

**Item 1. Cover Page**

**NISHKAMA CAPITAL LLC**

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**Part 2A of Form ADV  
(The “Brochure”)**

**May 7, 2021**

This Brochure provides information about the qualifications and business practices of Nishkama Capital LLC (the “Adviser”). Registration with the United States Securities and Exchange Commission (the “SEC”) does not imply a specific level of skill or training. If you have any questions about the contents of this Brochure, please contact Eric Salzman at 646-619-3629. This information has not been approved or verified by the SEC or by any state securities authority.

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

**Item 2. Material Changes**

The Adviser does not consider any of the information contained in this version of the Brochure to represent a material change from the information contained in its most recent previous version dated March 24, 2021. The Adviser's current and potential investors are encouraged to read this Brochure, as well as all of the governing documents applicable to their current or prospective investment, in their entirety.

### Item 3. Table of Contents

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

#### **Item 4. Advisory Business**

The Adviser is an investment advisory firm with its principal place of business in Dorado, Puerto Rico. The Adviser commenced operations as an investment adviser in February 2013. Ravee Mehta is the managing member (the “Managing Member”) and owner of the Adviser.

The Adviser provides investment advisory services to its clients, which are private pooled investment vehicles (collectively, the “Funds”) and separately managed accounts (the “Account”, and together with the Funds, the “Clients”). The Adviser generally has broad and flexible investment authority with respect to the Clients’ investment portfolios. It provides investment advisory services to the Clients based on each Client’s specific investment objective and strategy. The Adviser does not tailor its advisory services to the individual needs of investors in the Funds.

As of December 31, 2020, the Adviser had approximately \$435,266,641 in client regulatory assets under management, all of which were managed on a discretionary basis.

#### **Item 5. Fees and Compensation**

The Adviser charges the Clients an asset-based investment management fee (the “Management Fee”). The Adviser, or an affiliate of the Adviser that serves as the general partner of one of the Funds (the “General Partner”), is also eligible to receive from the Clients either an incentive fee (the “Incentive Fee”) or an incentive allocation (the “Incentive Allocation”), which is compensation based on a share of realized and unrealized appreciation of the Clients’ assets. Fund investors are subject to the Management Fee and Incentive Allocation indirectly through their investment in the Funds.

Depending on the Client, the Management Fee is generally payable either monthly or quarterly in arrears or quarterly in advance and is generally at an annual rate of 1.5%. The Management Fee will be prorated for any period that is less than a full fiscal quarter, and will be adjusted for subscriptions and withdrawals. Depending on the Client, the Adviser instructs the Client’s custodian to deduct the Management Fee from the Client’s account or bills the Client for fees incurred.

The Incentive Fee or Incentive Allocation charged to certain Clients is generally 20% of the Clients’ net profits (including any realized and unrealized gains and losses) and is subject to a loss carry-forward provision. The Incentive Allocation, if any, will be reallocated to the Adviser or its affiliate at the end of each fiscal year, or at the time of full or partial withdrawal from a Client, if other than year end. The Incentive Fee, if any, will be billed to other Clients at the end of each fiscal year or at the time of a full or partial withdrawal from a Client, if other than year end.

In addition to paying the Management Fee and allocating the Incentive Allocation or paying an Incentive Fee, certain Clients are subject to other investment expenses, including, but not limited to, investment related expenses such as the Client’s brokerage commissions (see Item 12), interest on margin accounts and other indebtedness, custodial fees, bank service fees, withholding and transfer fees, taxes, systems and technology expenses, third party research tools, corporate licensing fees, legal and auditing expenses, accounting, fund administration, outsourced risk management advisory and software, investment related consultants and travel costs that are research related, technology and computer services, Client related insurance costs and indemnification payments (including insurance for the Adviser and General Partner), costs and expenses relating to the Client’s, Adviser’s and General Partner’s regulatory compliance, including, without limitation, the costs of compliance programs, examinations, regulatory inquiries and regulatory filings (including Forms 13D, 13G and 13F, PF, and other regulatory and reporting forms relating to the Client’s trading and investing), costs of Foreign Account Tax Compliance Act (“FATCA”) and other tax-related compliance, expenses incurred with respect to the preparation, duplication and distribution to limited partners and prospective

limited partners of Client offering documents, annual reports and other financial information, any other services or service provider expenses deemed necessary by the General Partner on behalf of a Fund.

