

Hunter Capital Limited Partnership

29 South High Street, Suite A

New Albany, OH 43054

www.huntercaplp.com

March 23, 2023

This brochure (this “Brochure”) provides information about the qualifications and business practices of Hunter Capital Limited Partnership. If you have any questions about the contents of this Brochure, please contact us by phone at (614) 289-1591 or by e-mail at josh@huntercaplp.com. 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.

Registration as an investment adviser does not imply that Hunter Capital Limited Partnership or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business.

Additional information about Hunter Capital Limited Partnership is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2. Material Changes

There are no material changes to report since March 25, 2022, the date of Hunter Capital Limited Partnership's most recent annual updating amendment to its Brochure. Nonetheless, clients are encouraged to read this document in its 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	6
Item 7.	Types of Clients	7
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss	7
Item 9.	Disciplinary Information	17
Item 10.	Other Financial Industry Activities and Affiliations	17
Item 11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	18
Item 12.	Brokerage Practices	19
Item 13.	Review of Accounts	20
Item 14.	Client Referrals and Other Compensation	21
Item 15.	Custody.....	21
Item 16.	Investment Discretion	21
Item 17.	Voting Client Securities	22
Item 18.	Financial Information	22
Item 19.	Requirements for State-Registered Advisers	22

Item 4. Advisory Business

Hunter Capital Limited Partnership (“we,” “us,” or “our”) is a Delaware limited partnership that was formed on March 19, 2018. We are owned by Grant Bowman and Brian Waterhouse (together, the “Principals”).

We provide discretionary investment advice to the following private funds (collectively, the “Flagship Funds”): (i) Hunter Capital Partners LP (the “Onshore Fund”), (ii) Hunter Capital Offshore Fund Ltd. (the “Offshore Fund”), and (iii) Hunter Capital Master Fund LP (the “Master Fund”). The Onshore Fund and the Offshore Fund are feeder funds that invest through the Master Fund. We also provide discretionary investment advice to Hunter Opportunity Fund I LP (the “Opportunity Fund,” and collectively with the Flagship Funds, the “Funds”). References throughout this document to “client” refer to the Funds and any investment vehicles that we may advise in the future.

The Funds are managed in accordance with their own investment and trading objectives, as described in their respective offering documents and governing agreements. We do not permit investors in the Funds to impose limitations on the investment activities described in such documents. Under certain circumstances, we may contract with a separately managed account client to adhere to limited risk and/or operating guidelines imposed by that client. We would negotiate such arrangements on a case-by-case basis. (See *Item 16 “Investment Discretion.”*)

Hunter Capital Fund GP LP (“Hunter GP”) serves as the general partner to the Onshore Fund and the Master Fund. Hunter Opportunity Fund I GP LLC (“Opportunity GP”) serves as the general partner to the Opportunity Fund.

We do not participate in wrap fee programs.

As of December 31, 2022, we managed \$208,959,748 of regulatory assets under management on a discretionary basis. We do not manage any assets on a non-discretionary basis.

Item 5. Fees and Compensation

Our fees and compensation are described in the advisory contracts or governing agreements we enter into with the Funds. All of our clients are “qualified purchasers” (as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended).

We are paid management fees from the Flagship Funds quarterly in advance. Once paid, the management fees are non-refundable. We may reduce, waive, assign, participate or otherwise share or modify the management fee payable with respect to any investor (including Hunter GP and any of our affiliates). We do not currently intend to offer reduced or waived management fees to any investor, other than the Principals, our employees, our affiliates, and family members or entities for the benefit of family members thereof.

We or our affiliates are entitled to receive performance-based allocations from the Flagship Funds and the Opportunity Fund, as further described in *Item 6 – Performance-Based Fees and Side-By-Side Management*.

Our compensation schedule with respect to any future client account will be contained in the Governing Documents relating to such account.

In general, the Funds bear all of their operating expenses, which will include, without limitation: (i) organizational and offering expenses; (ii) expenses associated with all investments and transactions considered, evaluated and/or consummated by the Funds, including, without limitation, those expenses incurred before the initial closing of the Funds, including, without limitation, expenses associated with sourcing, negotiating, investigating, researching, financing and structuring of investments and potential investments, whether or not consummated, including, without limitation, third-party research, data, analytics, modeling, structuring, pricing, execution and other third-party information systems, including, without limitation, installation and maintenance, software and service fees (including, without limitation, the expenses with respect to data feeds, subscriptions, expert networks, political intelligence providers and reports); (iii) research-related computer hardware and software expenses, including, without limitation, Bloomberg terminals and subscriptions; (iv) each Fund's *pro rata* share of our portfolio management system and any other software used for accounting and/or monitoring of its portfolio, including, without limitation, subscriptions relating to, among other things, trading and order management systems and services; (v) expenses associated with holding, financing, monitoring, hedging, maintaining and disposing of all investments of the Funds and all transaction and other costs associated therewith; (vi) travel and related expenses associated with investments and potential investments; (vii) professional fees associated with investments and potential investments, including, without limitation, consulting, due diligence, accounting, valuation, financial, legal and other advisory fees and expenses; (viii) transaction fees, brokerage commissions, custodial fees, clearing and settlement charges and similar fees and expenses associated with the acquisition, disposition and settling of investments and potential investments; (ix) expenses associated with legal and regulatory filings of the Funds in the United States or in any other jurisdiction including, without limitation, pursuant to Sections 13 and 16 of the Securities Exchange Act of 1934, as amended, as well as each Fund's *pro rata* portion of the expenses associated with preparation and filing of our Form 13F, Form 13H and Form PF, and any other similar filing in any other U.S. or non-U.S. jurisdiction; (x) administrative, custodial, appraisal, valuation, legal, regulatory, compliance, consulting, advisory and similar fees and expenses associated with the Funds' operations, investments and transactions, including, without limitation, fees and expenses of the Funds' administrator (the "Administrator") and fees of any service provider engaged to verify the work of the Administrator or regulatory matters with respect to the Funds; (xi) expenses incurred in connection with responding to requests or inquiries from any U.S. federal, state, local or non-U.S. governmental entity or authority, regulatory body or self-regulatory organization; (xii) costs and expenses of leverage or any other borrowings of the Funds, including, without limitation, interest charges and fees; (xiii) expenses incurred in the collection of monies owed to the Funds, as applicable; (xiv) auditing and accounting expenses of the Funds, including, without limitation, expenses associated with the preparation of financial statements, tax returns and Schedules K-1 and the fees and expenses of the auditor; (xv) any entity level taxes, fees or other governmental charges on the Funds, including, without limitation, any withholding taxes not due to the status or noncompliance of a particular investor; (xvi) costs and expenses associated with investor communications and reports and the delivery thereof to investors; (xvii) the costs of service providers or software to measure or monitor risk metrics, to aggregate positions and/or to provide reporting with respect to risk metrics and/or positions; (xviii) costs and expenses associated with meetings of investors; (xix) insurance expenses, including, without limitation, directors' and officers' liability insurance, general partner liability insurance, errors and omissions insurance and other policies, if any; (xx) costs and expenses (including, without limitation, entity-level taxes, fees or other governmental charges) associated with the formation, organization and operation of any subsidiary, special purpose vehicle, alternative investment vehicle, holding company or similar entity formed with respect to investments, credit facilities or other transactions entered into for the benefit of the Funds; (xxi) wind-up, liquidation, termination, strike off, and dissolution expenses; (xxii) costs, fees and expenses related to registration, qualification and/or exemption under any applicable U.S. federal, state, local or non-U.S. laws, rules or regulations,

