

PART 2A OF FORM ADV:

FIRM BROCHURE

STEAMBOAT CAPITAL PARTNERS, LLC

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This brochure provides information about the qualifications and business practices of Steamboat Capital Partners, LLC. If you have any questions about the contents of this brochure, please contact us at (212) 986-1703. 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 Steamboat Capital Partners, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. Being a "registered investment adviser" or describing ourselves as being "registered" does not imply a certain level of skill or training. This brochure is not an offering or solicitation of interests in funds managed by Steamboat Capital Partners, LLC or its affiliates.

Material Changes

There are no material changes from prior brochures.

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Advisory Business

Steamboat Capital Partners, LLC (which we sometimes refer to as “Steamboat”) is a Delaware limited liability company formed in 2012. Our principal owner is Steamboat Capital Partners Trust, a trust formed for estate planning purposes by Parsa Kiai, our managing member and portfolio manager. In this document, the words “we” and “our” refer to Steamboat.

We employ a fundamental, value-oriented investment strategy with a principal focus on listed equity and debt securities we believe are mispriced relative to their intrinsic values. We invest opportunistically across sectors and market capitalizations. The investment objective is to achieve superior, long-term compounded annual returns on capital while minimizing the risk of permanent loss.

We believe concentrating on our best ideas leads to the best outcomes and therefore may take relatively concentrated positions. Selling securities short is a significant part of our investment strategy.

We provide investment advice to (i) Steamboat Capital Partners Master Fund, LP (the “Master Fund”); (ii) Steamboat Capital Partners Fund, LP and Steamboat Capital Partners Offshore Fund, Ltd. (which invest through the Master Fund); (iii) Steamboat Capital Partners II, LP (a fund for certain non-qualified purchasers, which to the extent legally possible generally invests *pari passu* with the Master Fund); (iv) three separately managed accounts for private investment funds using strategies similar to that of the Master Fund and (v) two separately managed accounts for private investment funds using strategies similar to that of the Master Fund, but subject to certain additional risk constraints.

We refer to Steamboat Capital Partners Fund, LP and Steamboat Capital Partners Offshore Fund, Ltd. as the “Feeder Funds” and Steamboat Capital Partners Master Fund, LP as the “Master Fund”. We refer to Steamboat Capital Partners II, LP as the 3(c)(1) Fund. The Feeder Funds, the 3(c)(1) Fund and the Master Fund are referred to collectively as the “Fund”. The other accounts we manage are referred to as the “SMA”. We generally do not tailor our advisory services to the individual needs of clients, but certain of the SMA have negotiated restrictions on investing in certain types of securities.

As of February 28, 2021, our assets under management (calculated in accord with the method for computing regulatory assets under management) were approximately \$510 million on a discretionary basis on behalf of 9 clients.

Fees and Compensation

We will receive a quarterly management fee calculated at an annual rate of (i) 2.0% (0.50% per quarter) of each investor’s investments in the Funds attributable to Series A Interests or Shares, and (ii) 1.50% (0.375% per quarter) of each investor’s investments in the Funds attributable to Series B Interests or Shares (the “Management Fee”). The Management Fee will be calculated and paid quarterly in advance, as of the beginning of the calendar quarter. We or an affiliated entity serving as general partner of a Fund, may elect to reduce, otherwise modify or waive the Management Fee with respect to any investor and have done so in certain cases. If investments are made at any time other than at the beginning of a calendar quarter, a *pro rata* portion of the Management Fee will be paid to in respect of such investment (based on the actual number of days remaining in such partial quarter). If a withdrawal is made at any time other than at the end of a calendar quarter, a *pro rata* portion of the Management Fee (based on the actual number of days remaining in such partial quarter) will be refunded to the investor for such partial quarter.