It is important that each investor who is considering an investment in a Client review the relevant private placement memorandum, limited partnership agreement, management agreement, and/or subscription agreement (individually and collectively, the “Governing Documents”) applicable to the Client for a detailed description of the fees and expenses applicable to such investment.

Depending on the Client, the Adviser or General Partner, in its sole discretion, may waive or reduce the Management Fee, Incentive Fee or the Incentive Allocation for Clients or limited partners that are principals, employees or affiliates of the General Partner or the Adviser, relatives of such persons, and for certain large or strategic investors.

#### **Item 6. Performance-Based Fees and Side-by-Side Management**

As discussed in Item 5, the Adviser or the General Partner is paid or allocated performance-based compensation by the Clients in the form of an Incentive Allocation or Incentive Fee.

Performance-based compensation may create an incentive for the Adviser to make investments on behalf of Clients that are riskier and more speculative than would otherwise be the case. It may also create an incentive for the Adviser to direct investments in favor of Clients that pay a higher performance-based fee relative to other Clients.

To mitigate these conflicts, the Adviser has implemented a trade allocation policy and has implemented controls to review investments for compliance with account guidelines and restriction and to review the performance of accounts with similar investment objectives.

#### **Item 7. Types of Clients**

As described in Item 4, the Adviser’s clients are private pooled investment vehicles suitable for accredited, institutional and other sophisticated investors, in addition to one Account. Any minimums for investors are disclosed in the Funds’ Governing Documents.

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

##### **Investment Objective and Strategy**

The investment objective of the Clients is to achieve long-term capital appreciation. The Clients will pursue this objective by investing predominantly in a portfolio of publicly traded equities and equity-related instruments.

This strategy may be deemed to be highly speculative and is not intended as a complete investment program. It is designed only for sophisticated persons who can bear the risk of the loss of their entire investment and who have a limited need for liquidity. The Adviser can give no assurance that its investment strategy will achieve its investment objective.

##### **Risk Factors**

The following summary identifies the material risks related to the Adviser’s investment strategy and should be carefully evaluated before making an investment with the Adviser. The following does not intend to identify all possible risks of an investment with the Adviser or provide a full description of the identified

risks:

General Investment and Trading Risks. The Clients' investment program may utilize investment techniques including, but not limited to option transactions, margin transactions, short sales, forwards, leverage and derivatives trading, the use of which can, in certain circumstances, maximize the adverse impact to which the Clients may be subject.

Investment in Companies Dependent upon New Technologies. The Clients plan to focus its investing in technology companies. As such, the value of the Clients' interests may be susceptible to factors affecting the information technology, software, communications, consumer and related technology industries and an investment in the Clients will be subject to greater risk than an investment in a fund that invests in a broader range of industry sectors. The specific risks faced by technology companies include: significant capital requirements; rapidly changing science and technologies; products or technologies that may quickly become obsolete; scarcity of management, technical, scientific, research and marketing personnel with appropriate training; the possibility of lawsuits related to ownership and licensing of patents and intellectual property and related infringement; and rapidly changing investor sentiments and preferences with regard to technology sector investments (which are generally perceived as risky).

Equity Investments. The Clients' equity investments may involve substantial risks and may be subject to wide and sudden fluctuations in market value, with a resulting fluctuation in the amount of profits and losses. There are no absolute restrictions in regard to the size or operating experience of the companies in which the Clients may invest (and relatively small companies may lack management depth or the ability to generate internally, or obtain externally, the funds necessary for growth and companies with new products or services could sustain significant losses if projected markets do not materialize). Equity prices are directly affected by issuer specific events, as well as general market conditions. In addition, in many countries investing in common stocks is subject to heightened regulatory and self-regulatory scrutiny as compared to investing in debt or other financial instruments.