including, without limitation, blue sky fees, Form D, Form 8.3, Commodity Futures Trading Commission filings and notices and other securities and/or investment-related filing expenses; (xxiii) costs related to any transfers of the Funds' interests or shares, unless otherwise charged to or borne by the applicable transferor and/or transferee; (xxiv) expenses incurred in connection with the preparation of any amendment to the Funds' operating agreements and the Funds' private placement memoranda; (xxv) expenses incurred in connection with pursuing, defending or participating in any litigation, arbitration, mediation or similar proceeding by the Funds; (xxvi) any extraordinary expenses (including, without limitation, all litigation-related and indemnification and contribution expenses, including, without limitation, the amount of any judgment or settlement paid in connection therewith); (xxvii) the management fee described above; (xxviii) fees and expenses of the Funds' directors as applicable and (xxix) all other fees, costs, charges and expenses associated with the business, affairs and/or operations of the Funds.

Certain investors in the Funds will also be subject to withdrawal fees, if withdrawals are made prior to the satisfaction of agreed-upon holding periods.

We may also allocate a portion of certain clients' capital to money market funds or exchange-traded funds. In addition to the fees and expenses discussed above, clients will indirectly incur similar fees and expenses if we invest their capital in such funds, as these funds in turn pay similar fees and expenses to their investment managers and other service providers.

For a more detailed discussion of brokerage and transaction costs, see *Item 12 - Brokerage Practices*.

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

The Flagship Funds

We or our affiliates are entitled to receive an incentive allocation from the Flagship Funds on an annual basis in arrears and upon withdrawals/redemptions by investors. Such incentive allocation is based on the net capital appreciation of the Flagship Funds' assets. We have the right, (i) to reduce, waive, assign, grant participation in or otherwise share the incentive allocation with respect to any investor (including any affiliates of Hunter GP); and/or (ii) to modify or waive the manner in which the incentive allocation is calculated with respect to any investor. We do not currently intend to offer reduced or waived incentive allocations to any investor, other than the Principals, our employees, our affiliates, and family members or entities for the benefit of family members thereof.

The Opportunity Fund

We or our affiliates are entitled to receive an incentive distribution from the Opportunity Fund based on apportioned distributions to investors. Such incentive distribution will be equal to a percentage of profits after a return of contributed capital and cumulative preferred return.

Side-by-Side Management

Performance-based compensation arrangements create an incentive for us to recommend investments that may be riskier or more speculative than those that would be recommended under a different compensation arrangement.

Currently, the Flagship Funds operate through a master-feeder structure. The Opportunity Fund pursues an investment in a single issuer (the “Designated Issuer”). The Firm may manage additional single issuer Funds in the future. The Firm recognizes its duty to seek to treat the Funds fairly and equitably. Consistent with such duty, the Firm has adopted the following procedures.

The Firm will seek to allocate investment opportunities in a Designated Issuer between Flagship Funds, on the one hand, and the Single Issuer Funds, on the other hand, on a fair and equitable basis under the circumstances existing at such time based upon a number of factors, including, but not limited to: (i) each Fund’s investment or risk restrictions or guidelines (including with respect to concentration), (ii) legal, regulatory and tax considerations, (iii) relative amounts of capital available for new investments, (iv) minimum participation thresholds the Firm deems appropriate, (v) the overall portfolio composition of each Fund, (vi) liquidity, and (vii) the desire to avoid *de minimis* allocations and odd lots. The Firm will document its allocation rationale for each investment in the Designated Issuer. The Firm currently expects to allocate all other investment opportunities solely to the Flagship Funds. In addition, because the Funds’ management fees and performance-based compensation are generally based on the Funds’ net asset values, we have a conflict of interest in valuing the Funds’ assets. To mitigate this conflict, we follow our documented valuation policies and periodically consult with auditors and the Administrator.

We may, in connection with any Fund investment, including, without limitation, a Designated Issuer, seek co-investors to invest alongside the Funds. We (i) will not be obligated to offer any investor the right to co-invest with the Funds; (ii) may offer such right to third parties and/or some and not other investors; and (iii) may determine how to allocate any such co-investment opportunities, in our sole and absolute discretion.

In addition, because the Flagship Funds’ management fees and performance-based compensation are generally based on the Flagship Funds’ net asset values, we will have a conflict of interest in valuing the Flagship Funds’ assets. To mitigate this conflict, we will follow our documented valuation policies and periodically consult with auditors and the Funds’ Administrator.

Item 7. Types of Clients

Investors in the Funds are generally high net worth individuals, institutional investors, foundations, funds of private funds, and family offices that qualify as “accredited investors” (as defined in Rule 501 under the Securities Act of 1933, as amended (the “Securities Act”)) and qualified purchasers. The minimum initial investment in the Flagship Funds and Opportunity Fund are generally \$5,000,000 and \$50,000 respectively. We may waive such minimum under certain circumstances.