An affiliate of ours (Steamboat Capital Partners GP, LLC, which we refer to as the “General Partner”), which serves as the general partner of Steamboat Capital Partners Fund, LP, the 3(c)(1) Fund, and Steamboat Capital Partners Master Fund, LP, receives an allocation, generally on an annual basis as of the end of each fiscal year, equal to 20% of the net income allocated to each investor in the Funds (the “Incentive Allocation”). An Incentive Allocation is also made as to amounts withdrawn, as of the effective time of the withdrawal or upon termination of the Fund.

Incentive Allocations are subject to a “high water mark” provision. That is, the General Partner will be eligible to receive an Incentive Allocation only to the extent net income allocated to an investor exceeds any net losses allocated to it that have not been recovered (subject to adjustment for partial withdrawals). The “high water mark” provision prevents our affiliate from receiving an Incentive

Allocation on net income that simply restores previous net losses. The Incentive Allocation may be reduced, modified or waived with respect to any investor and we have done this in certain cases.

Management and performance fees for the separately managed accounts have been individually negotiated and certain investors in Funds have also negotiated fees.

Each Fund bears its own expenses (and the Feeder Funds bear a proportionate share of the expenses of the Master Fund), including, but not limited to, investment related expenses such as the Fund's brokerage commissions, research expenses and interest on margin accounts and other indebtedness, custodial fees, bank service fees, withholding and transfer fees, fund registration expenses and taxes, systems and technology expenses, corporate licensing fees, legal and auditing expenses, accounting and fund administration, outsourced risk management advisory and software, investment related consultants and travel costs that are research related, expenses incurred with respect to the preparation, duplication and distribution to investors and prospective investors of Fund offering documents, annual reports and other financial information, advisory committee expenses, insurance (including Directors and Officers liability), indemnification and litigation expenses, and any other services or service provider expenses deemed necessary by the General Partner or us on behalf of the Fund. Expenses generally will be shared by all of the investors of the Fund, pro rata in accordance with their investments.

Expenses borne by the managed accounts are individually negotiated but in all cases include brokerage commissions, interest on margin accounts and other indebtedness, custodial fees and bank service fees.

Brokerage expenses are discussed further under the section of this brochure entitled "Brokerage Practices".

We do not deduct fees from the SMA, the owners of which (or their agents) normally calculate fees and remit them to us, though we will bill them if requested; in one case, we calculate the fees, though the owner's other service providers do so as well. The dates as of which fees are to be paid vary with the type of fee and the particulars of the investment management agreement pursuant to which the SMA is managed, but are generally monthly, quarterly or annually.

Performance-Based Fees and Side-by-Side Management

The Incentive Allocation (and performance based fees paid by the separately managed accounts) may create an incentive for us to make investments that are riskier or more speculative than would be the case in the absence of such performance based fees. In addition, such fees provide an incentive to make different decisions regarding the timing and manner of the realization of such investments than would be the case in the absence of such performance based fees. To the extent that performance based fees for some accounts are lower than performance based fees for other accounts, we have an incentive to allocate investments we believe to be profitable to those accounts which are subject to higher performance based fees.

We have adopted and implemented written compliance policies and procedures that are designed to address the above conflicts of interest. Further, as a fiduciary, Steamboat recognizes our duties to act in good faith and with fairness in all of our dealings with our clients.

Types of Clients

We provide investment advisory services to private investment funds including the Funds. We are currently accepting new clients though we reserve the right to cease to do so in the future and the Funds remain open to investment on the terms and subject to the conditions outlined in the offering memoranda of the Funds.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies.

Our primary investment methodology is a value-oriented investment program using fundamental research to identify and exploit temporary mispricing of listed equity and debt securities. We believe that capital markets can be significantly mispriced at times in certain circumstances, but are generally efficient in the long term. We look to exploit the temporary mispricing that occurs due to technical, institutional, information, liquidity or other factors.

We seek to invest in “intrinsic value” securities priced at a material discount to their conservatively appraised business value (and short securities price materially above their appraised value). We will also target “event-driven” situations involving certain corporate events (such as an acquisition, liquidation, reorganization, litigation, spin-off or other situation).

