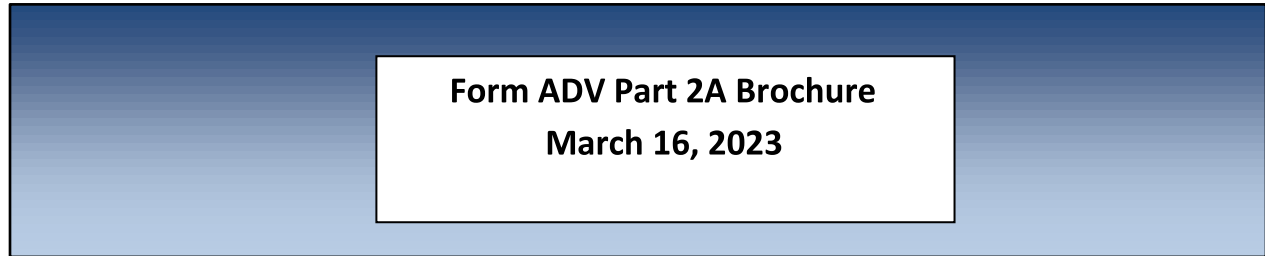


Item 1 – Cover Page



Sycalé Advisors (NY) LLC

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This Brochure provides information about the qualifications and business practices of Sycalé Advisors (NY) LLC (the “Adviser”). If you have any questions about the contents of this Brochure, please contact us at (212) 421-1941. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Additional information about the Adviser also is available on the SEC’s website at www.adviserinfo.sec.gov.

Sycalé Advisors (NY) LLC is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training.

Item 2 – Material Changes

Since the last Brochure filing on March 9, 2022, the Adviser has made various minor editing and clarification updates to the Brochure. In addition, the following material changes to the Brochure have been made:

1. Item 4 (Advisory Business): This Item has been updated to include the regulatory assets under management of the Adviser as of December 31, 2022.
2. Item 5 (Fees and Compensation): This Item has been updated to include additional information about fees and expenses that may be charged to the Funds.
3. Item 8 (Methods of Analysis, Investment Strategies and Risk of Loss): This Item has been updated to include additional information about the Funds' investment programs and risk factors.

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Item 4 – Advisory Business

The Adviser became registered as an Investment Adviser with the Securities and Exchange Commission as of August 1, 2017.

The Adviser is a New York limited liability company that began operations in 2010. The Adviser is wholly-owned and managed by Jared Friedberg. Mr. Friedberg is the sole member of the Adviser and its sole portfolio manager.

The Adviser provides investment management and advisory services to pooled investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). Affiliates of the Adviser act as General Partner to certain of the Funds (collectively, the “General Partners”, and individually, a “General Partner”). References herein to the Adviser may refer both to the Adviser and any affiliate acting as a General Partner, as the context requires.

Currently, the Adviser provides investment advisory services to the following Funds which are structured as master/feeder vehicles: Mercator Fund (Cayman Master) L.P., Mercator Fund (Cayman Intermediate) L.P., Mercator Fund (Cayman) Ltd. and the Mercator Fund (DE) L.P. (collectively, the “Mercator Funds”). The Mercator Funds generally invests in both equity and debt securities of small-, medium- and large-capitalization issuers, as well as a periodically investing in the securities of companies in bankruptcy proceeding or otherwise undergoing reorganization or liquidation.

Additionally, the Adviser provides investment advisory services to certain pooled investment vehicles offered to a very limited number of family offices and high net worth individuals for specific investment opportunities. These are: Sycale Capital III (Cayman) L.P., Sycale Capital III (DE) L.P., Sycale Capital IV (Cayman) L.P., and Sycale Capital IV (DE) L.P. (collectively, the “Sycale Funds”). The Sycale Funds are not currently accepting additional investors. The Sycale Funds are “fund-of-funds” focused on the distressed and undervalued credit space.

The Sycale Funds and the Mercator Funds are collectively herein referred to as the “Funds”.

The Adviser also provides investment advisory services to two separately managed accounts (the “SMA’s”).

The Funds and the SMA’s are herein referred to as “Clients”.

The investors in the Funds generally are family offices and other institutional investors such as endowments, foundations, insurance companies and banks, as well as high net worth individuals. The Funds are offered exclusively to accredited investors and qualified purchasers pursuant to Section 3(c)(7) of the Investment Company Act, and are therefore not required to register as investment companies under the Investment Company Act in reliance upon certain exemptions available to private investment funds whose securities are not publicly offered.

The Adviser provides investment management and advisory services to Clients on a discretionary basis. The Adviser has full discretion to manage each Client's investment portfolio. The Adviser tailors its advisory services to the specific investment objectives and restrictions of each Client pursuant to the investment guidelines and restrictions set forth in each Client's governing documents.

The Funds' investment objectives, strategies and processes are described in each Confidential Private Placement Memorandum. The Funds' Private Placement Memoranda and governing documents (collectively the "Offering Documents"), in addition to describing, among other things, the investment management relationship, the Funds' investment programs and objectives and the specific terms applicable to an investment in a Fund (including as to fees and other compensation, costs and expenses, and liquidity), contain a discussion of various risk factors and considerations, as well as certain conflicts of interest, that generally is more extensive in scope and detail than those described in this Brochure. Accordingly, this Brochure and the information set forth herein is qualified in its entirety by the disclosures and the terms in the Funds' Offering Documents.

The SMA's are subject to investment objectives, guidelines, restrictions, fee arrangement and other terms that are individually negotiated with each such investor. Accordingly, this Brochure and the information set forth herein is qualified in its entirety by the disclosures and terms in the SMA's governing documents.

As of December 31, 2022, the Adviser had approximately \$559,489,770 of regulatory assets under management, all of which are managed on a discretionary basis.

Item 5 – Fees and Compensation

Management Fees; Performance-Based Compensation

The Adviser receives management fees and incentive fees or carried interest for the provision of its investment management and advisory services.

For all Funds, the Adviser receives a management fee in the range of 0.75% - 1.25% per annum calculated as a fixed percentage of assets under management. The management fee is generally paid quarterly in advance. There are no refunds of the management fee once paid. In addition, the Adviser or the General Partner is entitled to additional compensation in the form of performance fees, either an incentive allocation or fee, or a carried interest fee, of 10% - 12.5% based on the performance achieved for a client over a specified measurement period. See Item 6 below for information with respect to performance-based fees. (Collectively, management and performance-based fees are herein referred to as "Fees".)