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

Methods of Analysis and Investment Strategies Generally

The Flagship Funds

Investment Objective and Strategy

The investment objective of the Flagship Funds is to generate outstanding long-term returns with and for investors by employing a long-short equity strategy, while maintaining a high degree of integrity, humility and humor. It is expected that the Funds’ assets will be predominantly publicly-traded equities, although the Flagship Funds may invest in other publicly-traded asset classes (including in credit and debt

instruments). In addition, the Flagship Funds expect to invest opportunistically in privately-placed securities of all asset classes (including equity, credit, and debt instruments).

We search globally in an attempt to systematically identify and effectively monetize the most favorable risk / reward opportunities. In its simplest form, we “short zeros and own misunderstood heroes.” We employ a deeply independent, systematic idea-generation and research process, which we believe gives us a unique ability to identify and monetize these anomalous situations. We employ strict return thresholds and express our highest conviction ideas using concentrated position sizing, while overall portfolio exposures and concentrations seek to reflect the opportunity set and prudent risk management.

The investment strategies described herein are those that we currently employ on behalf of the Flagship Funds. However, there are no limitations on the investment strategies that the Flagship Funds may employ, and we may adjust the strategy that we pursue opportunistically to respond to, or to take advantage of, changing market conditions and new investment opportunities. Further, we may invest opportunistically in securities or transactions that vary from the core strategy of the Flagship Funds. There can be no assurance that the Flagship Funds’ investment objective will be achieved, and investment results may vary substantially on a monthly, quarterly and annual basis.

The Opportunity Fund

The investment objective of the Opportunity Fund is to invest its assets in a single issuer.

Investing in securities involves risk of loss that clients and investors should be prepared to bear.

Risk Factors

Our investment strategy involves significant risks. A discussion of the material risks is provided below. Prospective investors in the Funds are urged to review each Fund’s private placement memorandum or governing documents carefully and consult with their own financial, legal and tax advisers before investing.

Risk Factors Applicable to the Funds Generally

General Investment and Trading Risks. All securities investments present a risk of loss of capital. Volatile financial markets increase that risk. If our evaluation of an investment opportunity should prove incorrect, the Funds could experience losses as a result of a decline in the market value of securities in which the Funds hold a long position or an increase in the value of securities in which the Funds hold a short position. The Funds’ investment program will include short sales, which can involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which the Funds may be subject. The risk management techniques that may be used by us do not provide any assurance that the Funds will not be exposed to a risk of significant investment losses. No guarantee or representation is made that the Funds’ investment program will be successful, that the Funds will achieve their targeted returns or that there will be any return of capital invested to investors in the Funds. In addition, investment results may vary substantially over time.

Investment Judgment. The profitability of a significant portion of the Funds’ investment program depends to a great extent upon correctly assessing the future profitability of the price movements of securities and other investments. There can be no assurance that we will be able to accurately predict the long term results of any security or other investment.

General Economic Conditions. The success of the Funds' activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Funds' investments), tax considerations and tax treatment, trade barriers, currency exchange controls and national and international political circumstances (including wars, terrorist acts and security operations). These factors may affect the level and volatility of the prices and liquidity of the Funds' investments and could impair the Funds' profitability or result in losses. We may consider some or all of these factors when making trading decisions. The Funds could incur material losses even if we react quickly to difficult market conditions, and there can be no assurance that the Funds will not suffer material losses and other adverse effects from broad and rapid changes in market conditions in the future. Investors should realize that markets for the financial instruments in which the Funds will seek to invest can correlate strongly with each other at times or in ways that are difficult for us to predict. Even a well-analyzed approach may not protect the Funds from significant losses under certain market conditions.

Financial Crises and Effects on Global Financial Markets. World financial markets have in the past experienced and may in the future experience extraordinary market conditions, including, among other things, extreme losses and volatility in securities markets and the failure of credit markets to function. In reaction to these events, regulators in the U.S. and several other countries previously have taken and may in the future take regulatory actions. However, global financial markets may remain volatile, and it is uncertain whether regulatory actions will be able to prevent losses and volatility in securities markets. It is possible that regulatory actions might increase the possibility of future volatility. Regulations may increase market fragmentation and decrease the global flow of capital as it may be too difficult for the Funds and other market participants to comply with multiple regulatory regimes. There may be significant new regulations that could limit the Funds' activities and investment opportunities or change the functioning of capital markets, and there is the possibility of regional and/or worldwide economic downturn. Consequently, the Funds may not be capable of, or successful at, preserving the value of its assets, generating positive investment returns or effectively managing its risks.

Available Information. We may select investments, in part, on the basis of information and data filed by the issuers of securities with various government regulators or made directly available to us by such issuers, or through sources other than the issuers. Although we evaluate all such information and data, and seek independent corroboration when we consider it appropriate and when it is reasonably available, we are not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases complete and accurate information is not readily available.

Debt Securities. Although the Funds will trade primarily in equities, the Funds also may invest in debt or other fixed income securities, including non-investment grade securities, and similar obligations and instruments. Particularly with respect to non-investment grade securities, there is a risk that the issuer will default on its payment obligations. The market values of debt instruments may be more volatile than the values of other investments and, during periods of economic uncertainty and change, the market price of these investments may decrease significantly. Debt instruments may also be less liquid than equities, particularly during periods of market dislocation. The lack of a liquid secondary market may have an adverse effect on the market price and the Funds' ability to sell particular securities.

Leverage. The Funds will employ leverage in connection with their investment strategies and/or for any other purpose deemed necessary, desirable or appropriate at such times, in such amounts and subject to such terms and conditions as we and/or our affiliates may determine in our sole and absolute discretion. Such leverage may take a variety of forms, including, but not limited to, loans, repurchase agreements,

derivative instruments that are inherently leveraged, margin borrowing from securities brokers and dealers and other financing arrangements, as determined by us and/or our affiliates in our sole and absolute discretion. The use of leverage increases both the possibility for gain and the risk of loss. Leverage employed by the Funds may be secured by the securities holdings and other assets of the Funds. Under certain circumstances, a lender may demand an increase in the collateral that secures such obligations, and if the Funds are unable to provide additional collateral, the lender could liquidate assets held in the account to satisfy such obligations. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the Funds' borrowing and the interest rates on those borrowings, both of which will fluctuate, may have an effect on the Funds' profitability. In addition, the use of leverage may cause a U.S. tax-exempt investor to realize unrelated business taxable income.