Small- and Mid-Cap Risks. A portion of the Clients' assets may be invested in securities of small-cap and mid-cap issuers. While, in the Adviser or the General Partner's opinion, the securities of small- and mid-cap issuers may offer the potential for greater capital appreciation than investments in securities of large-cap issuers, securities of small-cap issuers may also present greater risks. For example, some small- and mid-cap issuers often have limited product lines, markets, or financial resources. They may be subject to high volatility in revenues, expenses and earnings. Their securities may be thinly traded, may be followed by fewer investment research analysts and may be subject to wider price swings and thus may create a greater chance of loss than when investing in securities of larger-cap issuers. The market prices of securities of small- and mid-cap issuers generally are more sensitive to changes in earnings expectations, to corporate developments and to market rumors than are the market prices of large-cap issuers. Transaction costs in securities of small- and mid-cap issuers may be higher than in those of large-cap issuers.

Exchange Traded Funds. The Clients may invest in exchange-traded funds ("ETFs"), which are a type of index fund bought and sold on a securities exchange. The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although lack of liquidity in an ETF could result in it being more volatile and ETFs have management fees that increase their costs. ETFs are also subject to other risks, including: (i) the risk that their prices may not correlate perfectly with changes in the underlying index; and (ii) the risk of possible trading halts due to market conditions or other reasons that, in the view of the exchange upon which an ETF trades, would make trading in the ETF inadvisable. An exchange-traded sector fund may also be adversely affected by the performance of that specific sector or group of industries on which it is based.

Commodities and Derivative Investments. The prices of commodities contracts and derivative instruments, including futures and options, are highly volatile. Payments made pursuant to swap agreements may also be highly volatile. Price movements of commodities, futures and options contracts and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The value of futures, options and swap agreements also depends upon the price of the commodities underlying them.

A Client may buy or sell (write) both call options and put options, and when they write options, it may do so on a “covered” or an “uncovered” basis. A call option is “covered” when the writer owns securities of the same class and amount as those to which the call option applies. A put option is covered when the writer has an open short position in securities of the relevant class and amount. A Client’s option transactions may be part of a hedging strategy (i.e., offsetting the risk involved in another securities position) or a form of leverage, in which a Client has the right to benefit from price movements in a large number of securities with a small commitment of capital. These activities involve risks that can be substantial, depending on the circumstances.

In general, without taking into account other positions or transactions a Client may enter into, the principal risks involved in options trading can be described as follows: When a Client buys an option, a decrease (or inadequate increase) in the price of the underlying security in the case of a call, or an increase (or inadequate decrease) in the price of the underlying security in the case of a put, could result in a total loss of their investment in the option (including commissions). A Client could mitigate those losses by selling short, or buying puts on, the securities for which it holds call options, or by taking a long position (e.g., by buying the securities or buying calls on them) in securities underlying put options. When a Client sells (writes) an option, the risk can be substantially greater than when it buys an option. The seller of an uncovered call option bears the risk of an increase in the market price of the underlying security above the exercise price. The risk is theoretically unlimited unless the option is “covered.” If it is covered, a Client would forego the opportunity for profit on the underlying security should the market price of the security rise above the exercise price. If the price of the underlying security were to drop below the exercise price, the premium received on the option (after transaction costs) would provide profit that would reduce or offset any loss a Client might suffer as a result of owning the security. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the creditworthiness of the swap counterparty, market risk, liquidity risk and operations risk.

Net Cash. A Client may hold a significant portion of its portfolio in cash and cash equivalents. This may result in a Client’s investment results underperforming market indices, or a portfolio which is 100% invested without any net cash holdings.

Highly Volatile Markets. The prices of financial instruments in which a Client may invest can be highly volatile. Price movements of forward and other derivative contracts in which a Client’s assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Clients are subject to the risk of failure of any of the exchanges on which their positions trade or of its clearinghouses.

High Risk Investments. While investments in companies in certain industries offer the opportunity for significant capital gains, such investments involve a high degree of business, financial, technological and regulatory risk, which can result in substantial losses. Moreover, a Client’s portfolio may include investments particularly subject to increased risk because they are in companies at an early stage of development, which have been or may go into bankruptcy, acquired as leverage buyouts subject to interest

rate fluctuations, or engaged in highly competitive industries dominated by companies with substantially greater resources. As a result, a Client may experience substantial volatility and potential for loss. The Adviser believes that its investment program and research techniques moderate this risk through a careful selection of securities and other financial instruments. However, no guarantee or representation is made that the program will be successful.