The management fee payable by an investor in a Fund may be adjusted for subscriptions and redemptions made during the quarter.

Fees applicable to a Fund are described in each Funds' Offering Documents. In the sole discretion of the Adviser or the General Partner, Fees may be reduced, waived or calculated differently with

respect to, or may not be charged in whole or in part to, or may be rebated to, any person or entity or any class of shares or interests, including without limitation, the Adviser, its affiliates, members of the immediate families of such persons or trusts or other entities for their benefit, including during any wind-down of a Fund's business.

SMA investors pay fees and compensation pursuant to their individually negotiated agreements with the Adviser.

Costs and Expenses

In addition to the Fees discussed above, investors in the Funds bear indirectly the fees and expenses charged to the Funds. Each Fund bears its own operating costs and expenses, including legal, accounting and audit expenses, and investment-related expenses such as brokerage commissions, research-related fees and expenses, including without limitation, travel expenses; quotation equipment and services; expenses related to risk management of Funds' portfolios; interest on margin accounts and other indebtedness, borrowing charges on securities sold short, custodial fees, bank service fees, insurance expenses; administrator fees, directors' fees and expenses; shareholder proxy voting services; the Funds' pro rata share of the expenses of any other Fund in the Funds' structure; printing and mailing expenses; expenses relating to transfers and withdrawals of interests from a Fund; costs and charges for equipment or services used in communicating information regarding a Fund's transactions between the General Partner or the Adviser and other agents; all costs and expenses incurred as a result of the reorganization, dissolution, winding-up or termination of a Fund; any sales taxes or other taxes, fees or government charges of any kind which may be assessed against a Fund; due diligence expenses; expenses incurred in connection with any distributions; expenses associated with preparation and distribution of a Fund's financial statements; fees and expenses associated with any federal or state securities law filings; and any other reasonable expenses related to the purchase, sale or transmittal of Fund assets as will be determined by the Adviser in its sole discretion. The Adviser may, in its sole discretion, choose to absorb any such expenses incurred on behalf of a Fund, which would increase the performance of the Fund on a net basis. Conversely, a determination by the Adviser to stop absorbing these expenses would negatively increase the performance of the Fund on a net basis. The General Partner is entitled to reimbursement from the Fund for any of the above expenses that it pays on the Fund's behalf.

The SMA's bear the fees that have been negotiated with each SMA investor and which are set forth in the SMA's governing documents.

The Funds and SMA's will incur brokerage and other transactions costs. See Item 12 for further information regarding brokerage arrangements.

Since the Sycale Funds are fund-of-funds, they also bear a management fee, performance fee and other fees and expenses charged to the investors of the underlying funds. A portion of the management fee and performance fee charged by the underlying funds that the Sycale Funds invest in are allocated to the Adviser or its affiliate. (See Item 10.)

The Adviser does not generally allocate expenses amongst Clients because each Client is generally billed directly for any expenses related to it. In the event an expense needs to be allocated across

multiple Client accounts, the Adviser will do so in a fair and equitable manner, which it shall determine in its sole discretion. In the event that fees/expenses are shared across multiple Client accounts, the Adviser will generally allocate expenses *pro rata* amongst Client accounts participating (or proposing to participate) in the related transaction based upon capital committed to the relevant transaction. If necessary or appropriate, or as required by the relevant Client's governing documents, the Adviser will consult the Adviser's Compliance Committee regarding the proposed allocation of expenses.

The Funds' Offering Documents detail the costs and expenses that are the responsibility of the Funds, as well as certain overhead costs and expenses that generally are the responsibility of the Adviser.

Investors may pay higher Fees to the Adviser than fees it might pay to other investment advisers for similar services.

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

As detailed in Item 5 above, the General Partner affiliate is entitled to receive performance-based compensation from the Mercator Funds in the form of an incentive allocation or fee, and from the Sycale Funds in the form of carried interest.

For the Mercator Funds, the Adviser or an affiliate is entitled to an incentive allocation of 10% - 12.5% of the net realized and unrealized appreciation of each investor's account to the extent such account exceeds its prior high account value as of the first business day immediately following the date after the last incentive allocation was paid or the date of investment if no incentive allocation has been paid. If withdrawals to an investor account are made between the time incentive allocations are made, such payment shall be pro-rated accordingly.

For the Sycale Funds, the carried interest fee will be made to the Adviser or an affiliate on all distributions after each Sycale Fund investors has received a cumulative amount equal to 100% of its capital contributions and certain fees and expenses, after which 12.5% of each distribution will be paid to the Adviser or its affiliate and 87.5% to such Sycale Fund investor.

All compensation arrangements where the Adviser or its affiliates receives performance compensation will comply with the requirements of Rule 205-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Performance-based fee arrangements may create an incentive for the Adviser to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement.

The SMA's pay a performance-based fee as specified in each SMA's governing documents.

As the Adviser manages more than one Client account and performance and/or carried interest rates differ, a potential exists for one Client to be favored over another Client. At the present time, the Mercator Funds are managed in one master-feeder structure, and the Sycale Funds are not making new investments. However, the SMA's may from time-to-time invest in the same securities or other

investment assets as the Mercator Funds. The Adviser will use its reasonable best efforts to allocate investment opportunities amongst the Mercator Funds and the SMA's in a manner deemed equitable where there is a limited supply of an investment opportunity, but the Adviser assumes no responsibility for equality among all Clients. If less than the total of aggregated orders amongst Clients is executed, purchased securities or other investments or proceeds shall generally be allocated pro rata among the participating Client accounts in proportion to their planned participation in the aggregated orders; provided that the Adviser may depart from such pro rata allocation in a manner believed to be equitable to each after taking into consideration investment strategies, existing portfolios and other relevant factors. Other relevant factors may include cash available to be invested, risk profile of the Client account, potential tax consequences, legal or regulatory restrictions, and the overall construction of each Client account at that time. At the Adviser's quarterly Compliance Committee meeting, the committee would review all such matters.