Possible Illiquidity of Investments; Investments in Restricted Securities. The Funds expect to invest in private deals, the securities of which are not traded on public exchanges and are subject to restrictions on sale because they were acquired from the issuer in "private placement" transactions or because the Funds are deemed to be affiliates of the issuer. Generally, the Funds cannot sell these restricted securities publicly in the United States without the expense and time required to register the securities under the Securities Act and may not otherwise sell such securities in the United States unless such sale is exempt from registration under the applicable provisions of the Securities Act. Any such market or legal restrictions, or any contractual transfer limitations on the Funds may result in the relative illiquidity of certain of the Funds' investments, preventing or delaying any sale thereof or reducing the amount of proceeds that might otherwise be realized from their sale, and resulting in us and/or our affiliates potentially designating such investments as designated investments.

Co-Investment Opportunities and Co-Investments with Third Parties. We may, in connection with any Fund investment, including, without limitation, a Designated Issuer, offer the opportunity to co-invest to various parties, as further described herein. Such investments will involve risks, including the possibility that a co-investor may have financial difficulties resulting in a negative impact on such investment; may have economic or business interests or goals that are inconsistent with those of the Funds; may have direct participation or control of such investment (rather than participation through an entity controlled by us); and/or may be in a position to take (or block) action in a manner contrary to the Funds' investment objective. Investors and/or third parties may enter into compensation arrangements relating to such investments that likely will differ from those compensation arrangements otherwise applicable to other investors, including management fee and incentive compensation arrangements. Such differing compensation arrangements likely will create potential conflicts of interest between such parties and the Funds.

Institutional Risks. Institutions will have custody of the assets of the Funds. Certain assets of the Funds will be exposed to the credit risk of the dealers, brokers and exchanges through which we deal, whether we engage in exchange-traded or off-exchange transactions. These firms and/or financial institutions, regardless of how large or well-capitalized, may encounter financial difficulties that impair the operating capabilities or the capital position of the Funds. If any broker-dealer or other financial institution holding the Funds' assets were to become bankrupt or insolvent, it is possible that the Funds would be able to recover only a portion, or in certain circumstances, none of their assets held by such bankrupt or insolvent entity.

Business Continuity and Disaster Recovery. Our business operations, and the operations of our affiliates, the Funds and their portfolio companies may be vulnerable to disruption in the case of catastrophic events such as fires, natural disaster (*e.g.*, tornadoes, floods, hurricanes and earthquakes), terrorist attacks or

other circumstances resulting in property damage, network interruption and/or prolonged power outages. Although we and our affiliates have implemented measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. These risks of loss can be substantial and could have a material adverse effect on the Funds and the investors' investments therein.

Cyber Security Breaches and Identity Theft. Our information and technology systems, and the systems of our affiliates, the Funds and their service providers and their portfolio companies may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons, other security breaches and/or usage errors by their respective professionals. The techniques used to obtain unauthorized access to data, disable or degrade service or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security.

Although we and our affiliates have implemented measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, we, our affiliates, the Funds, their service providers and/or their portfolio companies may have to make a significant investment to fix or replace them. The failure of these systems for any reason could cause significant interruptions in such parties' operations and/or a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm our reputation and/or the reputation of our affiliates, the Funds and/or their portfolio companies, subject any such entity and their respective affiliates to legal claims and/or otherwise affect their business and financial performance. Specifically, cyberattacks and the failure of such systems may interfere with the processing of investor subscriptions or withdrawals/redemptions, impact the Funds' ability to value their assets, cause the release of confidential information and/or subject the Funds to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and/or additional compliance costs. The Funds also may incur substantial costs for cyber-security risk management to prevent any cyber incidents in the future. The Funds and the investors could be negatively impacted as a result.

Risk Factors Applicable to the Flagship Funds Generally

Availability of Suitable Investments. The success of the Flagship Funds' investment and trading activities depend on our ability to identify overvalued and undervalued investment opportunities and to manage market exposure risk. Identification and exploitation of the investment strategies to be pursued by the Flagship Funds involves a high degree of uncertainty. No assurance can be given that we will be able to identify suitable investment opportunities in which to deploy all of the Flagship Funds' capital. A reduction in overall market volatility and liquidity, as well as other market factors, may reduce the pool of profitable investments for the Flagship Funds. Certain of the investment strategies employed by the Flagship Funds may be based on historical relationships among securities prices, exchange rates, interest rates and bond prices. There can be no assurance that these historical relationships will continue, and no representation is made by us as to what results the Flagship Funds will or are likely to achieve based on these trends and relationships.

Concentration of Investments; Limited Diversification and Sector Investing. The Flagship Funds may hold a limited amount of positions (both long and short) at any given time and the Flagship Funds may hold relatively large positions in few securities. As a result of the Flagship Funds' possible lack of diversification,

a significant loss in any one position may have a material adverse effect on the net asset values of the Flagship Funds and the Flagship Funds' rates of return. Therefore, any fluctuation in the overall value of securities in specific industries or sectors likely will have a material effect on the performance of the Flagship Funds. Our specialized investment strategy and potential lack of diversification may be more vulnerable to changes in the economy or those industries or other factors than a broad based portfolio, and, as a result, performance results may be highly volatile and may result in the Flagship Funds significantly outperforming, or under-performing, the market as a whole.

Equity Securities. The Flagship Funds invest in equity and equity-related securities, including, without limitation, equity investments acquired in connection with restructured debt securities or instruments, or in connection with reorganizations and/or restructurings of debt securities, equity securities or other obligations and assets of undervalued, operationally challenged and/or financially troubled companies or institutions. A risk of investing in the Flagship Funds is that equity securities held by the Flagship Funds may decline in value. Equity securities fluctuate in value in response to many factors, including the activities and financial condition of individual companies, the business market in which individual companies compete, industry market conditions, interest rates and general economic environments. In addition, equity securities that we believe are undervalued or incorrectly valued may not ultimately be valued by the markets in the manner that we anticipate.

