> <li><i>4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.</i></li> </ol> <p><i>Not applicable to Sidus.</i></p>
Item 9.B	<p><i>An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which your firm or a management person</i></p> <ol style="list-style-type: none"> <li><i>1. was found to have caused an investment-related business to lose its authorization to do business; or</i></li> <li><i>2. was found to have been involved in a violation of an</i></li> </ol>

	<p><i>investment-related statute or regulation and was the subject of an order by the agency or authority</i></p> <p><i>(a) denying, suspending, or revoking the authorization of your firm or a management person to act in an investment-related business;</i></p> <p><i>(b) barring or suspending your firm's or a management person's association with an investment-related business;</i></p> <p><i>(c) otherwise significantly limiting your firm's or a management person's investment-related activities; or</i></p> <p><i>(d) imposing a civil money penalty of more than \$2,500 on your firm or a management person.</i></p> <p>Not applicable to Sidus.</p>
Item 9.C	<p><i>A self-regulatory organization (SRO) proceeding in which your firm or a management person</i></p> <p><i>1. was found to have caused an investment-related business to lose its authorization to do business; or</i></p> <p><i>2. was found to have been involved 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 investment-related activities; or (iii) fined more than \$2,500.</i></p> <p>Not applicable to Sidus.</p>

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

Item 10.A	<p><i>If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.</i></p> <p>Not applicable to Sidus.</p>
Item 10.B	<p><i>If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant,</i></p>

	<p><i>commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.</i></p> <p>Not applicable to Sidus.</p>
Item 10.C	<p><i>Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.</i></p> <ol style="list-style-type: none"> <li><i>1. broker-dealer, municipal securities dealer, or government securities dealer or broker</i></li> <li><i>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)</i></li> <li><i>3. other investment adviser or financial planner</i></li> <li><i>4. futures commission merchant, commodity pool operator, or commodity trading advisor</i></li> <li><i>5. banking or thrift institution</i></li> <li><i>6. accountant or accounting firm</i></li> <li><i>7. lawyer or law firm</i></li> <li><i>8. insurance company or agency</i></li> <li><i>9. pension consultant</i></li> <li><i>10. real estate broker or dealer</i></li> <li><i>11. sponsor or syndicator of limited partnerships</i></li> </ol> <p><b><u>Affiliated General Partner</u></b></p> <p>As described in Item 4.A, above, the General Partners serve as the general partner of certain Funds and has absolute business and legal authority for such entities. Sidus, the General Partner and its members, employees, affiliates or their related persons have, and may in the</p>

	future, also invest directly in any one, some or all of the Funds. It should be noted that investments made by such parties generally are not subject to the Management Fee or Incentive Allocation described in Item 5 above.
Item 10.D	<p><i>If you recommend or select other investment advisers for your clients 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.</i></p> <p>Not applicable to Sidus.</p>

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

Item 11.A	<p><i>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 client or prospective client upon request.</i></p> <p>Sidus’ Code of Ethics (the “<b>Code</b>”) is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (“<b>Advisers Act</b>”). The Code applies to Sidus’ access persons (which term includes all employees of Sidus) (the “<b>Access Persons</b>”) and sets forth a standard of business conduct that takes into account Sidus’ status as a fiduciary and requires Access Persons to place the interests of Advisory Clients and Investors above their own interests. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of Sidus’ Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code on at least an annual basis.</p> <p>As required by Rule 204A-1 of the Advisers Act, and as further discussed in Item 11.C below, the Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must pre-clear all transactions in initial public offerings and private securities. Access Persons must also</p>
-----------	---