Hedging Transactions. The Adviser is not required to attempt to hedge portfolio positions in a Client and, for various reasons, may determine not to do so. Furthermore, the Adviser may not anticipate a particular risk so as to hedge against it. The Clients may utilize financial instruments, both for investment purposes and for risk management purposes in order to: (i) protect against possible changes in the market value of the Client's investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect a Client's unrealized gains in the value of the Client's investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in a Client's portfolio; (v) hedge the interest rate or currency exchange rate on any of a Client's liabilities or assets; (vi) protect against any increase in the price of any securities a Client anticipates purchasing at a later date; or (vii) for any other reason that the Adviser deems appropriate. The success of a Client's hedging strategy is subject to the Adviser's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of a Client's hedging strategy is also subject to the Adviser's ability to continually recalculate, readjust, and execute hedges in an efficient and timely manner. While a Client may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for a Client than if it had not engaged in any such hedging transactions. For a variety of reasons, the Adviser may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent a Client from achieving the intended hedge or expose a Client to risk of loss. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of a Client's portfolio holdings.

Brokerage Commissions/Transaction Costs. During some periods, the Client's activities may involve a high level of trading, and the turnover of its portfolio may generate substantial transaction costs. These costs will be borne by the Client regardless of its profitability.

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. Short selling allows the investor to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. The extent to which the Clients engage in short sales depends upon the Adviser's investment strategy and opportunities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost to the Clients of buying those securities to cover the short position. There can be no assurance that the Clients will be able to maintain the ability to borrow securities sold short. In such cases, the Clients can be "bought in" (i.e., forced to repurchase securities in the open market to return to the lender). 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.

Limited Diversification. The Governing Documents may not limit the amount of a Client's capital that may be committed to any single investment, industry or sector. At any given time, it is therefore possible that the Adviser may select investments that are concentrated in a limited number or types of investments. This limited diversity could expose a Client to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in those investments.



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, and non-U.S. issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of U.S. issuers. Transaction costs of investing in non-U.S. securities markets are generally higher than in the U.S. There is generally less government supervision and regulation of exchanges, brokers and issuers than there is in the United States. An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. A Client 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 a Client's performance.

Emerging Markets. In addition to the risks associated with investments outside of the United States, investments in emerging markets (i.e., the developing countries) may involve additional risks. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighboring exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices. Furthermore, the quality and reliability of official data published by the government or securities exchanges in emerging markets may not accurately reflect the actual circumstances being reported. The issuers of some of non-U.S. securities, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and therefore potentially carry greater risk. Custodial expenses for a portfolio of emerging markets securities generally are higher than for a portfolio of securities of issuers based in developed countries. Many of the laws that govern private and foreign investments, securities transactions, creditors' rights and other contractual relationships in non-U.S. countries, particularly in developing countries, are new and largely untested. As a result, the Clients may be subject to a number of unusual risks, including inadequate investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets, and lack of enforcement of existing regulations. Regulatory controls and corporate governance of companies in developing countries may confer little protection for investors. Anti-fraud and anti-insider trading legislation is often rudimentary. The concept of fiduciary duty is also limited when compared to such concepts in developed country markets. In certain instances, management may take significant actions without the consent of investors. There can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the Clients and their operations. Furthermore, it may be difficult to obtain and enforce a judgment in certain non-U.S. countries in which assets of the Clients are invested.

Currency. A Client may invest a portion of its assets in instruments denominated in currencies other than the U.S. dollar, the price of which is determined with reference to currencies other than the U.S. dollar. Client accounts will, however, be valued in U.S. dollars. To the extent unhedged, the value of the assets will fluctuate with U.S. dollar exchange rates as well as the price changes of investments in the various local markets and currencies. Thus, an increase in the value of the U.S. dollar compared to the other currencies will reduce, all other economic factors being constant, the effect of increases and magnify the effect of decreases in the prices of the account's securities in their local markets. Conversely, a decrease in the value of the U.S. dollar will have the opposite effect on non-U.S. dollar securities. To the extent

permitted, the Adviser also may, but does not expect to regularly do so, utilize options and forward contracts to hedge against currency fluctuations, but there can be no assurance that such hedging transactions will be effective.