In the absence of attractive investment opportunities described above our strategy may hold a substantial proportion of cash or cash equivalents.

We believe that a flexible mandate is an essential part of a successful investment program and, therefore, there will be no limitation on the market capitalizations, industries or sectors or countries of organization or domicile of portfolio companies. Additionally, while we expect to invest a majority of assets in equity and debt securities that are publicly traded in developed markets, we may also invest and trade in any other securities, derivatives or investments, but we will not invest more than 50% of assets in corporate debt securities.

Net market exposure may vary significantly depending on our assessment of shifting economic and market conditions as well as particular long and short investing opportunities. The amount of time we hold an

Investment Process

We source potential investment opportunities from both ad-hoc and systematic methods. Ad-hoc methods include relationships with select market participants, conversations with management teams and other industry members and reading of various financial publications and other materials. Systematic approaches include regular screens for corporate activities including insider transactions, new high and low lists and corporate transactions, along with other algorithmic screening techniques.

The evaluation process involves a detailed assessment of corporate financial statements and accounting practices, the business model, industry conditions, management capability and other factors. In addition, we may also have discussions with suppliers, competitors, customers and other primary sources as part of the research process, where necessary.

The execution phase of the investment process involves our determining the capital commitment for each investment (with consideration given primarily to risk of loss but also to liquidity and other parameters) and regularly assessing the evolution of the investment.

Concentration. We believe while diversification may reduce investment risk, it may also dilute investment return and accordingly we may have a relatively concentrated investment portfolio.

Short Selling. Short selling will be employed where we believe the security sold short is materially overvalued relative to its intrinsic value and likely to decline in price, and may also be employed in hedging situations, where the position is intended to wholly or partially offset another position in a related security.

Hedging. Where we believe that it is both prudent and cost-effective to do so, we may seek to hedge certain market and macroeconomic risks on a portfolio-wide basis and/or risks related to certain individual positions. However, some or all market and other risks will be unhedged.

Leverage. We may utilize leverage (i.e. hold positions which on a net or gross basis exceed the capital in or allocated to an account) through traditional margin or loan arrangements, or through derivatives or other synthetic methods. Leverage may also be employed “synthetically,” through derivative instruments such as (without limitation) options, swaps and forwards. There is no fixed limitation on the Funds’ use or extent of leverage, other than applicable regulatory requirements and except to the extent negotiated the SMA are similarly subject to no fixed limits. The use of leverage can increase both the proportionate amount of potential gain, as well as of potential loss. If, however, the value of the portfolio declines, the securities (or cash) serving as collateral for such margin position may be liquidated, resulting in a loss proportionately greater than would be the case absent such use of leverage.

Holding Periods. In view of our investment strategy, the typical holding periods for positions may vary substantially, with holding periods for core “intrinsic value” positions ranging from months to possibly years and “event-driven” positions being held for as little as days. The primary focus will be the potential returns and relative risks of the investment and not on the holding period, which may introduce increased trading and transaction costs and tax inefficiencies.

Restricted Securities. We may invest in so-called “restricted securities” (securities as to which the public resale is currently restricted under the Securities Act of 1933, as amended (the “Securities Act”), and which are not immediately convertible into freely tradable securities). We intend to purchase restricted securities where pricing and growth characteristics justify the limited liquidity and which provide the means of achieving eventual marketability, such as registration rights under the Securities Act or the right to convert into marketable securities. In addition to purchasing such securities, we may receive them in connection with exchange offers for other securities.

Initial Public Offerings. A portion of client portfolios may include stocks purchased in initial public offerings (“IPO’s”), in situations when such companies satisfy our investment methodology.

Foreign Issuers. We may invest in the securities of foreign issuers traded overseas or in the United States. Trading in securities of foreign issuers often involves additional risks.