	<p>provide the Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Rule 204A-1.</p> <p>Further, Sidus' Code of Ethics ensures the protection of nonpublic information about the activities of the Funds. Investors or prospective Investors may obtain a copy of Sidus' Code of Ethics by contacting the Chief Compliance Officer, Mark Schalles at (212) 751-6644 or email at mschalles@sidusfunds.com.</p>
Item 11.B	<p><i>If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</i></p> <p><i>Examples: (1) You or a related person, as principal, buys securities from (or sells securities to) your clients; (2) you or a related person acts as general partner in a partnership in which you solicit client investments; or (3) you or a related person acts as an investment adviser to an investment company that you recommend to clients.</i></p> <p>As described above, Sidus serves as the investment manager of the Advisory Clients and its affiliate serves as the general partners of the applicable Funds. Sidus and the General Partners recommend interests in the Funds to prospective Investors. As noted in Item 5 above, Sidus does not charge a Management Fee or Incentive Allocation to Investors that are members, employees or affiliates of Sidus or the General Partners.</p> <p>The fact that the Sidus, the General Partners and certain of the Access Persons have financial ownership interests in the Funds creates a potential conflict in that it could cause Sidus to make different investment decisions than if such parties did not have such financial ownership interests.</p> <p>Sidus addresses these potential conflicts through regular monitoring of the Advisory Clients' portfolios for consistency with such clients' objectives, strategies, and target capacity. Further, Sidus carefully</p>

	<p>considers the risks involved in any investments and provides extensive disclosure to Investors regarding the potential risks that come with an investment in the Advisory Clients. The Code requires Access Persons to place the interests of Advisory Clients and Investors over their own or those of Sidus, and all Access Persons are required to acknowledge their receipt and understanding of the Code. In addition, as noted in Item 11.A. and 11.C, Access Persons are subject to certain personal securities transaction pre-clearance and holding requirements to ensure all Access Persons place the interests of the Advisory Clients above their own.</p>
Item 11.C	<p><i>If you or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a related person recommends to clients, 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.</i></p> <p>As noted above, Sidus' Access Persons and related entities have investments in the Funds.</p> <p>Subject to certain pre-clearance requirements, Access Persons of Sidus are permitted to make certain securities transactions in their personal accounts. This presents potential conflicts in that an employee could make improper use of information regarding an Advisory Client's holdings, future transactions or research paid for by the Advisory Clients. For example, an Access Person could take for himself or herself an investment opportunity available to an Advisory Client.</p> <p>Sidus manages the potential conflicts of interest inherent in Access Person personal trading by rigorous enforcement of its Code, which contains certain pre-clearance and reporting guidelines for Access Persons. Specifically, Sidus' Code of Ethics requires related persons of Sidus to obtain prior written approval from the Chief Compliance Officer before engaging in certain transactions in their personal accounts. The Chief Compliance Officer may only approve the transaction if he concludes that the transaction would comply with the provisions of the Code of Ethics and is not likely to have any adverse economic impact on the Advisory Clients. Sidus will also maintain a "Restricted List" which typically includes any securities owned by Advisory Clients and the names of issuers of securities about which Sidus (or its Access Persons) have learned material non-public</p>

	<p>information. Any security appearing on these lists will not be approved for personal trading.</p> <p>The Chief Compliance Officer reviews each Access Person's personal transaction reports to make sure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code.</p>
Item 11.D	<p><i>If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.</i></p> <p>Please refer to Items 11.A, 11.B, and 11.C.</p>

## Item 12 – Brokerage Practices

Item 12.A.1	<p><i>Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).</i></p> <ol style="list-style-type: none"> <li><i>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 ("<b>soft dollar benefits</b>"), disclose your practices and discuss the conflicts of interest they create.</i> <ol style="list-style-type: none"> <li><i>a. Explain that when you use client 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.</i></li> <li><i>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 clients' interest in receiving most favorable execution.</i></li> <li><i>c. If you may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers</i></li> </ol> </li> </ol>
-------------	--

	<p><i>in return for soft dollar benefits (known as paying-up), disclose this fact.</i></p> <p><i>d. Disclose whether you use soft dollar benefits to service all of your clients' accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.</i></p> <p><i>e. Describe the types of products and services you or any of your related persons acquired with client brokerage commissions (or markups or markdowns) within your last fiscal year.</i></p> <p><i>f. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits you received.</i></p> <p>Sidus recognizes its duty to obtain "best execution" for its Advisory Clients. In selecting the broker-dealers to execute securities transactions, Sidus will select brokers on the basis of best execution and in consideration of factors such as:</p> <ul style="list-style-type: none"> <li>• the quality and estimated value of research provided;</li> <li>• execution and settlement capability;</li> <li>• knowledge of the market for the particular security;</li> <li>• ability to handle large volume transactions;</li> <li>• commission rates; and</li> <li>• willingness of broker-dealer to risk its own capital responsiveness.</li> </ul> <p>Accordingly, the commission rates (or dealer markups and markdowns arising in connection with riskless principal transactions) charged to the Advisory Clients by brokers in the foregoing circumstances may be higher than those charged by other brokers who may not offer such services.</p> <p>Further, Sidus has and may again, if it deems it to be in the best interest of the Advisory Clients, utilize "soft dollar" arrangements with certain brokers. Sidus receives non-monetary compensation ("soft dollars") from brokers utilized by the Advisory Clients, which may include: written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing services; discussions with legal and research personnel; and hardware, software, data bases and</p>
--	---