**Illiquid Investments.** A Client 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, and a Client may not be able to sell them when it desires to do so or to realize what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid securities often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities eligible for trading on national securities exchanges or in the over-the-counter markets. A Client may not be able to readily dispose of such illiquid investments and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale.

**Stock Index Futures.** Using stock index futures for hedging involves several risks. Price movement in the stock index and price movements in the securities that are the subject of the hedge do not always correlate. Positions in futures contracts may be closed out only on the exchange on which they were entered into or through a linked exchange, and there is no secondary market for those contracts. In addition, there may be no active market for the contracts at any particular time. Some exchanges do not permit trading in particular contracts at prices that fluctuate more than a set limit in any day. If prices fluctuate during a single day beyond those limits, the Clients may not be able to liquidate unfavorable positions promptly and may lose money.

**Counterparty Risk.** Some of the markets in which a Client may effect its transactions are “over-the-counter” or “interdealer” markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange-based” markets. This exposes a Client 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 bona fide) or because of a credit or liquidity problem, thus causing a Client to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where a Client has concentrated its transactions with a single or small group of counterparties. A Client is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, a Client has no internal credit function that evaluates the creditworthiness of their counterparties. The ability of a Client to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by a Client.

**No Control over Portfolio Issuers.** The Clients may acquire substantial positions in the securities of particular companies. Nevertheless, the Clients are unlikely to be represented on the board of directors or share any control over the management of any such company. The success of each investment depends on the ability and success of the management of that company, in addition to economic and market factors.

## **Item 9. Disciplinary Information**

The Adviser has no legal or disciplinary events to disclose.

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

Neither the Adviser nor its Managing Member are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, Futures Commission Merchant (FCM),

Commodity Pool Operator (CPO), or Commodity Trading Advisor (CTA).

The Adviser and/or its Managing Member does not have a financial industry relationship or arrangement with a related person as set forth in the instructions that is material to its advisory business or to its clients.

The Adviser does not recommend or select other investment advisers for its clients.

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

The Adviser has adopted a Code of Ethics (the “Code”) that obligates the Adviser and its related persons to put the interests of the Clients before their own interests and to act honestly and fairly in all respects in their dealings with the Clients. All of the Adviser’s personnel are also required to comply with applicable federal securities laws. For additional information about the Code or to request a copy, please contact Eric Salzman at 646-619-3629. See below for further provisions of the Code as they relate to the pre-clearing and reporting of securities transactions by related persons.

The Adviser, in the course of its investment management and other activities, may come into possession of confidential or material nonpublic information about issuers of securities, including issuers in which the Adviser or its related persons have invested or seek to invest on behalf of a Client. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, including the Clients. The Adviser maintains written policies and procedures reasonably designed to prohibit the communication of such information to persons who do not have a legitimate need to know such information and to otherwise ensure that the Adviser is acting in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security. The Adviser and its personnel are prohibited from communicating such information with respect to the Clients or using such information for the Clients’ benefit.

To the extent that the Adviser or its related persons invest in the same securities that the Adviser or a related person recommends to the Clients, such practices present a conflict where, the Adviser or its related person is in a position to trade in a manner that could adversely affect the Clients. In addition to affecting the Adviser’s or its related person’s objectivity, these practices by the Adviser or its related persons may also harm the Clients by adversely affecting the price at which the Clients’ trades are executed. The Adviser has adopted the following procedures in an effort to minimize such conflicts: the Adviser requires its related persons to pre-clear certain transactions in their personal accounts with the Adviser’s chief compliance officer (the “Chief Compliance Officer”) or his delegate, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on the Clients. In addition, the Code prohibits the Adviser or its related persons from executing personal securities transactions of any kind in any securities on a restricted securities list maintained by the Chief Compliance Officer or his delegate. All related persons to the Adviser are also required to provide a quarterly certification of such transactions. Trading in employee accounts will be reviewed by the Chief Compliance Officer or his delegate and compared with transactions for the Clients’ accounts and reviewed against the restricted securities list.