Short Sales. Short selling involves selling securities that may or may not be owned and borrowing the same securities 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 a decline in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the securities. However, since the borrowed securities must be replaced by purchases at market prices to close out the short position, any appreciation in the price of the borrowed securities would result in a loss. A short sale involves the risk of a theoretically unlimited increase in the market price of the security. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

In addition, short sellers are subject to the risk of a "short squeeze." A short squeeze is a situation in which the short seller is prematurely forced out of a short position. The lender of a security used to cover a short generally has the right to demand the return of the security that has been loaned at any time. If a lender were to demand the return of securities that the Flagship Funds had borrowed, the Flagship Funds would be required to replace the borrowed securities by borrowing identical securities from another lender. If the Flagship Funds were unable to replace the borrowed securities, they would be required to close out the short sale by buying identical securities in the market to make delivery. In such event, the Flagship Funds could incur significant losses if the securities sold short had increased in value.

The Flagship Funds also could be forced to close out a short sale prematurely as a result of an increase in margin requirements, coupled with an inability to provide the required additional margin on short notice. In addition, the cost to borrow securities in connection with short sales may be significant.

Hedging. The Flagship Funds engage in certain hedging transactions, including derivatives, options and swaps. Hedges can be more difficult to implement than many other types of transactions, and the possibilities for errors may be greater than for other transactions. Additionally, there is no guarantee that these hedging transactions will prevent losses to the Flagship Funds. The success of the Flagship Funds' hedging strategies will be subject to our ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategies 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 the Flagship Funds' hedging strategies will also be subject to our ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. In addition, hedging transactions may result in poorer overall performance for the Flagship Funds than if no such hedging transactions were executed. Moreover, we may determine not to hedge against, or may not anticipate, certain risks. Finally, the Flagship Funds may be exposed to certain risks that cannot be hedged, such as credit risk (relating both to particular investments and counterparties).

Options. The Flagship Funds may engage in the trading of options when appropriate. Such trading involves risks substantially similar to those involved in trading margined securities in that options are speculative and highly leveraged. Specific market movements of the securities underlying an option cannot accurately be predicted. The purchaser of an option is subject to the risk of losing the entire purchase price of the option. The writer of an option is subject to the risk of loss resulting from the difference between the premium received for the option and the price of the security underlying the option which the writer must purchase or deliver upon exercise of the option.

Derivatives. The Flagship Funds may invest in derivative financial instruments. In addition, the Flagship Funds may, from time to time, utilize both exchange-traded and over-the-counter futures, options and contracts for differences, for hedging purposes, as well as other derivatives. Regulatory restraints may restrict the instruments that the Flagship Funds may trade. Such derivative instruments are highly volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a gain or a loss which is high in proportion to the amount of funds actually placed as initial margin, and may result in unquantifiable further losses exceeding any margin deposited. Further, when used for hedging purposes, there may be an imperfect correlation between these instruments and the investments or market sectors being hedged.

Forex Trading. The Flagship Funds may enter into transactions that are not traded on an exchange, and the funds the Flagship Funds invest in those transactions may not receive the same protections as funds used to margin or guarantee exchange-traded futures and options contracts. If the counterparty becomes insolvent and the Flagship Funds have claims for amounts deposited or profits earned on transactions with the counterparty, the Flagship Funds' claims may not receive a priority. Without a priority, the Flagship Funds are general creditors and their claims will be paid, along with the claims of other general creditors, from any monies still available after priority claims are paid. Even the Flagship Funds' funds that the counterparty keeps separate from its own operating funds may not be safe from the claims of other general and priority creditors. Forex trading can quickly lead to large losses as well as gains. Such trading losses can sharply reduce the net asset values of the Flagship Funds.

Securities Lending and Borrowing. The Flagship Funds lend securities to securities brokers and other institutions as a means of earning additional income, or may borrow securities from securities brokers or other institutions to cover short positions. The cost of such borrowing may be significant. If the other party to such transaction becomes insolvent or bankrupt, the Flagship Funds could experience delays and extra costs in recovering payment or the securities. To the extent that, in the meantime, the value of securities changes, the Flagship Funds could experience further losses. Security loans must be fully collateralized, and we must be satisfied with the creditworthiness of the other party to the transaction.

Price and Liquidity Fluctuations of Investments. It is expected that the majority of the Flagship Funds' investments will be in public securities. However, the market value of the Flagship Funds' investments may fluctuate with, among other things, changes in prevailing interest rates, general economic conditions,

the condition of financial markets, developments or trends in the securities markets and the financial condition of the issuers of the securities in which the Flagship Funds invest. During periods of limited liquidity and higher price volatility, the Flagship Funds' ability to acquire or dispose of their investments at a price and time that the Flagship Funds deem advantageous may be impaired. As a result, in periods of rising market prices, the Flagship Funds may be unable to participate in price increases fully to the extent that they are unable to acquire the desired positions quickly; the Flagship Funds' inability to dispose fully and promptly of positions in declining markets will conversely cause its net asset values to decline as the value of unsold positions is marked to lower prices.

Trade Error Risk. Trade errors include, for example, keystroke errors that occur when entering trades into an electronic trading system or typographical or drafting errors related to derivatives contracts or similar agreements. Given the volume and complexity of transactions executed by us on behalf of the Flagship Funds, trade errors are likely to occur, notwithstanding the execution of due care and special procedures designed to prevent such errors. If trading errors do occur, we will reimburse each client account for net losses in accordance with the terms of the Flagship Funds' offering documents.

Competition. The securities industry is extremely competitive. We will compete 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 Flagship Funds' opportunity for profit by reducing the availability of or increasing the price of what we believe to be, based on the Flagship Funds' investment criteria, exceptional investment opportunities.

Securities Market Volatility. Securities markets are volatile and may decline significantly in response to adverse issuer, political, regulatory, market or economic developments. Different parts of the market and different types of debt and equity securities may react differently to these developments. For example, small cap stocks may react differently than large cap stocks. Issuer, political or economic developments may affect a single issuer, issuers within an industry, sector or geographic region, or the market as a whole.

Risk of Operations/Liquidity Risks. Although the securities that the Flagship Funds may acquire generally will be traded on public exchanges, each exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension could render it difficult or impossible for the Flagship Funds to liquidate their positions and would thereby expose them to losses. In addition, some of the securities in which the Flagship Funds may invest may be thinly traded, potentially making it difficult for the Flagship Funds to dispose of a position at the time or price desired. Moreover, in periods of extreme market volatility, the bid/ask spreads for some securities that ordinarily are liquid may widen, making it difficult or undesirable to sell the securities. There can be no assurance that the trading markets will remain liquid enough for management to close out existing positions at any time there is a need to do so.