Item 7 – Types of Clients

The Adviser provides discretionary investment advice to Clients.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and are exempt from registration under the Investment Company Act. Investors in the Funds are subject to qualification standards. Investors in the Funds may include, among others, pension plans, foundations, funds of funds, family offices, trusts, other institutional investors and high net worth individuals. Each investor in a Fund shall be an accredited investor, qualified client, or qualified purchaser as required by the relevant subscription documents. The minimum initial investment in a Fund is generally \$1,000,000 which is subject to change or waiver at the discretion of the Adviser. There is no minimum account size to maintain an account.

Investors in the Mercator Funds are permitted, upon thirty (30) days' prior written notice, to make a complete or partial withdrawal of their interests as of the close of business on the last day of each fiscal quarter; provided, however, that the investor has held the portion of their interests to be withdrawn for at least twelve (12) complete, consecutive calendar months prior to such date of withdrawal. Class B shares of the Mercator Funds are available to investors who are restricted from participating in "new issues".

Certain investors in the Mercator Funds have entered into, or are subject to, "side letter" agreements with the Fund and the Adviser which contain terms granting them different liquidity rights, fee arrangements and/or access to additional information about the Fund and/or the Adviser. These terms are not generally available to other investors in the Mercator Funds. Additionally, investors who have entered into, or are subject to, such side letter agreements may be able to redeem from the Fund or otherwise act on information earlier than other investors.

Investors in the SMA's are subject to individually negotiated minimum investment and withdrawal rights, as set forth in their governing documents. The Sycale Funds are closed to new investors.

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

Methods of Analysis and Investment Strategy

Set forth below is a summary of the methods of analysis and investment strategy for the Mercator Fund, and the Sycale Funds. Additional information can be found in the Offering Documents for each Fund. SMA's have individually negotiated investment strategies, as set forth in their governing documents.

The Mercator Fund

The Mercator Fund's objective is to generate equity-like returns with less than equity risk in order to compound investors' capital over a long horizon. The Adviser employs a fundamental, deep research focus to invest in compelling risk opportunities principally through the purchase and sale of publicly-traded debt and equity securities. The Adviser will utilize internally developed sourcing practices and frameworks to select primarily "long" investments from the U.S. and other developed markets. The Adviser will invest in both equity and debt securities of small-, medium- and large-capitalization issuers, as well as periodically invest in the securities of companies in bankruptcy proceedings or otherwise undergoing reorganization or liquidation. The Adviser believes that its willingness to invest across the capital structure and geography allows the Mercator Fund the flexibility to invest in what it believes are the most attractive opportunities on a risk-adjusted basis. Additionally, the Adviser will periodically maintain a significant allocation in cash if the Adviser is not finding opportunities that meet its investment criteria or if the risk environment favors smaller sizing of positions.

The Adviser will generally focus on two areas with respect to its equity investments: growing businesses with underappreciated competitive advantages or consolidating market positions and "special situations" where intrinsic value is obscured by complexity (spin-offs, restructurings, liquidations, mergers and acquisitions) with an identifiable way to unlock value. The Adviser engages in detailed fundamental research to confirm the quality of the business or to clarify the obscured value of a "special situation." In addition, the Adviser will seek to invest in these situations when it believes it can identify a temporary value dislocation or misperception due to the behavioral or structural inefficiencies of other investors. The Adviser believes that investor biases can cause a temporary disconnect between the "fundamental" value and the market value of a security. The Adviser intends to capitalize on these periods of inefficient pricing with thoughtful security selection.

The Adviser will seek to allocate capital to credit opportunities where the Adviser believes the market yield reflects overstated risk. The Adviser believes that as this risk is properly understood by the market, the market yield should decrease accordingly. The fixed income opportunities may include publicly traded high yield debt, bank loans, senior debt, subordinated debt, preferred stock, structured credit, and other securities. These types of investments may also include "restricted securities," which have not been registered under the Securities Act pursuant to Rule 144A, or pursuant to other applicable exemptions from registration, such as participations in bank debt, trade claims, or debt obligations issued in connection with leveraged buy-outs. The Adviser's credit selection process is rigorous, given that the "upside" in credit investing is lower than that in equity investing.

The Adviser's risk management philosophy requires that all of its portfolio investments possess a substantial margin between the Adviser's estimate of intrinsic value and the market price of the security. This principle applies to both equity and fixed income positions. The Adviser believes that this margin will allow the Fund to maintain a relatively concentrated portfolio that is only comprised of investments that the Adviser believes are attractive on a risk adjusted basis. In addition, the Adviser seeks to invest a significant portion of the Fund's portfolio in securities of businesses that it believes have strong management teams and sustainable earnings potential that can withstand market vicissitudes over a long-term horizon.

Furthermore, the Adviser intends to maintain a substantial portfolio allocation to credit securities. Credit securities are more senior in a company's capital structure than equity securities and therefore, in the aggregate, are typically less risky than equity investments.

Additionally, the Mercator Fund is not required to be fully invested at all times. When the Adviser does not identify sufficiently attractive investments, it may periodically maintain a significant cash allocation, which should allow it to wait for and subsequently capitalize on corrections in the securities markets. During periods of volatility, the Adviser believes that its fixed income and cash holdings should reduce the Mercator Fund's correlation to the equity markets.

The Mercator Fund may run a relatively concentrated portfolio. The Adviser is not averse to concentration, and the detailed fundamental research that the Adviser conducts for each investment opportunity limits the number of different investments the Mercator Fund makes. While the Adviser may alter the Mercator Fund's portfolio in its sole discretion, it generally expects that, under normal conditions, long positions will typically be concentrated in about 25 investment ideas that are allocated opportunistically between equity and fixed income securities.

Though not part of the Mercator Fund's core investment strategy, the Adviser may engage in short selling in select circumstances. Generally, short selling involves selling borrowed securities or other financial instruments with the intention of subsequently purchasing and replacing those securities or other financial instruments at a lower price.

The Mercator Fund generally does not intend to use leverage except for short-term borrowing for cash management purposes, but it may from time to time incur indebtedness, generally in an amount up to 25% of the net asset value of the Fund, when the Adviser such action appropriate. In addition, the Fund may enter into total return swaps or other derivative instruments, which may contain embedded leverage, in the Adviser's sole discretion.

The Mercator Fund may also invest in new issues of securities ("new issues"), provided that the Funds comply with the rules and regulations pertaining to such investments, including the rules of the Financial Industry Regulatory Authority.