	<p>other news, technical and telecommunications services and equipment utilized in the investment management process. Section 28(e) of the Securities Exchange Act of 1934, as amended, provides a “safe harbor” to investment advisors who use commission dollars of their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the manager in the performance of investment decision-making responsibilities.</p> <p>It should be noted that as of the date of this ADV, Sidus Investment Management LLC has entered into a “soft dollar” arrangement with a broker that executes trades for certain Advisory Clients’ accounts. Under this “soft dollar” arrangement, the broker provides certain products and services (or arranges for and pays third parties to provide such products or services) based upon the volume of commissions generated by the Advisory Client’s trading activities. Such products and services fall within the safe harbor provided by Section 28(e). Sidus Investment Management LLC has made a good faith determination that the client commissions paid in connection with this soft dollar relationship are reasonable in light of the value of the services received. Lastly, such soft dollar benefits will service only the client accounts of Sidus Investment Management LLC.</p> <p>Sidus will periodically review the execution performance of broker-dealers executing its clients’ transactions to make a good faith determination that the value of research and brokerage services received is reasonable in relation to the amount of commissions paid.</p>
Item 12.A.2	<p><u><i>Brokerage for Client Referrals.</i></u> <i>If you consider, in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.</i></p> <ol style="list-style-type: none"> <li><i>a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving client referrals, rather than on your clients’ interest in receiving most favorable execution.</i></li> <li><i>b. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for client referrals.</i></li> </ol> <p>Sidus has, and may in the future, place transactions with a broker or dealer that (i) provide Sidus with the opportunity to participate in</p>

	<p>capital introduction events sponsored by the broker-dealer or (ii) refers Investors to the Funds. Sidus recognizes that it may have an incentive to favor broker-dealers that provide capital introduction services to Sidus or refer Investors. Sidus receives asset-based fees and accordingly would receive a financial benefit from the increase in assets under management that result from capital introduction services and Investor referrals. Similarly, Sidus receives performance-based compensation and accordingly could receive a larger performance-based fee in any given profit period as a result of an increase in assets under management that results from capital introduction services and Investor referrals. The potential for higher fees presents a potential conflict in that Sidus has an incentive to favor broker-dealers that provide services that have a direct impact on fees even if those broker-dealers rate unfavorably in other categories that are part of Sidus' best execution analysis. Sidus addresses this potential conflict through its thorough best execution review process (as described above), which requires that key Sidus individuals look at a broker-dealer's performance in a wide variety of categories. Such reviews allow Sidus to determine when broker-dealers that outperform in capital introduction and Investor referrals underperform in other areas. In such situations, Sidus may provide heightened scrutiny to a relationship with a broker-dealer.</p> <p>As noted above, Sidus' investment team and trader will periodically discuss and evaluate the services provided by brokers in relation to the commissions that the Advisory Clients pay such brokers.</p>
Item 12.A.3	<p><u><i>Directed Brokerage.</i></u></p> <p><i>a. If you routinely <u>recommend</u>, <u>request</u> or <u>require</u> that a client direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their clients to direct 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 client transactions, and that this practice may cost clients more money.</i></p> <p><i>b. If you <u>permit</u> a client to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most</i></p>