Risks of Foreign Investments. The Flagship Funds invest in securities of foreign companies, governments and government agencies. Investing in such securities, which are generally denominated in foreign currencies, and the use of forward foreign currency exchange contracts, involves unusual risk not typically associated with investing in securities issued by U.S. companies or by the U.S. government or its agencies or instrumentalities. Investing in emerging markets poses greater risks and a greater potential for returns than investing in developed countries. Securities of companies in these emerging markets are generally more volatile and may be much more volatile than securities issued by companies located in developed countries. The Flagship Funds may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rate between such currencies and the U.S. dollar. Moreover, individual foreign

economies may compare unfavorably with the U.S. economy in growth of gross national product, rate of inflation, rate of savings and capital reinvestment, resource self-sufficiency, balance-of-payment positions and in other respects. Some of the countries in which the Flagship Funds may invest have laws and regulations that currently preclude or severely restrict direct foreign investment in securities of their companies. Securities of some foreign companies are less liquid, and their prices are more volatile than securities of comparable U.S. companies. Investing in foreign securities creates a greater risk of securities clearance and settlement problems. Further, some of the securities in which the Flagship Funds may invest may be thinly traded and relatively illiquid or may cease to be traded after the Flagship Funds invest in them. In addition to being illiquid, such securities may be issued by unseasoned companies and may be highly speculative. In addition, the Flagship Funds occasionally may acquire relatively large positions in a few securities. In such cases, and in the event of extreme market activity, the Flagship Funds may not be able to liquidate investments promptly, if the need should arise, which could materially and adversely affect the results of such investments.

Company Capitalization. The Flagship Funds may invest in securities of companies with various capitalizations where such companies meet the Flagship Funds' investment criteria. While such companies may provide significant potential for appreciation, such investments, particularly small-capitalization securities, involve higher risks in some respects than do investments in securities of larger companies. The prices of small capitalization and even medium-capitalization and mid-capitalization securities are often more volatile than prices of large capitalization securities and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to long investors) is higher than for larger, "blue-chip" companies. In addition, due to thin trading in some small-, mid- and medium-capitalization securities, an investment in those securities may be illiquid. The small-, mid- and medium-capitalization securities may, at times, significantly underperform the large capitalization securities and may do so in the future. A related concern for short sale risk is that smaller companies tend to be more readily acquired.

Securities of Sub-Investment Grade Companies. Special risks may arise if the Flagship Funds invest in the securities of sub-investment grade and highly-leveraged companies. Although such investments may result in significant returns to the Flagship Funds, they involve a substantial degree of risk. If the "natural leverage" created by a company's high level of borrowing works against a Fund's short position, the Fund's losses would be heightened. If the Flagship Funds purchase distressed and/or non-performing debt securities, and subsequent to purchasing them finds that they are no longer readily traded by broker-dealers, these securities may not show any return for a considerable period of time. Many distressed and/or non-performing securities ordinarily remain unpaid while the company is in bankruptcy and may not ultimately be paid unless and until the company reorganizes and/or emerges from bankruptcy proceedings. As a result, if they are no longer readily traded by broker-dealers, such securities may have to be held for an extended period of time. There is no assurance that we will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to a company in which the Flagship Funds invest, the Flagship Funds may lose their entire investment. Under such circumstances, the returns generated from the Flagship Funds' investments may not compensate the investors adequately for the risks assumed.

Special Situation Investments. The Flagship Funds may invest in companies involved in, or that are 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, 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 Flagship Funds of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Flagship Funds may be required to sell their investments at a loss. Because there is substantial uncertainty concerning the outcome of the transactions involving financially troubled companies in which the Flagship Funds may invest, there is a potential risk of loss by the Flagship Funds of their entire investment in such companies.

Borrowing; Interest Rates; Margin. We and/or our affiliates borrow funds from brokerage firms and banks on behalf of the Flagship Funds to be able to increase the amount of capital available for marketable securities investments. The rates at which the Flagship Funds can borrow, in particular, will affect the operating results of the Flagship Funds. Even if a Fund make a profit on a trade, the interest expense incurred in carrying the position may exceed the profit generated by the trade. Any use of short-term borrowings or repurchase agreements will result in certain additional risks to the Flagship Funds. For example, should the securities pledged to brokers to secure the Flagship Funds' margin accounts or repurchase obligations decline in value, the Flagship Funds could be subject to "margin calls," pursuant to which the Flagship Funds must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In the event of a sudden drop in the value of the Flagship Funds' assets, the Flagship Funds might not be able to liquidate assets quickly enough to pay off their margin debt.

Counterparty Risk. Brokers may trade with an exchange as principals on behalf of the Flagship Funds, in a "debtor-creditor" relationship, unlike other clearing broker relationships where the broker is merely a facilitator of the transaction. Such broker could, therefore, have title to all of the assets of the Flagship Funds (for example, the transactions that the broker has entered into on behalf of the Flagship Funds as principal as well as the margin payments that the Flagship Funds provide). In the event of such broker's insolvency, the transactions into which the broker has entered as principal could default, and the Flagship Funds' assets could become part of the insolvent broker's estate, to the detriment of the Flagship Funds. The Flagship Funds' assets may be held in "street name," in which case, a default by the broker could cause the Flagship Funds' rights to be limited to that of unsecured creditors.

To the extent that the Flagship Funds invest in swaps, derivative or synthetic instruments, or other over-the-counter transactions, including forward contracts, or, in certain circumstances, non-U.S. securities, the Flagship Funds may also take a credit risk with respect to the parties with whom they trade and may bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions, which generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

Discretion and Changes in Investment Strategy. We have considerable discretion in choosing the securities that may be acquired, and we have the right to modify the investment strategy, selection criteria or hedging techniques used by the Flagship Funds without the consent of the investors.

Outsourced Trading. We delegate the authority to select brokers for the Flagship Funds' transactions to a third party. As a result, the Flagship Funds' expenses will be higher, as a result of paying such third party than if we traded directly with such brokers.