As a part of its fundamental approach to investment selection, the Adviser conducts a deep analysis of a company's financial disclosure, paying particular attention to the quality of its business model, the consistency of profitability, the drivers of revenue growth and the trajectory of free cash-flow. In addition, the Adviser focuses its analysis on the competitive dynamics of the industry in which a company operates, which will be used to estimate whether companies' or industries' profitability

is sustainable. Finally, the Adviser generally performs a number of primary research tasks that may include the following: interviews with a company's management team and other company-approved public spokespersons; background checks on key members of the management team; discussions with a company's customers and competitors; and consultation with industry consultants and trade groups related to broad industry trends and the state of competition.

The Adviser synthesizes the totality of such information and analysis in a structured template that will allow the Adviser to compare all identified potential investments in a uniform manner, regardless of the form of such investment.

The Sycale Funds

The Sycale Funds are fund-of-funds for which the investment objective is achieve attractive risk-adjusted rates of return while limiting potential value impairment and general credit market valuation risk. In pursuing this investment objective, the Adviser has sought opportunities in the distressed and undervalued credit space. At the present time, the Adviser has primarily invested the assets of the Sycale Funds in funds managed by a third-party manager who focuses on the distressed and undervalued credit space. The Adviser seeks to enhance returns through detailed due diligence on underlying funds and interfacing with the manager of the underlying funds to drive, or attempt to predict, processes to maximize value.

General

The Adviser is not limited in the methods it may use to evaluate a particular investment for either the Sycale Funds or the Mercator Funds. Although the strategy and asset allocation used by the Funds are primarily centered on the strategies mentioned above, the Adviser intends to follow a flexible approach in order to place each Fund in the best position to capitalize on opportunities in the financial markets. Accordingly, the Adviser may employ other strategies and may take advantage of opportunities in diverse asset classes if they meet the Adviser's standards of investment merit.

The Adviser's Principal, Jared Friedberg, is responsible for the general oversight and day-to-day management of the Funds' portfolios.

Investment Risks

Investing in securities involves a substantial degree of risk of loss. The Adviser's investment program is speculative and entail investment and market-related risks. The use of leverage and other investment techniques which the Adviser employees on behalf of the Funds can, in certain circumstances, substantially increase any adverse impact to which the Funds' investment portfolio may be subject. Accordingly, the Funds could experience substantial losses under certain circumstances. Funds and investors in the Funds must be prepared to bear the risk of a complete loss of their investments. There can be no assurance that the Funds will achieve their investment objectives.

This summary of risks is qualified in its entirety by the risk factors set forth in each Funds' Offering Documents.

Personnel Risk

Jared Friedberg acts as sole portfolio manager for the Funds. If Mr. Friedberg were to become unable to participate in the management of the Funds, the consequences to the Funds could be material and may lead to the premature termination of the Funds.

Concentration of Investments; Dependence Upon Other Managers

The Mercator Funds, and the Sycale Funds (through their investment in other funds), may participate in a limited number of investments and may make several investments in one industry or one industry segment. As a result, a Fund's investment portfolio could become highly-concentrated and its aggregate return may be affected substantially by the performance of only a few holdings. For example, a Fund could be subject to significant losses if it holds a relatively large position in a single industry or type of investment that declines in value, and the losses could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances.

For the Sycale Funds, investments in the funds managed by other third-party managers are highly dependent upon the expertise and abilities of such managers who have investment discretion over the Fund's assets invested in the funds managed by them. Therefore, the death, incapacity or retirement of the principals of such managers, may adversely affect investment results of a Fund. Furthermore, it should be noted that the Adviser is limited in the information it receives from such managers. As such, it may not be possible for the Adviser to uncover fraudulent activity perpetrated by such managers or their principals, employees, officers, directors and agents. The Sycale Funds will have no control over the funds managed by other third-party managers.

Investment and Trading Risk

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. The stock market has experienced volatility which affects the securities of companies. As a result, the performance of Fund accounts may experience substantial volatility and potential for loss. In particular, the Mercator Fund's investment program may utilize investment techniques, including, among others, margin transactions, leverage and options on securities, short selling, derivative financial instruments, and futures and forward contracts, which use can, in certain circumstances, increase the investment losses to which the Fund may be subject. There can be no assurance that the Adviser will correctly evaluate the nature or magnitude of the various factors that could affect the value of and return on investments.

The Mercator Fund's investments and investment strategies may rely on the use of valuation models developed by the Adviser and third-parties. As market dynamics (for example, due to changed market conditions and participants) shift over time, a previously highly successful model often becomes outdated or inaccurate, perhaps without the Adviser recognizing the change before significant losses are incurred. The Fund's model risk extends to the valuation of its investments.

Financial Market Fluctuations

General fluctuations in the market prices of securities may affect the value of the investments held by the Funds. Instability in the securities markets may also increase the risks inherent in the Funds' investments. Price movements of the instruments in which the Funds' assets may be invested may

be influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, developments or trends in any particular industry, the financial condition of the issuers of such assets, 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.

Equity Risk

The market price of securities owned by the Funds may go up or down, sometimes rapidly or unpredictably. A risk of investing in the Funds is that the equity securities in its portfolio will decline in value due to factors affecting equity securities markets generally or particular industries represented in those markets. In addition, securities which the Adviser believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame the Adviser anticipates. As a result, the Funds may lose all or substantially all of their investments in any particular instance.

Exposure to Material Non-Public Information

From time to time, the Adviser may receive material non-public information with respect to an issuer of publicly traded securities. In such circumstances, the Fund 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.

High Growth Industry Related Risks

The Fund may invest in the securities of high growth companies. These securities may be very volatile. In addition, these companies may face undeveloped or limited markets, have limited products, have no proven profit-making history, may operate at a loss or with substantial variations in operating results from period to period, have limited access to capital or be in the developmental stages of their businesses, have limited ability to protect their rights to certain patents, copyrights, trademarks and other trade secrets, or be otherwise adversely affected by the extremely competitive markets in which many of their competitors operate.

Fixed-Income Securities

The Adviser may seek to acquire bonds or other fixed-income securities on behalf of Funds, including, without limitation, commercial paper and “higher yielding” (and, therefore, higher risk) debt securities. Such securities may be below “investment grade” and may face ongoing uncertainties and exposure to adverse business, financial or economic conditions that could lead to the issuer’s inability to meet timely interest and principal payments. Fixed income securities are subject to the risk of the issuer’s or a guarantor’s inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer, and general market liquidity (i.e., market risk).