	<p><i>favorable execution of client transactions. Explain that directing brokerage may cost clients more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.</i></p> <p>Not applicable to Sidus.</p>
Item 12.B	<p><i>Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.</i></p> <p>Consistent with the overriding principle to treat all Advisory Clients fairly and equitably, Sidus has, and may in the future, aggregate sale and purchase orders of securities held by an Advisory Client with similar orders being made simultaneously for other Advisory Clients. In managing the Advisory Clients' portfolios, Sidus will generally aggregate trades, subject to best execution. Aggregation, or "bunching," describes a procedure whereby an investment adviser combines the orders of two or more clients into a single order for the purpose of obtaining better prices and lower execution costs. Consistent with each Advisory Client's investment advisory agreement, Sidus has, and may in the future, batch orders for more than one Advisory Client to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges.</p> <p>In addition, to the extent Sidus encounters investment opportunities that are appropriate for more than one Advisory Client or when an aggregated order is only partially filled, Sidus will allocate the investment opportunity or a partially filled order on a fair and equitable basis.</p> <p>Pro rata allocation is used when a batch order seeks only liquid, actively traded securities and cannot be fully executed in a single day. While Sidus will always try to allocate pro rata in the first instance, Sidus has, and may in the future, invest in limited availability or thinly traded securities in which it may be unable to acquire substantial positions. Because block orders for such securities are rarely completed in a single trade, and to avoid allocating tiny blocks of such</p>

	<p>securities, which may increase settlement and transaction costs, Sidus generally uses account rotation as the method of allocation to fill the total amount for an Advisory Client before proceeding to the next Advisory Client.</p> <p>Generally, Sidus may also consider the following when allocating trades: (1) cash flow changes (including available cash, redemptions, exchanges, capital additions and capital withdrawals) may provide a basis to deviate from a pre-established allocation as long as it does not result in an unfair advantage to specific Advisory Client or types of Advisory Client over time; (2) Advisory Client with specialized investment objectives or restrictions emphasizing investment in a specific category or type of securities may be given priority over other Advisory Client in allocating such securities; (3) Advisory Client may have specific position size or liquidity limits which would affect allocations; (4) “long-only” Advisory Clients are prevented from employing leverage, also affecting allocation; and (5) for bond trades, street convention and good delivery may dictate the minimum size and par amounts.</p> <p>The Chief Compliance Officer (or his designee) will document any non-pro rata allocations and periodically review the allocation policy to ensure allocations were made in a fair and equitable manner.</p>
--	---

### Item 13 – Review of Accounts

Item 13.A	<p><i>Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.</i></p> <p>The Advisory Client’s portfolios are under continuous review and their performance is analyzed on a daily basis. It is the responsibility of the Chief Compliance Officer and all of Sidus’ investment personnel to take affirmative steps to ensure that all trades in an Advisory Client’s account are in compliance with the laws and regulations governing each type of Fund account, and with all individual client's investment objectives and guidelines.</p> <p>Further, Mark Schalles, in his capacity as Chief Compliance Officer, periodically reviews the firm’s trading and current practices to ensure</p>
-----------	---

	consistency with applicable law and regulations.
Item 13.B	<p><i>If you review client accounts on other than a periodic basis, describe the factors that trigger a review.</i></p> <p>Please see Item 13.A. The accounts are under continuous review.</p>
Item 13.C	<p><i>Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.</i></p> <p>Generally, Investors in the Sidus Management Funds and separately managed account will receive written, unaudited quarterly performance reports and Investors in the Sidus IV Credit Fund will receive unaudited monthly net asset value data. All Investors will receive annual audited financial statements. In addition, Sidus will generally make unaudited daily performance data available to Investors on a weekly basis.</p>

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

Item 14.A	<p><i>If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, 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.</i></p> <p>Not applicable to Sidus.</p>
Item 14.B	<p><i>If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.</i></p> <p>Investment Adviser (IA) currently utilizes the services of a third-party marketer to solicit investors on behalf of the Sidus Funds. In exchange for a referral, the agreements allow for the third-party marketer to be paid a fee, on a contingent basis, for any fees which IA may earn and receive in connection with any referral. As applicable, all such compensation will be fully disclosed to each Investor or Advisory Client consistent with applicable law. All such referral activities will be</p>

	conducted in accordance with SEC Rule 206(4)-3 under the Advisers Act, as well as relevant SEC guidance.
--	--

## 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.*

Sidus and the General Partner are deemed to have custody of the Funds’ assets by virtue of their respective status as investment manager or general partner. Sidus and the General Partner maintain the assets of the Funds in accounts with “qualified custodians” pursuant to Rule 206(4)-2 under the Advisers Act. The qualified custodians presently utilized by Sidus as prime brokers and custodians for the Funds are:

Jefferies LLC  
520 Madison Avenue 2nd Floor  
New York, NY 10022

Cantor Fitzgerald  
110 East 59th Street  
New York, NY 10022

CF Secured LLC  
110 East 59<sup>th</sup> Street  
New York New York 10022

To ensure compliance with Rule 206(4)-2 under the Advisers Act, Sidus reasonably believes that all Investors in the Funds will be provided with audited financial statements, prepared by an independent accounting firm that is registered with and subject to review by the Public Company Accounting Oversight Board, in accordance with U.S. Generally Accepted Accounting Principles, within 120 day of each Fund’s fiscal year. The audited financial statements are sent by Sidus or the Funds’ third party administrator. Investors should carefully review the audited financial statements of the Funds upon receipt.

Sidus is of the view that it does not have custody of the client funds and securities in the sub-advised fund.

## 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).*

Sidus has discretionary authority to manage the Advisory Clients. Sidus is authorized to make purchase and sale decisions for the Advisory Clients.

As explained in Item 4.C above, the Advisory Clients do not have the ability to impose limitations on Sidus' discretionary authority. Investors in the Funds are provided with an offering memorandum prior to their investment and are encouraged to carefully review the offering memorandum, along with all supplements and other relevant offering documents, and to be sure that the proposed investment is consistent with their investment goals and tolerance for risk. Investors in Sidus Partners, the Double Alpha Onshore Fund and the Sidus IV Credit Fund must also execute a limited partnership agreement and all Investors must execute a subscription agreement, each of which constitutes a legal, valid and binding obligation of the Investor, enforceable in accordance with its terms.

## Item 17 – Voting Client Securities

Item 17.A	<p><i>If you have, or will accept, authority to vote client 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 clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.</i></p> <p>Sidus understands and appreciates the importance of proxy voting. To the extent that Sidus has discretion to vote the proxies on behalf of the Advisory Clients, Sidus will vote any such proxies in the best interests of the Advisory Clients and Investors (as applicable) and in accordance with set compliance procedures.</p> <p>All proxies sent to Advisory Clients will be provided to the Chief Compliance Officer. Prior to voting any proxies, the Chief Compliance Officer will first determine which of the Advisory Clients hold the security to which the proxy relates. The Chief Compliance Officer (or</p>
-----------	--

	<p>his designee) will then provide the relevant portfolio manager, officer or management personnel with: (i) a copy of the proxy; (ii) a list of the Advisory Clients to which the proxy is relevant; (iii) the amount of votes controlled by each Advisory Client; and (iv) the deadline that such proxies need to be completed and returned to the private investment fund in question. The relevant portfolio manager, officer or management personnel will make a determination as to whether there is a conflict of interest related to the proxy in question. If no material conflict is identified pursuant to these procedures, the relevant portfolio manager, officer or management personnel will make a decision on how to vote the proxy. In the absence of specific voting guidelines mandated by a particular Investor, Sidus will endeavor to vote proxies in the best interests of each Advisory Client. If a conflict is identified and deemed “material” the Proxy Voting Committee will determine whether voting the proxy is in the best interests of affected Advisory Clients (which may include utilizing an independent third party to vote such proxies).</p> <p>Generally, the Chief Compliance Officer is responsible for ensuring that the proxy is voted on and submitted in a timely manner. Sidus keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions and each client request for proxy voting records and Sidus’ response for the previous five years.</p> <p>If you have any questions about Sidus’ proxy policy, its proxy record-keeping procedures or if you would like any detailed information about how proxies are actually voted, please call Mark Schalles at (212) 751-6644 or email at <a href="mailto:mschalles@sidusfunds.com">mschalles@sidusfunds.com</a></p>
Item 17.B	<p><i>If you do not have authority to vote client securities, disclose this fact. Explain whether clients 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) clients can contact you with questions about a particular solicitation.</i></p> <p>Not applicable to Sidus.</p>



## Item 18 – Financial Information

Item 18.A	<p><i>If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.</i></p> <ol style="list-style-type: none"><li><i>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.</i></li><li><i>2. Show parenthetically the market or fair value of securities included at cost.</i></li><li><i>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.</i></li></ol> <p>Not applicable to Sidus.</p>
Item 18.B	<p><i>If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.</i></p> <p>Sidus is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.</p>
Item 18.C	<p><i>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.</i></p> <p>Not applicable to Sidus.</p>