Risk Factors Applicable to the Opportunity Fund Generally

Diversification Risk. The objective of the Opportunity Fund is to invest its assets in a single issuer (together with any successors thereof, the “Portfolio Company”). As a result of the Opportunity Fund’s lack of diversification, a significant loss in the Portfolio Company will have a material adverse effect on the net asset value of the Opportunity Fund and the Opportunity Fund’s rate of return. Diversification of the Opportunity Fund assets among different industries is not a goal of the Opportunity Fund.

Difficulty in Valuing Portfolio Investments. Generally, there will be no readily available market for the Opportunity Fund’s investment and such investment will be difficult to value. Despite our efforts to acquire sufficient information to monitor the Opportunity Fund’s investments and make well-informed valuation and pricing determinations, we may only be able to obtain limited information at certain times. It is possible that we may not be aware on a timely basis of material adverse changes that have occurred with respect to the Opportunity Fund’s investment, and therefore may have to make valuation determinations without the benefit of an adequate amount of relevant information. Potential investors should be aware that as a result of these difficulties, as well as other uncertainties, any valuation made by us may not represent the fair market value of the securities acquired by the Opportunity Fund.

Litigation Risk. Companies such as the Portfolio Company may be subject to litigation, including bankruptcy litigation, shareholder derivative suits, and creditor suits. The adverse impact of such litigation may reduce the profitability of the Portfolio Company and, as a result, may reduce returns to the Opportunity Fund.

Discretion in Restructuring the Investment. We have considerable discretion in restructuring the Opportunity Fund’s investment (including, without limitation, in connection with any bankruptcy, reorganization, refinancing, workout, or similar transaction) without the consent of the Opportunity Fund’s limited partners.

Item 9. Disciplinary Information

here are no legal or disciplinary events that are material to a client’s or prospective client’s evaluation of our advisory business or our management.

Item 10. Other Financial Industry Activities and Affiliations*Services by Related Persons*

As noted above, Hunter GP serves as the general partner to the Onshore Fund and the Master Fund, and Opportunity GP serves as the general partner to the Opportunity Fund.

Management of Multiple Client Accounts

The management of multiple client account results in a potential conflict of interests when we and our related persons allocate time and investment opportunities among such accounts. For example, our Principals and/or other related persons have a greater portion of their personal assets invested in certain of our client accounts than in others. In addition, the compensation we and our affiliates earn from each client account is expected to differ from the compensation earned from other client accounts. In order to mitigate associated conflicts, we will generally follow documented procedures in allocating investment opportunities among our clients. (See Item 6 – Performance-Based Fees and Side-By-Side Management)

A cross-trade occurs when an investment adviser effects a trade between two or more of its advisory clients. If we were to cause a cross-trade between two Funds, it may result in a conflict of interest because the transaction may result in benefits to one Fund that may be greater than the benefits to the other Fund. We do not generally expect to engage in cross trades. In the event that we determine to make a cross-trade, we will only do so if we determine that it is in the best interests of, and is fair and equitable to, the participating Funds. All cross-trades between the Funds require the prior approval of our Chief Compliance Officer (the “CCO”). Cross-trades, if any, would generally be made at the closing price for the applicable security on such day or, if no closing price is available, at a price for the relevant security that is determined in accordance with our documented valuation policies. No brokerage commission, transfer fee or other commission will be paid to us or our affiliates in connection with any such transaction.

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

Code of Ethics Overview

We have adopted a Code of Ethics, which is designed to help ensure that we conduct our business in accordance with all applicable laws and regulations and in an ethical and professional manner. In addition, our Code of Ethics sets forth standards of conduct for our employees to ensure that they conduct their business on our behalf in a manner that enables us to fulfill our fiduciary duty to our clients.

Among other things, our Code of Ethics: (i) governs personal trading by our employees, (ii) contains our policies with respect to gifts and entertainment, (iii) contains our policies regarding certain outside activities of our employees, (iv) sets forth our policies and procedures relating to insider trading, and (v) sets forth the manner in which employees may report violations of law or our policies and procedures. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Personal Trading Policy

Employees are generally prohibited from engaging in personal trading, but are able to transact in exchange-traded funds and private investments after obtaining prior written consent of our CCO. Additionally, employees are required to provide our CCO with periodic reporting relating to their trading activity and personal accounts. Prohibitions relating to personal trading also generally apply to an employee’s spouse or minor child, or an immediate family member of an employee living in the same household as such employee.

Participation or Interest in Client Transactions

We make available to qualified prospective investors the opportunity to invest in the Funds. Our Principals have significant personal investments in the Funds. In addition, we and our affiliates are entitled to receive performance-based allocations from one or more Funds.

We will not engage in any principal transactions unless we have determined that the transaction is in the relevant clients’ best interests and have obtained client consent in accordance with our written procedures and applicable law.

Item 12. Brokerage Practices*Selection of Brokers*

We have an obligation to seek to obtain “best execution” for the Funds with respect to their trading activity. While not defined by statute or regulation, best execution generally means the execution of client trades at the best net price considering all relevant circumstances. We will seek best execution with respect to all types of Fund transactions, taking into account the following factors: (i) the ability to achieve prompt and reliable executions, (ii) the ability to obtain access to a security, (iii) the financial stability and reputation of the particular broker-dealer, (iv) the quality, comprehensiveness, frequency of available research and related services considered to be of value to the Funds, and (v) the competitiveness of commission rates in comparison with other broker-dealers.

Brokers sometimes suggest a level of business they would like to receive in return for the various services they provide. We will not commit to provide any level of brokerage business to any broker, and 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.

We have established a Management Committee, which meets on a semi-annual basis to evaluate, among other things, the execution that we are receiving from broker-dealers. In conducting our analysis, the committee considers, among other things, the factors listed above.

Research and Other Soft Dollar Benefits

We have entered into soft dollar arrangements with brokers. Soft dollar arrangements arise when an investment adviser obtains products and services, other than securities execution, from a broker in return for directing client securities transactions to the broker. Soft dollar arrangements create a potential incentive to select a broker based on our interest in receiving the research or other products or services offered by such broker, rather than on our clients’ interests in receiving most favorable execution. Further, soft dollar arrangements pose a possible conflict of interest for us in that such arrangements potentially allow us to pay with client commissions expenses that would otherwise be borne by us.