Special Situations Investments

The Adviser may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in or undergoing work-outs, liquidations, spin-offs, reorganizations, bankruptcies or other catalytic changes or similar transactions. In any investment

opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the Fund of the security or other financial instrument in respect of which such distribution is received.

Loan Participations and Assignments

The Adviser may invest in debt securities in the form of loan participations and assignments of portions of such loans. Loan participations typically represent direct participation in a loan to a corporate borrower, and generally are offered by banks, other financial institutions or lending syndicates. When purchasing loan participations, the Fund assumes the credit risk associated with the corporate borrower and may assume the credit risk associated with an interposed bank or other financial intermediary, and may only be able to enforce its rights through the lender, and may assume the credit risk of the lender in addition to the borrower. The participation interests in which the Fund invests may not be rated by any nationally recognized rating service.

Restricted Securities

The Adviser may invest in “restricted securities,” such as participations in bank debt, trade claims or debt obligations issued in connection with leveraged buy-outs. Such securities normally are purchased from institutional investors who originally acquired such securities in “private placements”, or pursuant to Rule 144A promulgated under the Securities Act, or pursuant to other applicable exemptions from registration. Restricted securities are securities that have not been registered under the Securities Act and, as a result, are subject to legal restrictions on resale. Restricted securities are not traded on established markets and may be illiquid, difficult to value and subject to wide fluctuations in value. Generally, the Adviser only invests in restricted securities when it has determined that there is an institutional market for such securities, but is not required to do so.

Convertible Securities

Convertible securities provide higher yields than the underlying equity securities, but generally offer lower yields than non-convertible securities of similar quality. The value of convertible securities fluctuates, as does that of bonds, in relation to changes in interest rates and, in addition, fluctuates in relation to the underlying common stock. In addition, convertible securities are often held in large concentrations by levered investors and hence may be materially devalued when those investors are selling, irrespective of the underlying issuer’s financial health.

Illiquid Portfolio Securities

The Adviser may invest in unregistered securities of publicly-held companies and in privately-held companies. Such investments will be illiquid and difficult to value and there will generally be no collateral to secure an investment once made. Such investments may require a significant amount of time from the date of initial investment before disposition. Sales of such securities may not be possible and, if possible, may be made at substantial discounts from cost.

Small and Medium Capitalization Companies

There is no limitation on the size or operating experience of the companies in which the Funds may invest. The securities of small and even medium-capitalization stocks are often more volatile than prices of large-capitalization stock 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, investments in these stocks may be illiquid.

Competitive Market for Investments

The securities industry generally, as well as the strategy and approach to be engaged in by the Adviser in particular, are extremely competitive. The Funds will be competing for investment opportunities against various other investors, including many of the larger securities and investment banking firms, which have substantially greater financial resources and research staffs. Competitive investment activity by other firms may reduce the Adviser’s opportunity for profit by investing in the same investment opportunities which it seeks to invest.

Non-U.S. Investments

The Adviser may invest in securities of non-U.S. corporations or countries other than the U.S. Investing in the equity securities of non-U.S. companies involves certain considerations not usually associated with investing in securities of U.S. companies, including political and economic considerations, such as greater risks of expropriation and nationalization, the potential difficulty of repatriating funds and general social, political and economic instability; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; imposition of taxes on dividends, interest payments, or capital gains; possible difficulty in obtaining and enforcing judgments against non-U.S. entities; and certain government policies that may restrict the Funds’ investment opportunities.

Investment in Emerging Markets

The Advisor may make investments in the securities markets of emerging market countries. The risks of investments in non-U.S. securities described above apply to an even greater extent to investments in emerging markets. The securities markets of emerging market countries are generally smaller, less developed, less liquid, and more volatile than the securities markets of the U.S. and developed non-U.S. markets.

Carried Interest/Performance Fee with Respect to Net Profits

The Adviser’s ability to collect carried interest or a performance fee may create an incentive for it to make investments that are riskier or more speculative than would be the case absent such arrangement.

Valuation

Investments which the Adviser believes are fundamentally undervalued or overvalued may not ultimately be valued in the capital markets at prices and/or within the time frame the Adviser anticipates. In particular, purchasing securities at prices which the Adviser believe to be distressed or below fair value is no guarantee that the price of such securities will not decline even further. The valuations of securities are made in good faith, but may or may not reflect the realizable value of any given position which may be materially lower than the Adviser’s calculations.

As part of its responsibilities, the Mercator Funds’ administrator will calculate the value of assets held, directly and indirectly, by the Fund. Although the administrator will typically calculate the

value of such securities based on pricing information from independent pricing sources as directed by the Adviser, the administrator may also rely on valuation information provided by the Adviser itself. Because the management fee is based on the calculation of the Master Fund's net asset value, and because the Adviser or its affiliate is allocated a portion of the Fund's net profits, the Adviser's involvement in the valuation of the Fund's assets presents a conflict of interest.

Distressed Security Risk

The Adviser may from time to time invest in equity securities and other financial instruments and obligations of financially stressed issuers. Such investments involve a substantial degree of risk. A Fund may lose its entire investment in a financially stressed issuer, may be required to accept cash or securities with a value less than a Fund's investment, and may be prohibited from exercising certain rights with respect to such investment.

Broker-Dealer Risk

Any cash and securities maintained by a Fund at accounts at U.S. broker-dealers registered with the SEC and FINRA are protected to a limited degree by the U.S. Securities Investor Protection Corporation (the "SIPC"). In the event of the bankruptcy of a broker-dealer, if sufficient funds are not available in the broker-dealer's customer accounts to satisfy claims, the reserve funds of the SIPC will be used to supplement the distribution, up to a ceiling of \$500,000 per customer, including a maximum of \$250,000 for cash claims. Therefore, a Fund could be at risk of loss for any amounts in excess of the SIPC limit to the extent that the broker-dealer does not maintain insurance sufficient to cover any amounts owed. Assets held outside the U.S. may be subject to different and/or diminished protection in the event of a counterparty failure located in such jurisdiction.

Prime Brokers and Custodians Risk

Institutions, such as brokerage firms or banks, will have custody of a portion of a Fund's assets. These assets may be registered in "street name" and not in the Fund's name. Bankruptcy or fraud at one of these institutions could impair the operational capabilities or the capital position of a Fund. The Adviser will attempt to concentrate its investment transactions with well-capitalized and established banks and brokerage firms in an effort to mitigate such risks.