There can be no assurance that we will achieve profitable results for our clients.

Risk of Loss.

Investing involves risks of loss which our clients should be prepared to bear. Some particular risks of our investment strategy are set out below. This is not a complete list of risks of our investment strategy nor a complete list of risks investors in the Funds are subject to. Investors and potential investors in the Funds are encouraged to read the Offering Memorandum of the relevant Fund, especially the section entitled “Risk Factors”.

Equity Risks. We will invest in equity and, sometimes, equity derivative securities. The value of these securities generally will vary with the performance of the issuer and movements in the equity markets. As a result, clients may suffer losses if we invest in equity securities of issuers whose performance diverges from our expectations or if equity markets generally move in a single direction and we have not hedged against such a general move.

Risks Associated with Investments in Stressed or Distressed Debt Securities. We may invest in “below investment grade” debt securities of issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems. In addition to the risk resulting from investing in the securities of issuers whose performance diverges from our expectation, investments in stressed or distressed debt securities may expose our client to interest rate risk, the possibility of delay or default in payment, the possibility that payment may be made in other securities which may be illiquid or subordinated, and legal risks associated with bankruptcy or similar proceedings. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial difficulties is high.

Use of Leverage and Financing. The use of leverage exposes our clients to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had borrowing not been used to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the cost of borrowing. In the event of a sudden, precipitous drop in value of client assets, we might not be able to liquidate assets quickly enough to repay borrowings, further magnifying client losses.

Hedging Transactions. We usually don’t attempt to hedge portfolio positions, except with respect to currency risk if we invest in a position denominated in a foreign currency. If we do attempt to hedge portfolio positions, such hedging transactions may fail to reduce such risk and, whether or not successful in reducing the risk that we are seeking to hedge, may result in a poorer overall performance than if we had not engaged in any such hedging transactions.

Short Selling. Short selling involves selling securities which are not owned and borrowing them for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. This risks losses on investments where the investment fails to earn a return that equals or exceeds the cost of borrowing. The cost of borrowing may be significant and we trade more actively on the short side, which also increases costs.

In addition, a short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit.

Further, there can be no assurance that clients will be able to maintain the ability to borrow securities sold short. In such cases, clients can be “bought in” (i.e., forced to repurchase securities in the open market to return to the lender), which may force premature liquidations of investment positions. There also can be no assurance that the securities necessary to cover a short position are available for purchase at or near prices quoted in the market. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Concentrated Portfolio; Limited Diversification. We intend to run a relatively concentrated portfolio. As a result clients may be exposed to more risk from market movements of particular industries or sectors as well as changes in the market price or value of individual issues, than would be the case if our strategy was more diversified.

Non-U.S. Securities. Investments in securities of non-U.S. issuers pose a range of potential risks which could include expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, political or social instability, illiquidity, price volatility and market manipulation. In addition, less information may be available regarding securities of non-U.S. issuers. There may be less government supervision and regulation of exchanges, brokers and issuers than there is in the United States. We our or clients might have greater difficulty taking appropriate legal action in non-U.S. courts. Non-U.S. markets also have different clearance and settlement procedures which in some markets have at times failed to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect the Fund’s performance. Custodians may appoint sub-custodians in certain non-U.S. jurisdictions to hold the assets of clients and, in such circumstances, many of the protections that would normally be provided by a custodian in the United States may not be available exposing clients to the credit risk of that custodian. Finally, securities of non-U.S. issuers may be denominated in a foreign currency, which exposes clients to the risk of currency fluctuation (if not successfully hedged).

Illiquid Investments. We may invest in securities and other assets, which are subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such investments tend to be volatile and may not be readily ascertainable. We may not be able to sell illiquid assets when we desire to do so, we may only be able to sell such assets at a discount to what we perceive to be their fair value and we may incur higher transaction costs in disposing of such assets. All of these risks could result in losses to our clients.