When engaging in soft dollar transactions, we comply with the safe harbor requirements of Section 28(e) of the Securities Exchange Act of 1934, as amended. Under this provision, in exercising our discretionary authority to select or arrange for the selection of brokers for execution of transactions for our clients, and, subject to our duty to obtain best execution, we may consider the value of research and brokerage products and services provided by such brokers. Accordingly, if we determine in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and products or services provided by such broker, a client may pay commissions to such broker in an amount greater than the amount another broker might charge.

Research provided by such brokers may be used to service all clients and not exclusively in connection with the management of the clients that generated the particular soft dollar credits.

Where a product or service obtained with client commission dollars provides both research and non-research assistance to us, we will make a reasonable allocation of the cost which may be paid for with client commission dollars.

We also execute securities transactions on behalf of the Funds with broker-dealers that provide us with access to proprietary research reports (such as standard investment research and credit reports). To our knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. These bundled services are made available to us on an unsolicited basis and without regard to the rates of commissions charged or paid by clients or the volume of business that we direct to such broker-dealers.

During our last fiscal year, we acquired with client brokerage commissions (or markups or markdowns): (i) research, such as proprietary research from brokers (ii) research services, such as consultation with industry consultants concerning specific companies, industries or sectors (iii) financial database software and services, (iv) market data, and (v) computerized news.

Brokerage for Client Referrals

Subject to applicable law, we direct client brokerage business to brokers that refer prospective investors to us. Because such referrals, if any, are likely to benefit us but may not provide a benefit to our clients, we would have a conflict of interest with our clients when allocating brokerage business to such brokers. To mitigate this potential conflict, we will not allocate brokerage business to a referring broker unless we determine that such allocation is consistent with our best execution duties.

Trade Errors

We may on occasion experience errors with respect to trades made on behalf of client accounts. We will reimburse each Fund for net losses resulting from trade errors in accordance with the terms of the Funds' offering documents.

Aggregation of Orders

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. Aggregation opportunities for us generally arise when more than one client account is capable of purchasing or selling a particular security.

To the extent that a security is purchased or sold for more than one client, we will generally aggregate orders for such security unless aggregation is not consistent with our duty to seek best execution or the terms of the investment guidelines and restrictions applicable to client accounts. Each client that participates in an aggregated order will participate at the average price for all of our transactions in that security on a given business day, with transaction costs shared *pro rata* based on each client's participation in the transaction. When an aggregated order is only partially filled, we will allocate the investment opportunity on a *pro rata* basis in accordance with our intended allocation, as described in *Item 6* above.

Item 13. Review of Accounts

Review of Accounts

The Funds' portfolios are reviewed, and their performance analyzed, by our Principals on a continuous basis. In addition, our Principals regularly review the Funds' portfolios to determine that the securities held by them remain consistent with their investment strategies, objectives and guidelines.

Reporting

We furnish investors in the Flagship Funds with written unaudited performance reports on no less than a monthly basis and unaudited account statements on a monthly basis. We will furnish investors in the Opportunity Fund unaudited account statements on a quarterly basis. In addition, on an annual basis, we provide investors with a copy of the relevant Fund's annual audited financial statements and, if applicable, a statement of taxable income (Schedule K-1).

Pursuant to "side letter" or other agreements, we may provide certain investors with access to more frequent and/or more detailed information regarding the Funds' securities positions, performance, finances, and management and/or other information about the Funds or us (including notifications of withdrawals/redemptions from a Fund by us and/or our personnel), possibly enabling such investors to better assess the prospects and performance of the Funds.

In addition, investors may be provided with certain information about us and the Funds in response to questions and requests. This information may not be distributed to other investors or prospective investors. Each investor is responsible for asking such questions as it believes are necessary in order to make its own investment decisions and must decide for itself whether the limited information provided by us is sufficient for its needs.

Item 14. Client Referrals and Other Compensation

Other than the products and services that we receive from broker-dealers (described above in *Item 12*), we do not receive any economic benefits from third parties in connection with the provision of investment advice to the Funds.

We do not compensate any third-party marketers for introductions to potential investors or clients.

Item 15. Custody

For purposes of Rule 206(4)-2 under the Advisers Act (the "Custody Rule"), we are deemed to have custody over the Funds' assets. In accordance with the Custody Rule, a qualified custodian is not required to deliver quarterly account statements to the Funds or their respective investors as long as: (i) the Funds are audited by an independent public accountant that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board, (ii) the Funds' audited financial statements are prepared in accordance with U.S. generally accepted accounting principles, and (iii) we deliver such annual audited financial statements to investors within 120 days after the end of each Fund's fiscal year.

Item 16. Investment Discretion

We have discretionary authority to manage securities and other investments on behalf of the Funds. The investors in the Funds generally may not place any limits on our authority beyond the limitations set forth in their offering and governing documents. Under certain circumstances, we may contract with a separately managed account client to adhere to limited risk and/or operating guidelines imposed by the client. We would negotiate such arrangements on a case-by-case basis.

Item 17. Voting Client Securities

We generally have voting discretion over securities held in our clients' accounts and clients are not able to direct their votes in a particular situation. We have adopted proxy voting policies and procedures, which are summarized below.

In the absence of specific voting guidelines from the client or conflicts of interest, we will vote all proxies in the best interests of each client, which may result in different voting results for proxies for the same issuer. In addition, we may determine to abstain from voting a proxy if we believe that such action is in the best interests of a particular client. We may take into account the following factors, among others, in determining if a specific proposal is in the best interests of a particular client: (i) management of the issuer's views and recommendations on such proposal, (ii) whether the proposal may have the effect of entrenching existing management and/or making management less responsive to shareholders' concerns (e.g., instituting or removing a poison pill, classified board of directors and/or other anti-takeover measure), and (iii) whether we believe that the proposal will fairly compensate management for its and/or the issuer's performance. If we deem that the issue being voted upon is not material for us and our clients, we will not be obligated to vote on such matter.

Conflicts of interest may arise between the interests of our clients and us or our affiliates. If we determine that we have, or could be perceived to have, a conflict of interest when voting proxies, we will vote in accordance with our proxy voting policies and procedures. We will provide a copy of our proxy voting policies and procedures to clients upon request. We will also disclose to clients how we voted proxies for securities owned by such client upon request.

Item 18. Financial Information

We are not required to include our balance sheet for our most recent fiscal year with this Form ADV, Part 2A.

Item 19. Requirements for State-Registered Advisers

We are not a state-registered adviser.