Credit risk may also arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which a Fund will interact.

Counterparty Risk

Some of the markets in which the Adviser trades are "over-the-counter" or "inter-dealer" markets. The participants in such markets may not be subject to the same levels of credit evaluation and regulatory oversight as members of "exchange based" markets. This exposes a Fund to the risk that a counterparty will not settle a transaction due to a credit or liquidity problem, thus causing the Fund to suffer a loss.

Fraud

Of paramount concern in lending is the possibility of material misrepresentation or omission on the part of the borrower. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying the loans or may adversely affect the ability of a Fund to perfect or effectuate a lien on the collateral securing the loan.

Uncertain Exit Strategies

Due to the illiquid nature of many of the positions which the Funds may acquire, as well as the uncertainties of the reorganization and active management process, the Adviser is unable to predict with confidence what the exit strategy will ultimately be for any given core position, or that one will definitely be available.

Cybersecurity Risk

The Adviser relies extensively on computer programs, networks, devices and systems (and may rely on new systems and technology in the future) in connection with a Fund's activities, including, without limitation, to trade, clear and settle securities transactions, to evaluate certain investments based on real-time information, to monitor a Fund's portfolio and net capital and to generate risk management and other reports that are critical to oversight of a Fund's activities. In addition, certain of the Funds', the Adviser's and their affiliates' operations interface with or depend on computer programs, networks, devices and systems operated by third-parties, the administrator and market counterparties and their sub- custodians and other service providers, and the Adviser may not be in a position to verify the risks or reliability of such third-party systems. These programs or systems may be subject to certain defects, failures, interruptions or security breaches, including, but not limited to, those caused by computer "worms," viruses, power failures and social engineering schemes such as "phishing". Any such defect, failure or breach could have a material adverse effect on a Fund, the Adviser and/or their affiliates.

Global Health Crises

The securities industry is subject to risks related to public health crises such as the pandemic associated with the 2019 novel coronavirus ("COVID-19"). A global disease outbreak, and the public and private sector policies and initiatives in response thereto (such as the imposition of travel restrictions and the adoption of remote working), may impact issuers across many industries. Furthermore, pandemics may impact the broader economies of affected countries, including negatively impacting economic growth, the proper functioning of financial and capital markets, foreign currency exchange rates, and interest rates. For example, the spread of COVID-19 has led to substantial disruption and volatility in the global capital markets, which increases the cost of capital and adversely impacts access to capital. Due to the speed with which pandemics may develop and the uncertainty of their duration and the timing of recovery, the Adviser is not able to predict the extent to which a pandemic may have a material effect on a Fund's ability to implement its investment strategy or the results thereof.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in any of the Funds that the Adviser manages. Prospective investors should read the entire offering memorandum and consult with their own legal, financial, tax and other advisers before deciding to make an investment in a Fund.

Item 9 – Disciplinary Information

The Adviser, its affiliates and its related persons have no reportable material legal or disciplinary events.

Item 10 – Other Financial Industry Activities and Affiliations

There are no material limitations on the Adviser’s ability to conduct any other business, including any business within the financial or securities industry, whether or not that business is in competition with the Funds, or on the ability of personnel to serve as officers, directors, consultants, partners or security holders of one or more other investment funds, partnerships, securities firms or advisory firms. The Adviser has made seed investments in the underlying funds in which the Sycamore Funds have invested, and Mr. Friedberg serves on the advisory board of the adviser to the underlying funds.

Compass Global Advisors LLC, (“CGA”), a Delaware LLC, provides investment management services to members of a specific family (and is a “Family Office”). Compass Global Investments, LLC (“CGI”), a Delaware LLC, provides administrative services and personnel to CGA, the Adviser, the Funds and the SMA’s. An individual employed by CGI acts as the Chief Financial Officer and the Chief Compliance Officer of the Adviser.

CGA, CGI and the Adviser share office space with CGI through an arms-length arrangement. CGA and CGI are wholly-owned by a relative of Jared Friedberg. Mr. Friedberg has no ownership interest in, and does not exercise any control over, these entities. Some of the entities and individuals to whom CGA provide investment management services also may be investors in the Funds. Prior to founding the Adviser, Mr. Friedberg was co-founder and a partner in CGA.

The General Partner entities act as sponsors of their respective Funds. The Adviser does not believe that this structure creates a conflict of interest to investors.

Conflicts of interests are monitored by the Compliance Committee at its regular quarterly meeting.

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

The Adviser has adopted a Code of Ethics (the “Code of Ethics”) that generally prohibits persons associated with the Adviser from using for their own benefit (or the benefit of anyone other than a Client) information about the Adviser’s trading or investment recommendations for a Client or taking advantage of investment opportunities that would otherwise be available for a Client. The Code of Ethics covers each of the Adviser’s employees and any other natural person who is subject to Adviser’s supervision and control who (i) has access to nonpublic information regarding a Client’s purchase or sale of securities, (ii) who is involved in making securities recommendations to a Client, or (iii) who has access to securities recommendations to a Client that are not public (collectively, the “Covered Persons”). The Code of Ethics requires all Covered Persons to comply at all times with applicable U.S. federal and state securities laws, the rules of any exchange, and the

rules of any applicable self-regulatory organization.

The Code of Ethics outlines written policies regarding personal trading in any brokerage or trading account in which a Covered Person, or any member of such Covered Person's immediate family, has any direct or indirect control or beneficial ownership.

An employee is required to disclose his or her personal account holdings to the Adviser upon employment. Thereafter, Covered Persons must provide the Adviser with certain quarterly and annual securities holdings and transaction reports.

The Code of Ethics, and any supplement, amendment or restatement, is distributed to each Covered Person. Each Covered Person is required to read the Code and certify that he or she has read the Code and understands the materials contained therein. Adherence to the Code of Ethics, both in letter and in spirit, is fundamental and an absolute condition of affiliation with or employment by the Adviser.

All Covered Persons are required to promptly report all material violations and any apparent material violations of the Code of Ethics to the Adviser's Chief Compliance Officer. Employees who violate the Code may be subject to disciplinary actions, including disgorgement of profits, censure, suspension or termination of employment.

A copy of the Adviser's Code of Ethics may be requested by contacting its Chief Compliance Officer.