Counterparty Risk. When we trade in over the counter markets or enter into certain derivative transactions, such as swaps, clients are exposed to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not in good faith) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss.

In the case of over the counter derivative transactions, clients generally have to put up collateral which can also be exposed to the credit risk of the counterparty to the transaction.

An inability to establish or maintain counterparty relationships could limit client trading activities or create losses. Counterparty defaults could involve delays or costs which could cause losses or could cause losses directly. Furthermore, there is a risk that counterparties could become insolvent and/or the subject of insolvency proceedings. In such case, the recovery of client securities or other assets from such counterparty or the payment of claims therefor may be significantly delayed and clients may recover substantially less than the full value of the securities or assets entrusted to such counterparty.

Systemic Risk. Systemic risk is the risk of broad financial system stress or collapse triggered by the default of, or other unanticipated actions by, one or more financial institutions, which results in a series of defaults by other interdependent financial institutions. Financial intermediaries, such as clearing houses, banks, securities firms and exchanges with which a client may interact, are all subject to systemic risk. A systemic failure could have material adverse consequences on clients and on the markets for the securities in which we seek to invest.

Business, Terrorism and Catastrophe Risks. Clients may be subject to the risk of loss arising from exposure that it may incur, indirectly, due to the occurrence of various events, including, without limitation, hurricanes, earthquakes, and other natural disasters, pandemics, terrorism and other catastrophic events. These risks of loss can be substantial and could have a material adverse effect on clients and their investments.

Exposure to Material Non-Public Information. From time to time, we or our affiliates may receive material non-public information, with respect to an issuer of publicly traded securities. In such circumstances, we may be prohibited, by law, policy or contract for a period of time from (i) unwinding a position in such issuer, (ii) establishing an initial position or taking any greater position in such issuer and (iii) pursuing other investment opportunities related to such issuer.

Dependence Upon Individual Judgment and Skill. Our selection of investments involves, to a considerable degree, subjective factors and judgment. Accordingly, the success of our investment strategy is dependent to a large extent on the investment skill and judgment of our personnel, especially our Managing Member, Parsa Kiai. There can be no assurance that we will successfully identify investments that fulfill our investment objective or that such investments will not cause our clients to experience losses.

Dependence on the Investment Manager and Certain Personnel. The success of our investment strategy is dependent on our ability to effectively implement it. If we were to suffer significant client withdrawals, our ability to retain employees or implement our investment strategy could be impaired. The loss of the services key personnel could have a material adverse effect on our ability to implement our investment strategy and on client portfolios.

Increased Regulatory Oversight. Increased regulation and regulatory oversight of private investment funds and investment advisers may impose administrative burdens on us, including, without limitation, responding to examinations and other regulatory inquiries and implementing policies and procedures. Such administrative burdens divert our time, attention and resources from portfolio management activities.

Errors and Misconduct of Employees and of Third-Party Service Providers. In recent years, there have been a number of highly publicized cases involving fraud, conflicts of interest or other misconduct by individuals in the financial services industry, and there is a risk that one of our employees or contractors could engage in misconduct that adversely affects the investment strategies we implement. It is not always possible to deter such misconduct, and the precautions we take to detect and prevent such misconduct may not be effective in all cases. Such misconduct, or even unsubstantiated allegations of such misconduct, could result in both direct financial harm to us or our clients. Errors are inherent in the business and operations of any business and it may not be possible to prevent them; such errors could also impede the implementation of our investment strategy or result in losses to clients.

Cybersecurity Risk. With the increased dependence on computer systems to perform business and operational functions, portfolios and their service providers may be prone to operational and information security risks resulting from cyber-attacks and/or technological malfunctions. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks include, among others, stealing or corrupting data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, and causing operational disruption. Successful cyber-attacks against, or security breakdowns of, our systems or the systems of a service provider or counterparty may affect our ability to implement our investment strategy. Such attacks against a portfolio company could result in client losses. For instance, cyber-attacks may interfere with the processing of transactions, cause the release of confidential information, impede trading, cause reputational damage, and subject us to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and additional compliance costs. Cyber-attacks may render records of assets and transactions, and other data integral to the functioning of our investment strategy inaccessible or inaccurate or incomplete. Similar types of cyber security risks also are present for issuers of securities in which we invest, which could result in material adverse consequences for such issuers, and may cause client investments in such securities to lose value.