To the extent the Adviser buys or sells securities for a Client, at or about the same time that the Adviser or a related person buys or sells the same securities for its own account the Adviser and the related person, if applicable, will do so in accordance with the procedures described above in order to minimize the conflicts stemming from situations where the contemporaneous trading would result in an economic benefit for the Adviser or its related person to the detriment of the client.

## **Item 12. Brokerage Practices**

The Adviser considers a number of factors in selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation. Such factors include net price, reputation, financial strength and stability, efficiency of execution and error resolution. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Adviser's practice to negotiate "execution only" commission rates, thus the Clients may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate.

The Adviser may receive research or brokerage services from a broker-dealer and/or a third party in connection with Clients' securities transactions. This is known as a "soft dollar" relationship. The Adviser limits the use of "soft dollars" to obtain services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934. Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from brokers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, and services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an investment manager and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

## **Item 13. Review of Accounts**

The Managing Member regularly reviews and monitor the Clients' portfolios to determine whether positions should be maintained in view of current market conditions. The Adviser's review may consider specific securities held, adherence to investment guidelines and the Clients' performance.

Investors receive written reports from the relevant Fund as described in the Funds' Governing Documents.

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

This Item does not apply, as the Adviser receives no economic benefit from non-Clients in connection with Client transactions, and does not compensate any person for Client referrals.

## **Item 15. Custody**

An affiliate of the Adviser is deemed to have custody of certain Funds' assets due to serving as the general partner of certain Funds and intends to comply with Rule 206(4)-2 under the Investment Advisers Act of 1940 by meeting the conditions of the pooled vehicle annual audit provision.

## **Item 16. Investment Discretion**

The Adviser provides investment advisory services on a discretionary basis to the Clients. Please see Item 4 and the Governing Documents for a description of any limitations the Clients may place on the Adviser's

discretionary authority.

The Adviser entered into the Governing Documents with the Clients, which sets forth the scope of the Adviser's discretion, prior to assuming full discretion in managing the Clients' assets.

The Adviser has the authority to determine (i) the securities to be purchased and sold for the Clients, subject to the relevant Client's investment restrictions, and (ii) the amount of securities to be purchased or sold for the Clients.

The General Partner and/or the Adviser may enter into agreements or "side letters," with certain prospective or existing investors whereby such investors may be subject to terms and conditions that are more advantageous than those set forth in the Governing Documents for certain of the Funds. For example, such terms and conditions may provide for special rights to make future investments in a Fund, other investment vehicles or managed accounts; special withdrawal rights relating to frequency, notice, a waiver or rebate in fees or withdrawal penalties to be paid by the investor and/or other terms; rights to receive reports from a Fund on a more frequent basis or that include information not provided to other investors (including, without limitation, more detailed information regarding portfolio positions) and such other rights as may be negotiated by the Fund and such investor. The modifications are solely at the discretion of the Fund and may, among other things, be based on the size of the investor's investment in the Fund, with an affiliated investment entity or a managed account, an agreement by an investor to maintain such investment in the Fund for a significant period of time, or other similar commitment by an investor to the Fund.

#### **Item 17. Voting Client Securities**

The Adviser complies with its proxy voting policies and procedures that are designed to ensure that in cases where the Adviser votes proxies with respect to a Client's securities, such proxies are voted in the best interests of the Client.

If a material conflict of interest between the Adviser and a Client exists, the Adviser will determine whether voting in accordance with the guidelines set forth in the proxy voting policies and procedures is in the best interests of the Clients or take some other appropriate action.

For additional information about the Adviser's proxy voting policies and procedures and information about how the Adviser voted the Clients' proxies, please contact Eric Salzman at 646-619-3629.

#### **Item 18. Financial Information**

The Adviser does not require or solicit the payment of fees six months or more in advance.

The Adviser has no financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to its clients.

The Adviser has never been the subject of a bankruptcy petition.