Other Potential Conflicts of Interest

The Adviser's affiliates, employees, and family members of employees and entities sponsored by such persons have made investments in the Funds. Therefore, the Adviser may be considered to participate, indirectly, in transactions effected for a Fund. The terms of any such transactions by and among the Adviser, the Funds, their employees, family members of employees, and entities sponsored by such persons must be approved by the General Partner or Adviser, as applicable, and may be more favorable than those paid by other investors.

The Adviser, its employees and its affiliates do not engage in principal transactions with Clients. Pursuant to the Code of Ethics, Covered Persons may hold the same securities that Clients hold, but they are limited to transacting in such securities during certain time periods and are subject to other applicable limitations regarding personal trading generally, including pre-clearance approval by the Chief Compliance Officer.

The Adviser may act on behalf of a number of Funds, Clients and accounts, including other private investment funds or separately managed accounts pursuing similar or varied investment strategies. The Adviser allocates investment opportunities among its Clients in a manner that it considers fair, reasonable and equitable. However, the Adviser may give advice and take action, with respect to any of those Clients that may differ from or be identical to the advice given, or the timing or nature of action taken, with respect to other Clients. There can be no assurance that an investment opportunity which comes to the attention of the Adviser and its affiliates will be allocated to all Clients, with some Clients being unable to participate in this investment opportunity or participating

only on a limited basis, or with other Clients not sharing the risks of the investment. A Client could be disadvantaged because of activities conducted by the Adviser for other Clients as a result of, among other things: legal restrictions on the combined size of positions which may be taken for all accounts managed by the Adviser, thereby limiting the size of any one Client's position; and the difficulty of liquidating an investment for more than one account where the market cannot absorb the sale of the combined positions. See Item 6 above regarding "Performance-Based Fees and Side-By-Side Management".

CGA and the Adviser share office space with CGI through an arms-length arrangement. CGA and CGI are wholly-owned by a relative of Jared Friedberg. Mr. Friedberg has no ownership interest in, and does not exercise any control over, these entities. Some of the entities and individuals to whom CGA provides investment management services also may be investors in entities managed and controlled by the Adviser. See Item 10 above regarding "Other Financial Industry Activities and Affiliations".

Item 12 – Brokerage Practices

The Adviser is authorized to make the following determinations in accordance with Clients' objectives and restrictions without obtaining prior consent from them or any of their investors: (1) which securities or instruments to buy or sell; (2) the total amount of securities or instruments to buy or sell; (3) the executing broker or dealer for any transaction; and (4) the commission rates or commission equivalents charged for transactions.

Selection of Brokers

In making its decisions regarding the allocation of brokerage transactions for Clients, the Adviser seeks to obtain the best execution, taking into account the following factors:

- Quality of execution, clearance and error/dispute resolution;
- Reputation, financial strength, and stability;
- Block trading and block positioning capabilities;
- Willingness to execute difficult transactions;
- Willingness and ability to commit capital;
- Access to underwritten offerings and secondary markets;
- Ongoing reliability;
- Overall costs of a trade (*i.e.*, net price paid or received) including commissions, mark-ups, mark-downs or spreads in the context of the Adviser's knowledge of negotiated commission rates currently available and other current transaction costs;
- Nature of the investment opportunities and available market makers;
- Desired timing and volume of trading activity size of trade;

- Confidentiality of trading activity;
- Market intelligence regarding trading activity; and
- The receipt of prime brokerage and related services, including introductions to management and research and industry information.

Although the Adviser generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Transactions may involve, among other things, specialized services on the part of a broker-dealer, which may justify higher commissions and equivalents than would be the case for more routine services.

In selecting brokers to effect portfolio transactions in public securities for Clients, the Adviser seeks best execution and considers the factors listed above. The Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. In addition, if the Adviser determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the research and brokerage services provided by such broker, Clients may pay commissions to such broker in an amount greater than the amount another broker might charge in return for the receipt of such research and brokerage services (“soft dollars”). When the Adviser chooses to utilize soft dollars, the Adviser receives a benefit because it does not have to produce or pay for the research, products or services. In fact, the Adviser may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on the Clients’ interest in receiving most favorable execution.

The Compliance Committee reviews the brokerage services provided to it by broker-dealers using the above criteria generally on a quarterly basis.

Research and Other Soft Dollar Benefits

Section 28(e) of the Securities Exchange Act of 1934, as amended, is a “safe harbor” that permits an adviser to use commissions or “soft dollars” to obtain research and brokerage services that provide lawful and appropriate assistance in the investment decision-making process. The Adviser’s policy is to limit the use of “soft dollars” to obtaining research and brokerage services which constitute research and brokerage within the meaning of Section 28(e). 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, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between the Adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade

affirmations.

While the Adviser has the option to use “soft dollars”, during the past fiscal year, the Adviser utilized no “soft dollars”. Note however, that research reports are acquired from various broker-dealers that the Adviser utilizes as either an executing broker or prime broker for Clients without the use of “soft dollars”. This research is not provided with “soft dollar” credits generated by specific trades, but rather would be provided by the broker-dealer because of the Adviser’s ongoing relationship with the broker-dealer.

In some instances, the Adviser may receive a product or service that may be used only partially for functions within Section 28(e) (e.g., an order management system, trade analytical software or proxy services). In such instances, the Adviser will make a good faith effort to determine the relative proportion of the product or service used to assist the Adviser in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). The proportion of the product or service attributable to assisting the Adviser in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by the Adviser from its own resources. In order to mitigate the potential conflicts described above, the Adviser requires all requests for payment with soft dollars, if any, to be reviewed and approved by the Adviser’s Chief Financial Officer.

In addition to using brokers as “agents” and paying commissions, the Adviser may cause Clients to buy or sell securities directly from or to dealers acting as principals at prices that include markups or markdowns, and may buy securities from underwriters or dealers in public offerings at prices that include compensation to the underwriters and dealers.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. Actual brokerage business received by any broker may be less than the suggested allocations, but can (and often does) exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above.

Research and brokerage services obtained by the use of commissions arising from Client transactions may be used by the Adviser in its other investment activities and thus, a particular Client may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided. Although the Adviser makes a good faith determination that the amount of commissions paid is reasonable in light of the products or services provided by a broker, commission rates are generally negotiable and thus, selecting brokers on the basis of considerations that are not limited to the applicable commission rates may result in higher transaction costs than would otherwise be obtainable. The receipt of such products or services and the determination of the appropriate allocation in the case of “mixed use” products or services create a potential conflict of interest between the Adviser and Clients.