Systems and Operational Risks. We rely heavily and on a daily basis on financial, accounting and other data processing systems to execute, clear and settle transactions across numerous and diverse markets and to evaluate certain securities and to monitor investments. Certain of our activities will be dependent upon systems operated by third parties, including prime brokers, market counterparties and other service providers, and we are not in a position to verify the risks or reliability of such third-party systems. Failures in the systems employed by us, prime brokers, counterparties, exchanges and similar clearance and settlement facilities and other parties could result in mistakes made in the confirmation or settlement of transactions, or in transactions not being properly booked, evaluated or accounted for or other disruptions in operations, all or any of which could cause clients to suffer financial loss.

Volatility Risk. Our investment strategy may involve the purchase and sale of relatively volatile securities and/or investments in volatile markets. This can negatively impact the value of client investments and the ability to take certain investment positions.

Disciplinary Information.

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Other Financial Industry Activities and Affiliations.

We are affiliated with the General Partner, which is the General Partner of Steamboat Capital Partners Fund, LP, the 3(c)(1) Fund and the Master Fund. We serve as investment manager for the Funds which are hedge funds. We are exempt from registration as a commodity trading advisor and commodity pool operator.

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

We have adopted a written Code of Ethics which is applicable to all Steamboat principals and employees. The Code of Ethics highlights the fiduciary duties we owe to clients and requires that all employees comply with applicable provisions of the federal securities laws. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Our Code of Ethics prohibits personal trading (by supervised persons and certain relatives living with them) in securities issued by corporate entities (other than broad-based ETFs and mutual funds) and derivatives on such securities. While we may also buy or sell for our clients broad-based ETFs at a time similar to that when our supervised persons do so, which could give rise to a conflict of interest, we generally would do so only for hedging purposes in highly liquid instruments, which we believe mitigates any potential conflict. With the consent of the managing partner and chief compliance officer of the firm, an exception to this policy may be granted where we do not believe there is any reasonable prospect it will harm any client and where there is no reasonable prospect that the transaction will cause the firm to act in a way contrary to the interests of its clients. We may also restrict trading in any permitted instrument if we believe doing so is in the best interests of clients. Our Code of Ethics also requires supervised persons to provide us with certain securities holdings and periodic transaction reports, as required by Advisers Act Rule 204A-1. Violations of the Code of Ethics must be reported to the Chief Compliance Officer.

Brokerage Practices.

In placing securities transactions with brokers, we seek to obtain best execution, which requires us to take into account the circumstances of each specific transaction. In selecting a broker for each specific transaction, we will use our best judgment to choose the broker most capable of providing "best execution". Brokers are selected on the basis of our evaluation of the overall value and quality of the services provided by the broker. No one factor controls our decision. We consider both quantitative and qualitative factors when seeking best execution including the value of research provided, commission rate and execution capability (including settlement ability).

In seeking the best price and execution quality, we consider not only the compensation paid, but also the price at which the transaction is executed, bearing in mind that it may be in our clients' best interest to pay higher compensation in order to receive better execution.

Provided that the broker provides best execution and subject to the foregoing we are not prohibited from selecting a broker that has other business relationships with us or our affiliates, such as, prime brokerage arrangements, access to research services and referrals to prospective investors.