Trade Aggregation

If necessary, the Adviser will aggregate trades to be made by Mercator Fund (Cayman Master) L.P. and the SMA’s, subject to best execution considerations. (The Sycal Funds do not transact in

publicly-traded securities.) 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. If and when Clients participate in an aggregated trade, the Adviser will allocate the trade, as between the participating Clients, on a basis that it believes is fair and equitable to each Client taking into account the best interests and account-specific mandates of each Client as well as other pertinent factors. Each Client that participates in the allocation of an aggregated order will participate at the average price for all of the participating transactions necessary to fill the trade order, with aggregated transaction costs shared equally based on each Client’s participation in the transaction.

Trade Errors

The Adviser may make mistakes with respect to investment management decisions, trading, processing or other functions performed by the Adviser or its affiliates. The Adviser seeks to ensure that each trade error is corrected in a prompt and efficient manner to minimize any adverse effect to the Funds. However, not all mistakes are considered trade errors compensable by the Adviser. The cost of any trade error is borne by the Funds unless a trade error is the result of willful misfeasance, bad faith, or gross negligence.

Liability for the cost of any trade error made by the Adviser for an SMA is as set forth in each SMA’s governing documents.

Item 13 – Review of Accounts

The Adviser provides continuous advisory services to Clients. Mr. Friedberg, the Adviser’s Portfolio Manager, as well as the Adviser’s Investment Team actively monitor current and potential future investments. They also conduct daily risk management of the investment portfolios. The risk management process also includes frequent informal dialogue and active daily monitoring of the Funds’ investments.

The Adviser provides reports in accordance with the applicable Client’s governing documents. For the Mercator Funds, the Adviser currently provides monthly statements, quarterly letters, annual financial statements and tax reporting (when appropriate). For the Sycamore Funds, the Adviser currently provides quarterly statements, annual financial statements and tax reporting (when appropriate). The annual audited financial statements of the applicable Fund are sent to investors in accordance with Rule 206(4)-2 under the Advisers Act (the “Custody Rule”).

In addition, the Adviser may agree to provide certain Fund investors with more frequent or more detailed reports of the Funds’ portfolio holdings or performance.

SMA investors receive the report set forth in their governing documents.

Item 14 – Client Referrals and Other Compensation

The Adviser does not receive any economic benefit from someone who is not a client for providing investment advice or other advisory services to its clients. The Adviser utilizes two third-party

placement agents who make referrals of investors to the Mercator Funds. Such third-party placement agents are paid based on a negotiated percentage of revenues generated from management fees and/or incentive fees from assets raised.

Item 15 – Custody

The Adviser and its General Partner affiliates are deemed to have “custody” of the Funds. All Fund assets are held in custody by qualified custodians which are unaffiliated broker-dealers or banks. In accordance with the Custody Rule, the investors in the Funds do not receive statements directly from their custodians. Instead, the Funds’ financial statements are audited on an annual basis in accordance with generally accepted accounting principles (GAAP) and the financial statements are distributed to each investor in accordance with the Custody Rule.

The Adviser and its General Partners affiliates are not deemed to have “custody” of SMA assets.

Item 16 – Investment Discretion

Pursuant to each Client’s governing documents, the Adviser has been given full investment discretion, including authorization to make the following determinations in accordance with the Client’s objectives and restrictions without obtaining prior consent from Clients or any of their investors: (1) which securities or instruments to buy or sell; (2) the total amount of securities or instruments to buy or sell; (3) the executing broker or dealer for any transaction; and (4) the commission rates or commission equivalents charged for transactions. The Adviser’s discretionary authority regarding investments may be subject to certain limitations as stated in the Client’s governing documents.

Item 17 – Voting Client Securities

The Adviser exercises proxy voting authority for Clients. The Adviser’s proxy voting policy is to vote proxies in the best interests of the Clients. It is the policy of the Adviser in voting proxies to consider and vote each proposal with the objective of maximizing long-term investment returns for Clients.

The Adviser’s policy is to vote – not abstain from voting – on all issues presented on portfolio securities held for Clients. The Adviser will consider all issues presented for a vote of security holders from an investment point of view and vote in the best investment interests of Clients.

All employees of the Adviser have a duty to report any potential conflict of interest of which they become aware regarding voting on behalf of Clients. The Adviser will consider all potential conflicts of interest brought to its attention, or that otherwise come to its attention, and will determine whether there exists a material conflict of interest with respect to the vote in question. A conflict of interest will be considered material to the extent it is determined that such conflict has the potential to influence the Adviser’s decision-making regarding the vote. Where it is deemed that a material conflict of interest does not exist, the Adviser may cast such vote, subject to the duty

to act solely in the best interest of the Clients holding the securities that are being voted. Where it is determined that a material conflict of interest does exist, and if the issue is specifically addressed in the Adviser's proxy voting policies and procedures, the Adviser will vote in accordance with the stated policies. In a situation where the issue is not specifically addressed in the policies and an apparent or actual conflict exists, the Adviser shall either: (a) delegate the voting decision to an independent third party; (b) inform investors of the conflict of interest and obtain advance requisite consent; or (c) not vote.

The Adviser generally will not vote proxies in situations where its position, across all Clients is an immaterial position (less than or equal to 1% of outstanding voting equity), or when the Adviser receives a proxy for a security which it no longer holds in the portfolio of a Client.

The Adviser's proxy voting policy and procedures contain voting guidelines on the following topics: (i) oversight over Institutional Shareholder Services (ISS), the Adviser's "proxy advisory firm", and in particular guidelines regarding establishing and over-riding preset voting guidelines; (ii) routine vs. non-routine proposals; (iii) corporate governance proposals; (iv) social issues/ESG; and (v) other types of shareholder proposals. Absent good reason to the contrary, the Adviser will generally give substantial weight to management recommendations regarding voting, and will vote for routine matters in favor of management proposals. Non-routine matters will be voted on a case-by-case basis, given the often complex nature of these issues.

Investors may not direct the Adviser's vote in any proxy solicitation. Investors may obtain a copy of the Adviser's proxy voting policies and procedures upon request.

Item 18 – Financial Information – not applicable