Soft Dollar Benefits

We receive certain research related products and services free of charge from brokers. This includes research reports (proprietary or third party), conversations with research analysts and attendance at conferences. We benefit from such products and services to the extent that if we obtained such products or services (or replacement products or services) in other ways, we would have to pay the portion of the cost not attributable to clients who are responsible for such costs under their agreements with us. If we produced such research ourselves (assuming we were able to do so) we would have to bear the costs of doing so. Accordingly, we would have an incentive to select or recommend a broker based on our interest in such research product or service rather than the interest of our clients in receiving favorable execution.

We do not pay brokers extra for such products or services nor is the receipt of such services contingent upon our providing an agreed upon amount of commissions to such brokers. However, in some cases, we may choose to use a broker which charges a higher commission due to the provision by such broker of research services if we determine such commissions or prices are reasonable in relation to the overall services provided in light of our obligation to achieve best execution and the particulars of the transaction.

We do not allocate transactions based on the willingness or ability of brokers to refer potential clients or investors to us; however, we do allocate transactions to brokers who have referred potential clients or investors to us or may do so in the future and we may have an incentive to recommend a broker based on investor referrals rather than just best execution.

We do not permit clients to direct brokerage.

Aggregation of Transactions

We generally aggregate trades of our clients when consistent with the clients' investment objectives and restrictions. If an aggregated order is not completely filled, shares purchased or sold will generally be allocated pro rata based on assets under management by clients participating in the aggregated transaction.

Review of Accounts

Accounts are reviewed on a regular basis by our managing member and portfolio manager and by our COO/CFO/CCO. These reviews are designed to analyze positions and investment levels and ensure the integrity of our transaction allocation process.

Investors in the Funds are furnished with written annual reports containing financial statements audited by the Funds' independent auditors, quarterly letters and monthly investor statements. In addition, all clients are provided with the Master Fund's monthly ending gross and net exposure level, broken down by different categories.

Client Referrals and Other Compensation.

We utilize a broker-dealer to refer potential investors in the Funds to us. In the past, another broker-dealer referred a client to us. Such broker-dealers are compensated with a portion of the fees such clients would otherwise pay to us. In addition, an affiliate of an acceleration investor which is a registered broker-dealer markets the Feeder Funds and referred a client to us. This affiliate receives no direct compensation for such solicitation, but the acceleration investor is entitled to a share of revenue from assets newly invested in the Fund and SMA. The solicitation efforts of this affiliate will have the effect of increasing the amount to be received by the acceleration investor.

Custody

We and our affiliates have custody of the assets of the onshore Funds. We do not use a qualified custodian to send quarterly account statements directly to the investors in the Funds. The Funds will distribute their annual audited financial statements to their investors within 120 days of their fiscal year-end.

Investment Discretion

We and our affiliates have discretionary authority with respect to the investment decisions made by us on behalf of our clients. In the case of the Funds, the relevant Offering Memoranda contain limits on our ability to invest more than 50% of assets in debt securities. In certain cases, separately managed account clients have negotiated particular restrictions or limits on our ability to trade certain classes of securities and/or certain account level risk limits. Our authority to act on behalf of our clients is set forth in a written agreement between our clients and us (and/or the General Partner).

Voting Client Securities

We have authority to vote securities on behalf of all but two clients. It is our policy generally not to vote proxies, except in extraordinary circumstances, as we believe in general voting proxies is not in the best interest of our clients. If we do determine to vote proxies, our proxy voting policy provides that we will do so in the best interests of our clients and, if there is a conflict we may disclose such conflict to the affected clients and give them the opportunity to vote such proxies themselves.

Clients cannot generally direct how we vote in a particular situation.

Clients may obtain, free of charge, a full copy of our proxy voting policies and procedures and/or a record of proxy votes by contacting us at the following address:

STEAMBOAT CAPITAL PARTNERS, LLC
31 Old Wagon Road, Old Greenwich, CT 06870
Attn: Jeffrey M. Rose

Financial Information

We have never filed for bankruptcy and are not aware of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

Requirements for State-Registered Advisers

We are not registered with any State as an investment adviser.